

**CITY OF BALTIMORE  
COUNCIL BILL 10-0435  
(First Reader)**

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Introduced by: The Council President  
At the request of: The Administration (Housing Authority of Baltimore City)  
Introduced and read first time: January 11, 2010  
Assigned to: Taxation, Finance and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Housing Authority of Baltimore City,  
Department of Finance

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Housing Authority of Baltimore City –**  
3 **Amendment to 1950 Cooperation Agreement**

4 FOR the purpose of approving and authorizing amendments to the 1950 Cooperation Agreement  
5 between the Mayor and City Council of Baltimore and the Housing Authority of Baltimore  
6 City, to include certain properties in the Barclay/East Baltimore Midway neighborhoods in  
7 Baltimore City; and providing for a special effective date.

8 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That  
9 the Mayor and City Council of Baltimore approves and authorizes the following Amendatory  
10 Agreement to the Cooperation Agreement, dated March 29, 1950, between the Mayor and City  
11 Council of Baltimore and the Housing Authority of Baltimore City, as approved by Ordinance  
12 50-1077 (the “Cooperation Agreement”), and as further amended and extended from time to  
13 time, to include additional low-rent housing projects:

14 THIS AMENDATORY AGREEMENT is made and entered into this \_\_\_\_ day of  
15 \_\_\_\_\_, 20\_\_, by and between the Mayor and City Council of Baltimore (the  
16 “City”) and the Housing Authority of Baltimore City (“HABC”).

17 WHEREAS, under Title 12 of the Housing and Community Development Article  
18 (“HCD Article”) of the Maryland Code, HABC has entered into one or more contracts  
19 with the U.S. Department of Housing and Urban Development (“HUD”) for loans and  
20 annual contributions in connection with the development or administration of low-rent  
21 housing, all pursuant to the United States Housing Act of 1937, as amended (the “Act”).

22 WHEREAS, by Ordinance 50-1077, approved March 29, 1950, the City entered into a  
23 Cooperation Agreement with HABC for the development of 10,000 low-rent dwelling  
24 units, to be located within the corporate limits of Baltimore City, and agreed to assist and  
25 cooperate with HABC in that undertaking, all in compliance with the Act.

26 WHEREAS, The Cooperation Agreement was further amended and extended by  
27 Ordinance 70-791, Ordinance 77-293, Ordinance 81-292, and Ordinance 05-028 to  
28 provide for the development and rehabilitation of scattered-site units to be used as low-  
29 income public housing.

EXPLANATION: CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

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1           WHEREAS, HABC and its development partners seek to substantially rehabilitate and  
2 construct not more than 160 scattered-site, low-income housing units in the Barclay/East  
3 Baltimore Midway neighborhoods in Baltimore City (the “Housing Project”) in four  
4 phases.

5           WHEREAS, funding has been and will further be made available to HABC from HUD  
6 and to the developer from other public and private funding sources to develop and  
7 operate the Housing Project.

8           WHEREAS, the Act now authorizes HABC to own, operate, assist, or otherwise participate  
9 in one or more mixed-finance projects, as more specifically defined in Section 35 of the Act.

10           WHEREAS, the Housing Project will be a mixed-finance project, as that term is defined in  
11 Section 35 of the Act, to be developed, owned, and managed as housing projects for persons  
12 of eligible income, by entities in which HABC has or will have an ownership interest, all in  
13 accordance with HCD Article § 12-503(a)(7).

14           WHEREAS, the Housing Project will be developed and owned by entities subject to a 99-  
15 year ground lease on the land owned in fee simple by HABC, and will be reserved as low-  
16 income housing for eligible low-income persons.

17           WHEREAS, Under HCD Article § 12-104, any property belonging to HABC or a nonprofit  
18 housing corporation or any property used as housing for persons of eligible income that is  
19 owned by an entity related to HABC is exempt from all taxes and special assessments. In  
20 lieu of taxes and special assessments, HABC, a nonprofit housing corporation, or an entity  
21 related to HABC “shall pay the [City] an amount, if any, that may be set by mutual  
22 agreement and that does not exceed the amount of regular taxes levied on similar property.”

23           WHEREAS, the Housing Project will include not more than 160 dwelling units to be  
24 occupied by persons of eligible income.

25           WHEREAS, HABC and entities related to HABC are desirous of making certain Payments  
26 in Lieu of Taxes to the City for the Housing Project, and the City is desirous of cooperating  
27 with HABC and HUD by furnishing or causing to be furnished to the Housing Project and its  
28 qualified tenants certain public services, all in conformity with Section 5(e) and 6 of the Act.

29           NOW, THEREFORE, in consideration of the mutual covenants set forth, the City and  
30 HABC agree as follows:

- 31           1. Notwithstanding any limitations or restrictions set forth in Sections 1 and 3(a) of  
32 the Cooperation Agreement, the Mayor and City Council approves and authorizes  
33 the extension of the Cooperation Agreement, in all its applicable terms,  
34 covenants, and conditions to the low-rent, mixed-finance Housing Project,  
35 composed of not more than 160 low-rent dwelling units in total, to be occupied by  
36 persons of eligible income. The Housing Project shall be developed on sites  
37 located in the Barclay/East Baltimore Midway neighborhoods in Baltimore City  
38 and owned by entities in which HABC has or will have an ownership interest.
- 39           2. In all other respects, the Cooperation Agreement, as amended, shall continue and  
40 remain in full force and effect.

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1 IN WITNESS WHEREOF, The City and HABC have respectively signed this Agreement  
2 and caused their seals to be affixed and attested as of the day and year first above written.

3 ATTEST: MAYOR AND CITY COUNCIL OF BALTIMORE

4 \_\_\_\_\_ By \_\_\_\_\_  
5 Mayor

6 ATTEST: HOUSING AUTHORITY OF BALTIMORE CITY

7 \_\_\_\_\_ By \_\_\_\_\_  
8 Chair

9  
10 APPROVED AS TO FORM AND LEGAL SUFFICIENCY, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

11 \_\_\_\_\_  
12 City Solicitor

13 APPROVED BY THE BOARD OF ESTIMATES, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

14 \_\_\_\_\_  
15 President

16 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the Amendatory Agreement becomes  
17 binding upon the Mayor and City Council of Baltimore on its execution on behalf of the Mayor  
18 and City Council of Baltimore by the Mayor, and its execution on behalf of the Housing  
19 Authority of Baltimore City by the Chair of its Board of Commissioners, subject to the approval  
20 as to form and legal sufficiency by the City Solicitor of Baltimore and approval by the Board of  
21 Estimates of Baltimore, duly endorsed in the spaces provided on the Agreement.

22 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the date it  
23 is enacted.