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| FROM | NAME & TITLE | David E. Scott, Director | CITY of BALTIMORE MEMO |  |
| | AGENCY NAME & ADDRESS | Department of Public Works 600 Abel Wolman Municipal Building | | |
| | SUBJECT | CITY COUNCIL BILL 08-0160 | | |

DATE: October 2, 2008

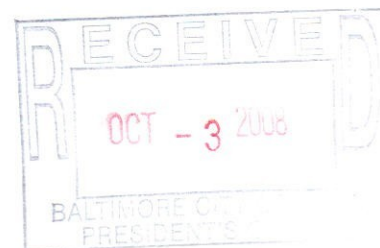
TO

The Honorable President and Members
of the Baltimore City Council
c/o Karen Randle
Room 400 - City Hall

I am herein reporting on City Council Bill 08-0160 introduced by Council President Rawlings Blake on behalf of the Administration (Baltimore Development Corporation).

The purpose of the Bill is to designate a "development district" to be known as the "Westport Waterfront Development District"; provide for and determine various matters in connection with the establishing of the development district; create a special, tax increment fund for the development district; allocate certain property taxes to that fund; make certain findings and determinations; provide for a special effective date; and generally providing for matters relating to the designating and operating of the development district and establishing and using of the special, tax increment fund to provide for the payment by or reimbursement to the City for debt service which the City is obligated to pay or has paid (whether such obligation is general or limited) on any special obligation bonds or notes issued by the City or any "state obligations" issued in connection with the development district, the replenishing of any reserve fund, and the paying of certain expenses and administrative costs relating to the operation of the development district.


City Council Bill 08-0160, if approved, would designate the following properties as the Westport Waterfront Development District: Ward 25, Section 05, Block 7611, Lot 001; and Block 7612, Lots 001, 003, 005, 005A, and 006; together with adjoining roads, highways, alleys, rights-of-way and other similar property (Exhibit 1). The properties are bounded by Kloman Street, the property known as 1999 Kloman Street, the Middle Branch of the Patapsco River, Waterview Avenue, and the property known as 2919/23 Waterview Avenue. Plans for this area are to redevelop the property with a combination of housing, retail, and hotel uses. Creation of this District would allow for the issuance of bonds and a tax increment fund to assist with infrastructure to support the development and site improvements.



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Revenues and receipts from the real property taxes representing the levy on the tax increment would be deposited in a special tax increment fund for developing the district. Another legislative bill (City Council Bill 08-0161), if approved, would create a tax increment financing district for this area. In addition, City Council Bill 08-0162, if approved, would allow for the issuing and selling of up to \$160,000,000 in State Obligations for the Westport Waterfront Development District. The intent of this and companion legislation is to assist with the revitalization of the area by financing or refinancing the investment in infrastructure improvements. The special tax fund created through the Special Taxing District would be used to pay the debt service incurred by the City for the State Obligations.

Based on these findings, the Department of Public Works supports passage of City Council Bill 08-0160.



David E. Scott, P.E.
Director

DES/MMC:pat

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