
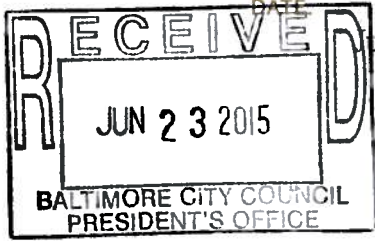


FROM	NAME & TITLE	Stephen Kraus, Deputy Director 
	AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall (396-4676)
	SUBJECT	City Council Resolution #15-0226R – Community Development in Struggling Neighborhoods

CITY of
BALTIMORE
MEMO



TO The Honorable President and Members
of the City Council
Room 400, City Hall



DATE June 22, 2015

ATTENTION: Ms. Natawna Austin:

The Department of Finance strongly supports renewal of the City’s struggling neighborhoods. Recognizing budgetary constraints, the Department attempts to find funding for as many programs for struggling neighborhoods as possible. The Finance Department was the lead agency in establishing the Beverage Container Tax which annually supports a revenue stream of \$10.4 million dollars that goes towards additional capital construction for an estimated 23-28 school renovation and replacement projects.

Directly, the Department administers multiple tax credits to assist redevelopment of struggling neighborhoods. These tax credits include:

- **Historic Tax Credit-** The Historic Tax Credit has had and is having a significant impact on many current and previously struggling neighborhoods. The Finance Department, working with the Planning Department, continues to look at ways that CHAP can be modified to have an even greater impact on struggling neighborhoods.
- **Vacant Property Tax Credit-**The Vacant Property Tax Credit provides another mechanism for assistance to redevelop struggling neighborhoods. This tax credit provides tax relief made to a properties that have been vacant for more than one year.
- **High Performance, Market Rate Rental Housing -** The Finance Department, in conjunction with the Mayor’s Office of Economic and Neighborhood Development, recently implemented the High Performance, Market Rate rental housing program. This tax credit provide incentives to build and redevelop rental housing in areas such as Poppleton, Station North and Reservoir Hill.
- **Resident Retention Tax Credit -** On October of 2015, the Department will start accepting applications from moderate and low income neighborhoods that will extend the Resident Retention Tax Credit amount by an additional \$1,000. This amount is in addition to the \$4,000 54 year credit put into place last October.

Additionally, the Department of Finance works with the Housing Authority to establish reduced payment PILOTs to ensure availability of low income and elderly housing throughout Baltimore City.

The Department of Finance looks forward to exploring new and alternative ways to help struggling neighborhoods in the future.

Cc: Henry Raymond
Angela Gibson

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