

**CITY OF BALTIMORE  
COUNCIL BILL 17-0057R  
(Resolution)**

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Introduced by: Councilmember Henry, President Young, Councilmembers Middleton, Bullock,  
Scott, Dorsey, Burnett, Sneed, Clarke, Pinkett, Stokes, Cohen, Schleifer

Introduced and read first time: December 7, 2017

Assigned to: Taxation, Finance and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: Department of Housing and Community Development,  
Baltimore Development Corporation, Department of Finance

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A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Community Development TIFs**

3 FOR the purpose of urging the Department of Housing and Community Development, the  
4 Baltimore Development Corporation, and the Department of Finance to work with the City  
5 Council to develop a community development-focused TIF process to assist Baltimore's  
6 disadvantaged neighborhoods in their efforts to unlock their full potential.

7 **Recitals**

8 As it looks to encourage much needed development in many of our most disadvantaged  
9 neighborhoods, Baltimore needs to be making use of every tool in its toolbox. Tax Increment  
10 Financing (TIF), which allows development today to be paid for by leveraging the increase in  
11 property values expected from the development in the future, has been involved in many large  
12 and successful projects around the City's waterfront and in the central business district, but it has  
13 been underutilized outside of those areas.

14 One reason for this lack of utilization is that the infrastructure needs of commercial corridors  
15 in much of Baltimore differ from those of the large waterfront parcels and downtown lots mostly  
16 targeted for TIFs in the past. A new community development driven focus would be needed to  
17 successfully use TIFs in some of the areas that could most benefit from them.

18 A community development-focused TIF approach would involve identifying a community  
19 development initiative, either one large project or multiple scattered-site projects within close  
20 proximity to each other that would benefit the community as a whole. Allowable uses would  
21 include infrastructure such as roads, utilities, lighting, or parks; government buildings such as  
22 libraries or recreation centers; public parking garages; land acquisition, site removal, and  
23 relocation; capital and operating costs of infrastructure; and affordable housing creation or  
24 rehabilitation.

25 Once a project, or group of related projects, was identified, the City would create a  
26 development district, made up of all of the participating and surrounding properties expected to  
27 appreciate in value upon the successful completion of the community development initiative.  
28 The initiative could then be supported using the annual increase in the increment of the taxable  
29 base of the development district.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

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1 By using the increment to pay the debt service on City-issued bonds, the City would be able  
2 to provide gap subsidy upfront for the original community development initiative. This approach  
3 could enable life changing development in many communities that just need a little extra boost in  
4 their efforts to grow and stabilize. The City should take immediate steps to explore the best way  
5 to move forward with these much needed community development TIFs.

6 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the  
7 Council urges the Department of Housing and Community Development, the Baltimore  
8 Development Corporation, and the Department of Finance to work with it to develop a  
9 community development-focused TIF process to assist Baltimore’s disadvantaged neighborhoods  
10 in their efforts to unlock their full potential.

11 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the  
12 Housing Commissioner, the President and CEO of the Baltimore Development Corporation, the  
13 Director of Finance, and the Mayor’s Legislative Liaison to the City Council.