

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



DEPARTMENT OF LAW

GEORGE A. NILSON, City Solicitor
101 City Hall
Baltimore, Maryland 21202

October 18, 2010

The Honorable President and
Members of the Baltimore
City Council
c/o Karen Randle, Executive Secretary
409 City Hall
Baltimore, MD 21202

RE: City Council Bill 10-0594 – Harbor Point Development District

You have requested the advice of the Law Department regarding City Council Bill 10-0594. City Council Bill 594 proposes to designate a development district to be known as the “Harbor Point Development District” (the Development District). In addition, the bill creates a tax increment fund for the Development District. The creation of the Development District and the Tax Increment Fund would facilitate the issuance of the bonds to finance development in the Development District.

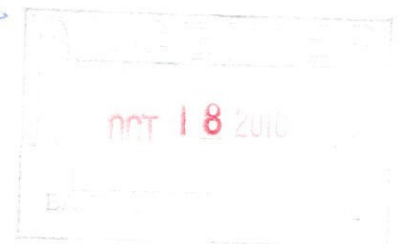
Article II, Section 62 of the Baltimore City Charter provides for the authorization for the creation of the Development District and the Tax Increment Fund. Section 62 authorizes the City to issue bonds for the purpose of financing the development of industrial, commercial or residential areas. In order to issue such bonds, however, the City must first: (1) designate by ordinance an area or areas within the City as a “development district”; and (2) provide that until the bonds have been fully paid or thereafter, a specified increment of the property taxes on real property within the development district shall be paid into a special fund and applied only to certain authorized purposes. See Sec. 62(d).

City Council Bill 10-0594 is authorized by and consistent with the powers of the City Council under Article II, Sec. 62. The Law Department, therefore, approves the City Council Bill 10-0594 for form and legal sufficiency.

Sincerely yours,

Elena R. DiPietro

Elena R. DiPietro
Chief Solicitor



cc: Honorable Bernard C. Young
Angela Gibson, City Council Liaison
George A. Nilson, City Solicitor
Ashlea Brown, Assistant Solicitor
Hilary Ruley, Assistant Solicitor