

FROM

NAME & TITLE	THOMAS J. STOSUR, DIRECTOR <i>MS</i>
AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET
SUBJECT	CITY COUNCIL BILL #15-0586/ UNIVERSITY OF MARYLAND BALTIMORE BIOPARK DEVELOPMENT DISTRICT

CITY of
BALTIMORE
MEMO



TO

The Honorable President and
Members of the City Council
City Hall, Room 400
100 North Holliday Street

DATE: November 9, 2015

The Department of Planning is in receipt of City Council Bill #15-0586, for the purpose of designating a "development district" to be known as the "University of Maryland Baltimore BioPark Development District"; providing for and determining various matters in connection with the establishment of the development district; creating a special, tax increment fund for the development district; allocating certain property taxes to that fund; making certain findings and determinations; providing for a special effective date; and generally providing for matters relating to the designation and operation of the development district and the establishment and use 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 in connection with the development district, the replenishment of any reserve fund, and the payment of certain expenses and administrative costs related to the operation of the development district.

This bill is part of a package of legislation consisting of this bill and two additional Bills that allow the City to establish Tax Increment Financing District (TIF) at 850 and 873 W. Baltimore Street in order to finance the construction of approximately 250,000 square feet of innovation and laboratory infrastructure at 873 W. Baltimore Street.

Wexford Science & Technology, LLC (Wexford) proposes to construct a 250,000 gross square-foot building within the UMB BioPark at 873 W. Baltimore Street. The project will include research, laboratory, and office space. The facility will be the third commercial lab and office building in the BioPark. The total development will require a capital investment of approximately \$105,000,000.

The development of 873 W. Baltimore Street is critical to moving the BioPark and economic development in West Baltimore forward. Baltimore is in need of additional wet lab research space to attract new companies, as well as retain existing Baltimore biotech industries within the UMB BioPark. Finally, 873 W. Baltimore Street will bring the CIC to Baltimore and create new jobs in West Baltimore.

In addition, this project will be a catalyst for revitalization as outlined in the newly adopted Southwest Partnership master plan and Wexford is part of the Southwest Partnership. The companion bills include,

- City Council Bill 15-0587, University of Maryland Baltimore BioPark— Bond Ordinance

City Council Bill 15-0587 will, among other things: (1) authorize the City, on terms to be approved by the Board of Finance, to issue Special Obligation Bonds, in an amount not to exceed \$17,500,000 to fund installation and maintenance of improvements associated with the construction of 873 W. Baltimore Street in the University of Maryland Baltimore (UMB) BioPark; (2) pledge Tax Increment Revenues and Special Tax Revenues (as such terms are defined in the Bill) generated by the Project to the payment of debt service on the Special Obligation Bonds; and (3) authorize the Board of Finance to specify and prescribe the terms of the issuance, sale, and payment of the Special Obligation bonds.

- **City Council Bill 15-0588, University of Maryland Baltimore BioPark--Special Taxing District**

This Bill will create the University of Maryland Baltimore BioPark Special Taxing District and authorize the City to levy Special Taxes and determine various matters in connection with establishment of the special taxing district. The purpose of creating the Special Taxing District is to guarantee the City's ability to repay the holders of TIF bonds in the event and to the extent that the Tax Increment Revenues collected are insufficient to service the debt on the TIF Bonds. In this manner and as a result of forming the Special Taxing District, the property owners within the Special Taxing District—in this case the developers of 873 W. Baltimore Street—are financially liable to the City to guarantee the City's ability to make payments to bond holders.

The Department of Planning recommends approval of City Council Bill #15-086, and its companion bills #15-0587 and #15-0588 because they will support the revitalization of Southwest Baltimore and provide new jobs.

If you have any questions, please contact Mr. Wolde Ararsa, Division Chief, Land Use and Urban Design Division at 410-396-4488.

TJS/WA

cc: Ms. Kaliope Parthemos, Chief of Staff
Mr. Colin Tarbert, Deputy Mayor for Economic and Neighborhood Development
Mr. Leon Pinkett, Assistant Deputy Mayor for Economic and Neighborhood Development
Ms. Angela Gibson, Mayor's Office
The Honorable Rochelle "Rikki" Spector, Council Rep. to Planning Commission
Mr. David Tanner, BMZA
Mr. Geoffrey Veale, Zoning Administration
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