

FROM	NAME & TITLE	Rudolph S. Chow, P.E., Director
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building
	SUBJECT	CITY COUNCIL BILL 15-0587

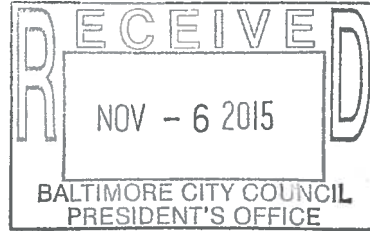
CITY of
BALTIMORE
MEMO



TO

DATE: November 5, 2015

The Honorable President and Members
of the Baltimore City Council
c/o Natawna Austin
Room 400 – City Hall



I am herein reporting on City Council Bill 15-0587 introduced by the Council President on behalf of the Administration (Baltimore Development Corporation).

The purpose of the Bill, among other things, is to provide for the issuance of special obligation bonds; authorize the pledge by the City, subject to appropriation, of Tax Increment Revenues and Special Tax Revenues (as such terms are defined herein) to the payment of debt service on such special obligation bonds, the replenishment of any reserves, and the payment of certain expenses and administrative costs; provide that such bonds may be issued from time to time in one or more issues or series in an aggregate principal amount not to exceed \$17,500,000 for the purpose of financing infrastructure improvements and related costs, including, without limitation, the Project (defined herein), and other necessary improvements to, from, or within the development district, and certain other infrastructure improvements permitted by the Acts (defined herein).

Article II Section 62A of the Baltimore City Charter (Tax Increment Financing Act) authorizes the Mayor and City Council of Baltimore to establish a development district and a special tax increment fund. Companion legislation (City Council Bill 15-0586), if approved, would establish the University of Maryland Baltimore BioPark Development District. The defined area includes 850 West Baltimore Street (Block 0203, Lot 001B) and 873 West Baltimore Street (Block 0220, Lot 001M), as well as adjoining streets, alleys, rights-of-way and similar property or rights. Revenues and receipts from the real property taxes representing the levy on the tax increment within the BioPark Development District would be deposited in a special tax increment fund for development of the district. Companion City Council Bill 15-0588 would authorize the City to levy these special taxes within the special taxing district.

City Council Bill 15-0587, if approved, would authorize the City, subject to approval by the Board of Finance, to issue up to the proposed aggregate of \$17,500,000 in special obligation bonds to be used for necessary public infrastructure amenities to be built to support the development of this newly created University of Maryland Baltimore BioPark District. Issuing and selling bonds are an allowable activity, and the fund is used to leverage investment in infrastructure and related costs. Through the creation of the District and the issuance of bonds, an approximately 250,000 square feet of innovation and laboratory development will be built, resulting in new job opportunities and creating a catalyst for other economic activities and improvements to be attracted to the area.

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The Department of Public Works supports passage of City Council Bill 15-0587.

Sincerely,



Rudolph S. Chow, P.E.
Director

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