

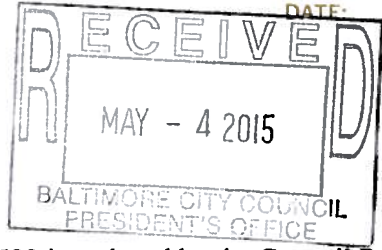
FROM	NAME & TITLE	Rudolph S. Chow, P.E., Director
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building
	SUBJECT	CITY COUNCIL BILL 15-0522

CITY of
BALTIMORE
MEMO



TO

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



DATE: May 1, 2015

I am herein reporting on City Council Bill 15-0522 introduced by the Council President on behalf of the Administration (Department of Housing and Community Development).

The purpose of this bill is to authorize 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; providing that such bonds may be issued from time to time and in one or more issues or series in an aggregate principal amount not exceeding \$58,311,000 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); providing for the method and sources of payment for such special obligation bonds; providing that the City, in each fiscal year in which any such bonds are outstanding, use its best efforts to obtain the appropriation of the Tax Increment Revenues and the Special Tax Revenues in the amounts and at the times specified in a trust agreement or agreements between the City and a bank or trust company appointed as trustee thereunder; authorizing the Board of Finance to specify, prescribe, determine, provide for and approve the details, forms, documents or procedures in connection with such special obligation bonds and any other matters necessary or desirable in connection with the authorization, issuance, sale, and payment of such special obligation bonds; providing for a special effective date; and generally relating to the issuance and payment of such special obligation bonds.

Article II Section 62 of the Baltimore City Charter (Tax Increment Financing Act) authorizes the Mayor and City Council to establish a development district and a special tax increment fund. City Council Bill 15-0522, if approved, would authorize the issuance of special obligation bonds to support the redevelopment of the Poppleton neighborhood. Two pieces of companion legislation would establish the Poppleton Special Taxing District (City Council Bill 15-0523) and establish the Poppleton Development Tax Increment Finance (TIF) District (City Council Bill 15-0521). The TIF District follows the 13.8 acre development site bounded by North Stockton Street to the west, North Amity Street to the east, West Mulberry Street to the north and West Fairmount Avenue to the south.

This legislation would support the construction of over 1,600 housing units and approximately 52,000 square feet of commercial space in the Poppleton neighborhood. Over \$58.3M in special obligation Tax Increment Finance (TIF) bonds are proposed to be issued to finance the cost of

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public improvements, reserve funds, and other costs associated with the bond issue. These bonds are expected to be issued in multiple series to correspond with the multiple phases of the development. TIF financed public improvements include road improvements, utility improvements and relocation, park space, landscaping, lighting, other infrastructure, and wireless security system for public areas.

Based on these findings, the Department of Public Works supports passage of City Council Bill 15-0522.

Sincerely,



Rudolph S. Chow, P.E.
Director

RSC/MMC:ela