


FROM		CITY OF BALTIMORE	
NAME & TITLE	Robert Cennamo, Budget Director	MEMO	
AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall (410) 396-4940		
SUBJECT	City Council Bill #19-0315 Waterfront Management District and Waterfront Management Authority - Renewal		

DATE:



TO

The Honorable President and
Members of the City Council
Room 400, City Hall

March 11, 2019

The Department of Finance is herein reporting on City Council Bill #19-0315, introduced for the purpose of reauthorizing the Waterfront Management District and Management Authority for another four years. This bill fulfills the required reauthorization pursuant to City Code Article 14 Section 8-16.

Background:

The Waterfront Partnership (WFP) is a non-profit organization managing the City's Waterfront Management special benefits district. The Partnership is responsible for the coordination of day-to-day operations, oversight and management of City leases, and the planning and implementation of both economic and physical development of the Inner Harbor. The organization is dedicated to creating an attractive Inner Harbor for residents and tourists by maintaining an active, clean, and beautiful Inner Harbor.

Below is an overview of services WFP provides to the Waterfront Management district area:

- **Clean & Green teams:** The Clean and Green teams maintain the beautification of all sites in the special district. In Fiscal 2018 the teams cleaned 13,220 garbage cans, removed 333,011 lbs of trash, planted 7,013 flowers and provided 487 power washing hours removing a total of 708 pieces of graffiti.
- **Events:** The WFP provides an active Inner Harbor and attracts visitors with consistent free and low cost events. In Fiscal 2018 the WFP hosted the following notable events: Summer Social Services, Yappy Hour, Waterfront Wellness, Harbor Market, Harbor Harvest, The Greater Baltimore Oyer Festival, Harbor Point Ice Festival, Brews & Views, Family Fun Fridays, and Street Performer Program.
- **Safety:** The Partnership provides additional safety services within the district, including providing security staff and first aid to guests. The organization has made a concentrated effort to increase safety by adding an additional security vendor, implementing additional business checks and addressing homelessness through a partnership with the Mayor's Office. In Fiscal 2018 WFP reported assisting 27,952 guests, first aid assistance to 75 guests; 977 segway patrol hours, and 3,410 business checks completed. In addition, the WFP installed 143 new light poles along the promenade from the Rusty Scupper to the Power Plant that illuminate the harbor with brighter and more energy efficient LED Lights.

The organization anticipates greater use of its services and facilities to come due to several notable factors. Harbor Harvest, the district's most popular event, outgrew West Shore Park and will be relocate to Rash Field. The Partnership plans to renovate Rash Field to include two new active play areas, a dynamic skate park, and a café. Secondly, three major residential projects that will bring a minimum of 1,378 residents to the harbor are under construction. Lastly, in January 2, 2018 the partnership expanded

into the Fell's Point neighborhood with the goal of revitalizing the neighborhood's harbor, revitalize the landscape, and providing events.

Impact/ Analysis

The Waterfront Management District is mostly funded by a property tax surcharge (estimated 78.6%), a City General Fund contribution (estimated 10.5%) and other sources (10.8%). The surcharge is imposed on taxable properties within the District. The District is composed of 361 properties, 337 of which are taxable. Each property is subject to a \$0.17 per \$100 of assessment surcharge annually approved by the City's Board of Estimates. In Fiscal 2019, the estimated revenue from the surcharge totaled \$3.0 million.

In Fiscal 2019, the City also appropriated \$425,000 of General funds to the Waterfront Partnership, which represents approximately 10.5% of the WFP's budget. The other 10.8% comes from private grants, sponsoring events, and other minor contributions.

Conclusion

Special Benefit Districts represent a pact between area property owners and the District, in which property owners agree to pay a supplemental tax rate (on top of the City's property tax rate) for additional services. As such, there is no direct cost impact to the City.

However, it is important to note that these additional surcharges add to an already high tax burden on property owners, and have the potential to discourage further investment.

Based on these findings, the Department of Finance has no objection to the passage of Council Bill # 19-0315.

cc: Robert Cennamo
Jeffrey Amoros