

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



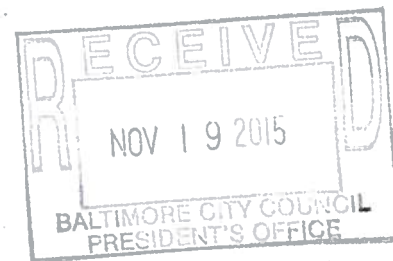
DEPARTMENT OF LAW

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

November 18, 2015

Honorable President and Members  
of the City Council of Baltimore  
Room 409, City Hall  
100 N. Holliday Street  
Baltimore, Maryland 21202

Attn: Natawna Austin, Executive Secretary



Re: City Council Bill No. 15-0565 – Personal Property Tax Credit – Food  
Desert Incentive Areas

Dear President and City Council Members:

You have requested the advice of the Law Department regarding City Council Bill 15-0565. City Council Bill 565 provides for the establishment of a personal property tax credit for qualified supermarkets in food desert incentive areas.

The Md. Ann. Code Tax Property Art. §9-304(h) gives Mayor and City Council the authority to enact a personal property tax credit for certain supermarkets that qualify under the law. To qualify, the supermarket must have all major food departments, more than 50% of sales from food and more than 50% of total floor spaces dedicated to food sales. The supermarket must be located in a food desert incentive area and must complete eligible construction. Eligible construction is defined in §9-304(h) as construction of a new supermarket or any substantial renovation of an existing market. “Food desert incentive area” is defined in Bill 15-0565 as a food desert (also defined in the bill) or within ¼ mile of a food desert. The bill also provides that the supermarket must have expended \$150,000 or \$25 per square foot of total floor space on new personal property, have at least 500 square feet dedicated to fruits and vegetables and at least 500 square feet dedicated sale of other perishable goods.

The Law Department recommends several amendments to make the bill consistent with the enabling legislation and accomplish its goals. First, the definition of “food desert incentive area” should be amended to include areas that would be a food deserts but for the presence of a certain supermarket. Second, the definition of “qualified supermarket” should be amended to track the language of the enabling legislation by including as qualified only newly “substantially” renovated supermarkets. Third, in (c), it should be clarified that the credit is for “qualified” supermarkets in order to clearly incorporate the definition of “qualified supermarket.” Finally, on

*Fav w/ amendments*



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page 3, strike lines 14-15 as unnecessary due to the amendment of “food desert incentive area.”

Provided that the bill is amended as set forth above, the Law Department will approve City Council Bill 15-0565 for form and legal sufficiency.

Sincerely yours,



Elena R. DiPietro  
Chief Solicitor

cc: George A. Nilson, City Solicitor  
Angela Gibson, City Council Liaison, Mayor's Office  
Hilary Ruley  
Victor Tervala  
Jennifer Landis

Amendments  
City Council Bill 15-0565

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1. On Page 2, after “desert” on line 19 insert, “; or” and after line 19 insert “Any area that would be a food desert but for the presence of a qualified supermarket.”
  2. On page 2, line 28 after “newly” insert “substantially”.
  3. On page 3, line 11, after “A” insert “qualified”.
  4. On page 3, strike lines 14-15.