

CITY OF BALTIMORE
ORDINANCE _____
Council Bill 12-0085

Introduced by: The Council President
At the request of: The Administration (Baltimore Development Corporation)
Introduced and read first time: June 4, 2012
Assigned to: Taxation, Finance and Economic Development Committee
Committee Report: Favorable with amendments
Council action: Adopted
Read second time: October 22, 2012

AN ORDINANCE CONCERNING

1 **North Locust Point Development District – Amending Ordinance 03-642,**
2 **as Amended by Ordinance 11-553**

3 FOR the purpose of adding and modifying certain definitions; enlarging the boundaries of the
4 development district; adding new 2012 Exhibit A and revising Exhibit 1 to include
5 additional properties; providing for a special effective date; and making the provisions of this
6 Ordinance severable.

7 BY repealing and reordaining, with amendments
8 Ordinance 03-642, as amended by Ordinance 11-553
9 Section(s) 1 and 3

10 **Recitals**

11 The Tax Increment Financing Act, Article II, Section (62) of the Baltimore City
12 Charter (the “Act”) authorizes the Mayor and City Council of Baltimore (the
13 “City”) to establish a “development district” (as defined in the Act) and a special,
14 tax increment fund into which the revenues and receipts from the real property
15 taxes representing the levy on the “tax increment” (as defined in the Act) for the
16 development district are deposited, for the purpose of providing funds for the
17 development of the development district.

18 The Act also authorizes the City, subject to certain requirements, to borrow
19 money by issuing and selling bonds for the purpose of financing and refinancing
20 the development of industrial, commercial, or residential areas in Baltimore City.
21 The Act provides, however, that no bonds may be issued by the City until an
22 ordinance is enacted that (i) designates an area or areas within the City as a
23 “development district” and (ii) provides that, until the bonds have been fully paid,
24 the property taxes on real property within the development district shall be
25 divided as provided in the Act.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike-out~~ indicates matter stricken from the bill by
amendment or deleted from existing law by amendment.

Council Bill 12-0085

1 Pursuant to the Act and Ordinance 03-642, passed by the City Council effective
2 on December 22, 2003 (“Ordinance 03-642”), the City established a development
3 district known as the North Locust Point Development District (the “North Locust
4 Point Development District”) to facilitate the development of the infrastructure
5 improvements (as defined in Ordinance 03-642).

6 Pursuant to the Act, Ordinance 03-642, Article II, Section (62A) of the Baltimore
7 City Charter, Ordinance 04-851 of the City Council and Ordinance 04-850 of the
8 City Council, both effective on November 29, 2004, and a Resolution adopted by
9 the Board of Finance of the City on July 25, 2005, the City issued the Series 2005
10 Bonds (defined herein).

11 Pursuant to the Act and Ordinance 11-553, passed by the City Council effective
12 on November 22, 2011 (“Ordinance 11-553”), the City expanded the North Locust
13 Point Development District by including additional properties for the purpose of
14 providing funds for costs of certain public and other infrastructure improvements
15 and related costs permitted by the Act.

16 The City wishes to further expand the North Locust Point Development District
17 by including additional properties for the purpose of providing funds for costs of
18 certain additional public and other infrastructure improvements and related costs
19 permitted by the Act, including, without limitation, parking facilities, the design
20 and construction (including redesign and reconstruction) of roads and road
21 improvements and sidewalks, including a pedestrian bridge; the design,
22 construction, reconstruction, renovation, equipping, and development of parks,
23 athletic or playground facilities, including walking and biking paths and trails and
24 playing fields and courts, or buildings that are to be devoted to a governmental use
25 or purpose; site removal, including demolition and site preparation; additional
26 facilities, including a pier and bulkhead improvements and promenade
27 improvements; related land acquisition within and outside the development
28 district; and engineering, project, and design fees in connection with the
29 foregoing.

30 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
31 Laws of Baltimore City read as follows:

32 **Ordinance 11-553**

33 SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF
34 BALTIMORE, That for the purposes of this Ordinance, the following terms
35 have the meanings indicated:

36 (a) “Act” means the Tax Increment Financing Act, as
37 codified in Article II, Section (62) of the Baltimore City
38 Charter.

39 (b) “2011 additional properties” means the following
40 properties: Block 1987B, Lots 006 and 007.

Council Bill 12-0085

1 (C) “2012 ADDITIONAL PROPERTIES” MEANS THE
2 PROPERTIES LISTED IN 2012 EXHIBIT A TO THIS
3 ORDINANCE. OF THOSE ADDITIONAL PROPERTIES
4 LISTED IN 2012 EXHIBIT A, ITEM NUMBERS 4 AND 5 ARE
5 OWNED BY CSX. THOSE PROPERTIES ARE SUBJECT TO
6 CERTAIN RAILROAD OWNERSHIP AND OPERATING RIGHTS
7 UNDER APPLICABLE FEDERAL AND STATE LAWS AND
8 REGULATIONS. THE INCLUSION OF THESE PROPERTIES AS
9 2012 ADDITIONAL PROPERTIES IS NOT INTENDED TO
10 AND DOES NOT INCLUDE ANY PRESENT OR FUTURE
11 TRACK OWNERSHIP OR TRACKAGE RIGHTS NOR IS IT
12 INTENDED TO CHANGE THE CHARACTER OF ANY
13 PROPERTY THAT IS OR MAY IN THE FUTURE BE RAILROAD
14 OPERATING PROPERTY. THE RECOGNITION OF CSX’S
15 OWNERSHIP AND OPERATING RIGHTS PERTAINING TO
16 PROPERTIES INCLUDED AS 2012 ADDITIONAL
17 PROPERTIES IN THE DEVELOPMENT DISTRICT IS NOT
18 INTENDED TO AND DOES NOT LIMIT THE ABILITY OF THE
19 CITY TO COLLECT AND PLEDGE THE REAL PROPERTY
20 TAXES REPRESENTING THE LEVY ON THE TAX
21 INCREMENT.

22 (D)[c] “Additional ORIGINAL assessable base” means (i) the
23 assessable base of the 2011 additional properties as
24 of January 1, 2010, AND (ii) THE 2012 ADDITIONAL
25 PROPERTIES AS OF JANUARY 1, 2011.

26 (E)[d] “Assessable base” means the total assessable base
27 of all real property in the Development District
28 subject to taxation, as determined by the Supervisor
29 of Assessments.

30 (F)[e] (1) “Assessment ratio” means any real property tax
31 assessment ratio, however designated or calculated,
32 that is used or applied under applicable general law
33 in determining the assessable base.

34 (2) “Assessment ratio” includes the assessment
35 percentage provided under §8-103(c) of the
36 State Tax-Property Article, as amended,
37 replaced, or supplemented from time to time.

38 (G)[f] “Bond” means the series 2005 Bonds and any
39 other bond, note, or other similar instrument issued
40 by the Mayor and City Council of Baltimore under
41 the Act.

42 (H)[g] “Development District” means the area in the City
43 designated in Section 3 of this Ordinance as a
44 development district under the Act.

Council Bill 12-0085

1 (I)[h] "Infrastructure improvements" means the following
2 public AND OTHER infrastructure improvements
3 constructed in accordance with all required City
4 approvals:

5 (1) the design and construction (INCLUDING
6 REDESIGN AND RECONSTRUCTION) of
7 roads, including removal of existing
8 paving, new paving and installation of
9 curbs, gutters, sidewalks, lighting,
10 landscaping, SIGNAGE AND
11 DECORATIONS, and utilities (including,
12 but not limited to, water, sanitary sewer,
13 storm sewer, and ductbank);

14 (2) the design and construction of necessary
15 signalization for a railway crossing;

16 (3) the relocation of existing railway tracks
17 and the recreation of related railway
18 stacking capacity;

19 (4) structured or surface parking facilities
20 that are either publicly owned or
21 PRIVATELY OWNED BUT SERVE [serving]
22 a public purpose;

23 (5) additional road improvements and
24 sidewalks, including a pedestrian bridge;

25 (6) the design, construction, reconstruction,
26 renovation, EQUIPPING, and development
27 of (I) park[, playing fields] ATHLETIC, or
28 playground facilities, including (BUT
29 NOT LIMITED TO) walking and biking
30 paths AND TRAILS AND PLAYING FIELDS
31 AND COURTS, OR (II) BUILDINGS THAT
32 ARE TO BE DEVOTED TO A
33 GOVERNMENTAL USE OR PURPOSE;

34 (7) additional facilities, including pier and
35 bulkhead improvements and promenade
36 improvements;

37 (8) SITE REMOVAL, INCLUDING DEMOLITION
38 AND SITE PREPARATION;

39 (9)[(8)] the acquisition of land whether
40 inside or outside the Development
41 District for the infrastructure

Council Bill 12-0085

1 improvements identified in
2 Paragraph I(1)-(8) [(h)(1)-(7)]; and

3 (10)[9] the acquisition, construction,
4 renovation and development of other
5 related public AND OTHER
6 infrastructure improvements that are
7 necessary for the completion of these
8 infrastructure improvements for their
9 intended public purposes.

10 (J)[i] "Original assessable base" means collectively, the
11 Original 2003 assessable base and the additional
12 ORIGINAL assessable base.

13 (K)[j] "Original 2003 assessable base" means the assessable
14 base of the Original development district as of
15 January 1, 2002.

16 (L)[k] "Original development district" means the following
17 properties: Block 1976, Lot 1; Block 1981B, Lots
18 8, 12, 24, and 26; Block 1982, Lot 1; and Block
19 2024, Lot 6A.

20 (M)[l] "Original full cash value" means the dollar amount
21 that is determined by dividing the original
22 assessable base by the assessment ratio used to
23 determine the original assessable base.

24 (N)[m] "Original taxable value" means, for any tax year,
25 the dollar amount that is the lesser of:

26 (1) the product of the original full cash value
27 times the assessment ratio applicable to
28 that tax year; or

29 (2) the original assessable base.

30 (O)[n] "Series 2005 Bonds" means the Mayor and City
31 Council of Baltimore Special Obligation Bonds
32 (North Locust Point Project) Series 2005 issued on
33 August 25, 2005, in the aggregate principal amount
34 of \$2,977,000.

35 (P)[o] "Tax increment" means for any tax year, the
36 amount by which the assessable base as of January 1
37 preceding that tax year exceeds the original taxable
38 value, divided by the assessment ratio used to
39 determine the original taxable value.

Council Bill 12-0085

1 (Q)[p] "Tax Increment Fund" means the special fund
2 established by Section 4 of this Ordinance.

3 (R)[q] "Tax year" means the period from July 1 of a
4 calendar year through June 30 of the next calendar
5 year.
6

7 SECTION 3. AND BE IT FURTHER ORDAINED, That the contiguous area
8 consisting of the properties designated as Block 1976, Lot 1; Block 1981B,
9 Lots 8, 12, 24 and 26; Block 1982, Lot 1; Block 2024, Lot 6A; [and]
10 Block 1987B, Lots 006 and 007; AND THE 2012 ADDITIONAL PROPERTIES,
11 together with the adjoining roads, highways, alleys, rights-of-way and
12 other similar property, shown on the map attached to this Ordinance as
13 2012 Revised Exhibit 1, and made a part of this Ordinance, is designated
14 as a development district to be known as the "North Locust Point
15 Development District."

16 SECTION 2. AND BE IT FURTHER ORDAINED, That the Mayor and City Council of Baltimore
17 affirms and ratifies the establishment of the North Locust Point Development District, the
18 creation of a Tax Increment Fund for the Development District and the issuance of bonds from
19 time to time, all for the purposes set forth in Ordinance 03-642, as amended by Ordinance 11-
20 553, and as further amended hereby, and except as hereby specifically amended, Ordinance 03-
21 642, as amended by Ordinance 11-553, is hereby confirmed and ratified in all respects and shall
22 remain in full force and effect according to its terms.

23 SECTION 3. AND BE IT FURTHER ORDAINED, That the Mayor and City Council of Baltimore
24 finds and determines that the further expansion of the North Locust Point Development District
25 and the further issuance of bonds from time to time, for the purpose of providing funds for the
26 financing of public and other infrastructure improvements and the acquisition of land within and
27 outside the Development District, accomplishes the purposes of the Act, serves public purposes,
28 including the direct and indirect enhancement of the taxable base of Baltimore City and the
29 facilitation of planned improvements to the North Locust Point area, and generally promotes the
30 health, welfare, and safety of the residents of the State of Maryland and of the City of Baltimore.

31 SECTION 4. AND BE IT FURTHER ORDAINED, That the provisions of this Ordinance are
32 severable. If any provision, sentence, clause, section or other part of this Ordinance is held or
33 determined to be illegal, invalid, unconstitutional, or inapplicable to any person or circumstances,
34 that illegality, invalidity, unconstitutionality, or inapplicability does not affect or impair any of
35 the remaining provisions, sentences, clauses, sections, or parts of this Ordinance or their
36 application to other persons or circumstances. It is the intent of the Mayor and City Council of
37 Baltimore that this Ordinance would have been passed even if the illegal, invalid,
38 unconstitutional, or inapplicable provision, sentence, clause, section, or other part had not been
39 included in this Ordinance, and as if the person or circumstances to which this Ordinance or part
40 are inapplicable had been specifically exempted.

41 SECTION 5. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on the date it is
42 enacted.

Council Bill 12-0085

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2012 Exhibit A



List of 2012 Additional Properties

1. Key Highway from the 1600 block to McComas and the 1000 block of McComas.
2. Block 2034A, Lot 052.
3. East Fort Avenue, from Lawrence Street to Wallace Street.
4. Block 1987B, Lot 011.
5. Block PSC0 Lot 010
6. The westernmost portion of Block 2024, Lot 007 that is bounded by Hull Street on the northwest; the harbor on the northeast, and the boundary established by following the north side of Nicholson Street from Hull Street to the 1500 block of Nicholson Street and then heading due north to and including the east side of Pier 10 to the harbor.
7. Block 1976, Lot 004.
8. Streets or roads to and from the development district, including an approximately 20 foot wide paved area connecting Block 2024, Lot 6A with Fort Avenue and running through the parcels currently known as Block 2024 Lot 8 and Block 2024, Lot 129T.

2012 Revised Exhibit 1

Map of Development District
(See map on next page)

North Locust Point Development TIF District

-  Existing TIF District
-  Proposed Expansion to TIF District



Council Bill 12-0085

Certified as duly passed this ____ day of _____, 20__

President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,

this ____ day of _____, 20__

Chief Clerk

Approved this ____ day of _____, 20__

Mayor, Baltimore City