



MEMORANDUM

TO: Honorable President and Members of the City Council
Attention: Karen Randle, Executive Secretary

FROM: M.J. Brodie, President *MJ Brodie*

DATE: June 9, 2008

SUBJECT: City Council Bill No. 08-0106
Brownsfield Tax Credit

The Baltimore Development Corporation (BDC) supports City Council Bill number 08-0106, which would modify the City's Brownfields Tax Credit program. The current tax credit program no longer reflects current market conditions and as such the City would have to forgo property tax revenues—this bill aims to address current market conditions. Additionally, a loophole exists in the current program that relates to the Enterprise Zone program, this bill would close that loophole which allows an additional credit to be taken by residential properties that violate the spirit of the Enterprise Zone program.

This bill also adds a "green" incentive allowing the City to target sustainability and smart-growth objectives. Furthermore, as the Brownfields market matures, the green incentive can provide the impetus for moving "green" development into areas that might not otherwise see it.

BDC does, however, recommend the addition of a grandfathering clause linked to the remediation efforts on site. BDC proposes that for a project to be grandfathered, it must have enrolled in the State's Voluntary Cleanup Program, as well as have applied for certification from DBED in order to be a "Certified Brownfield Site," (two of the basic requirements for receiving the tax credit) within six months of enactment of the ordinance.

cc: Andrew Frank
Angela Gibson

sandra.gladden ccbill08/08-0106



F/A