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<b>FROM</b>	NAME & TITLE	THOMAS J. STOSUR, DIRECTOR	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 <sup>TH</sup> FLOOR, 417 EAST FAYETTE STREET		
	SUBJECT	CITY COUNCIL BILL #11-0002/DOWNTOWN MANAGEMENT DISTRICT AND DOWNTOWN MANAGEMENT AUTHORITY		

DATE: January 20, 2012

**TO**  
 The Honorable President and  
 Members of the City Council  
 City Hall, Room 400  
 100 North Holliday Street

At its regular meeting of January 12, 2012, the Planning Commission considered City Council Bill #11-0002, for the purpose of renewing and continuing the Downtown Management District and Downtown Management Authority, subject to certain conditions, for an additional 5 years; generally relating to the activities and authority of the Downtown Management District and Downtown Management Authority; and providing for a special effective date.

In its consideration of this Bill, the Planning Commission reviewed the attached staff report, which recommended approval of City Council Bill #11-0002, and adopted the following resolution (eight members being present, eight in favor).

**RESOLVED**, That the Planning Commission concurs with the recommendation of its departmental staff, and recommends that City Council Bill #11-0002 be passed by the City Council.

If you have any questions, please contact Mr. Wolde Ararsa, Division Chief, Land Use and Urban Design Division at 410-396-4488.

TJS/WA

Attachment

- cc: Ms. Kaliope Parthemos, Deputy Mayor
- Mr. Peter O'Malley, Chief of Staff
- Ms. Angela Gibson, Mayor's Office
- The Honorable Rochelle "Rikki" Spector, Council Rep. to Planning Commission
- Mr. David Tanner, BMZA
- Mr. Geoffrey Veale, Zoning Administration
- Mr. Nicholas Blendy, DHCD
- Ms. Barbara Zektick, DOT
- Ms. Elena DiPietro, Law Dept.
- Ms. Karen Randle, Council Services
- Mr. Kirby Fowler, Downtown Partnership



*Stephanie Rawlings-  
Blake  
Mayor*

## PLANNING COMMISSION

*Wilbur E. "Bill" Cunningham, Chairman*



*Thomas J. Stosur  
Director*

## STAFF REPORT

**January 12, 2012**

**REQUEST:** City Council Bill #11-0002/Downtown Management District and Downtown Management Authority

For the purpose of renewing and continuing the Downtown Management District and Downtown Management Authority, subject to certain conditions, for an additional 5 years; generally relating to the activities and authority of the Downtown Management District and Downtown Management Authority; and providing for a special effective date.

**RECOMMENDATION:** Approval

**STAFF:** Robert Quilter

**PETITIONER:** The Downtown Partnership of Baltimore

**OWNERS:** Various

### **SITE/GENERAL AREA**

The Downtown Management District is bounded roughly by Martin Luther King, Jr. Boulevard and Center Street to the north, Conway Street and the Inner Harbor to the south, I-83 and Park Avenue to the east, and Greene and Eutaw Streets to the west. The district encompasses Baltimore's Central Business District, Market Center, and a majority of the Inner Harbor Area. The current boundary comprises a roughly 112-block area.

### **CONFORMITY TO PLANS**

The continued operation and expansion of the Downtown Management District is in conformance with Baltimore City's Comprehensive Master Plan, specifically:

- LIVE Goal 1, Objective 3: Maintain and create safe, clean, and healthy neighborhoods.
- LIVE Goal 1, Objective 5: Increase the City's population by 10,000 households in six years.
- LIVE Goal 2: Elevate the design and quality of the City's built environment.
- LIVE Goal 3: Improve transportation access, accessibility, and choice for City residents.
- EARN Goal 1: Strengthen identified growth sectors.
- EARN Goal 3: Improve access to jobs and transportation linkages between businesses.
- PLAY Goal 1: Enhance the enjoyment, appreciation, and stewardship of Baltimore's historical and cultural resources.

- PLAY Goal 2: Improve nightlife, entertainment, and recreation experiences for residents and visitors.

## **HISTORY**

- Ordinance No. 92-057, established the Downtown Management District and is now codified as City Code Article 14, Subtitle 1.
- Resolution 96-005, approved December 10, 1996, was approved to renew and continue the District and Authority for another 5-year term ending June 30, 2002.
- Resolution 02-026, approved March 20, 2002, was approved to further renew and continue the District and Authority for another 5-year term ending June 30, 2007.
- Resolution 07-022, approved March 19, 2007, was approved to further renew and continue the District and Authority for another 5-year term ending June 30, 2012.
- Ordinance No. 09-191, approved June 23, 2009, authorized an expansion of the Downtown Management District boundaries to include 82 properties on the west side of the 300-900 blocks of North Eutaw Street.
- Ordinance No. 10-304, approved June 21, 2010, amended the enabling statute to give the District more flexibility in setting the amount of its surcharge rate and amend the borrowing restrictions governing the district, allowing it to borrow funds for capital projects.

## **ANALYSIS**

A Special Benefits District is a mechanism by which property owners within a defined area can agree to impose additional taxes and charges on themselves in order to provide enhanced and supplemental public services. These districts can alternately be known as Community Benefits Districts or Management Districts. City Council Bill #11-0002 concerns one such district: the Downtown Management District, which was established in 1992 for the purpose of providing enhanced services and improving perceptions of safety and cleanliness in the downtown area. The District and Management Authority has been renewed and continued three times since then and is currently valid through June 30, 2012. The current bill offers a Resolution to renew and continue the District and Management Authority through June 30, 2017.

Downtown Partnership of Baltimore is a non-profit corporation that is responsible for providing enhanced services to the property owners and stakeholders within the Downtown Management District. These services are aimed at creating a more vibrant Downtown community for businesses, property owners, residents, employees, and visitors. Stakeholders with an interest in Downtown regularly count on The Partnership to get things done. For more than 25 years, its programs have led to increased investment, improved quality of life, retention of key employers, solutions to transportation challenges, improved parks and green space, and workforce development opportunities.

The FY2012 budget for Downtown Partnership is approximately \$7,000,000. Some 1,242 taxable properties are included within the current boundaries of the district.

The following are the goals the Downtown Partnership has established for the next five years:

1. Provide effective Clean, Safe/Hospitable & Beautiful services
2. Grow residential market and understand current residential mix
3. Beautify, brand, and activate public spaces
4. Pursue adoption of Downtown Tax Increment Financing District
5. Increase marketing of office and residential sectors
6. Find housing or other services for homeless population
7. Support Charm City Circulator and other traffic reduction measures

The Downtown Partnership oversaw the preparation and creation of the Downtown Strategic Plan. This plan put forth a list of comprehensive proposals and recommendations to enhance and improve Downtown Baltimore. The key recommendations from the 2011 Downtown Strategic Plan include the following:

- **NEW RESIDENTS:** Downtown's top priority should be continuing its rapid residential growth. Residents drive street-level and nighttime activity, patronize retail and cultural destinations, and contribute to the City's economic output. Creating new residential space, at a range of price points, needs to happen in the near-term. Currently, there is not enough rental housing to meet the growing demand.
- **OPEN SPACE:** The recommendations of the Open Space Plan for Downtown Baltimore should be adopted. Attention should be paid to its key focus areas, such as One Light Street and Hopkins Plaza, and to the way they are connected by open space improvements.
- **UNDERUTILIZED BUILDINGS:** Finding new uses for underutilized properties, such as 10 Light Street and 2 Hopkins Plaza, should be a high priority for public and private agencies, and requires focused Mayoral involvement to move the process forward.
- **FUNDING:** A multi-property Tax Increment Finance (TIF) district should be created in the oldest parts of Downtown to fund much-needed capital improvement projects and thereby encourage new development.
- **OFFICE MARKET:** There must be renewed efforts to attract and retain businesses, using a coordinated campaign that promotes Downtown's dynamic urban lifestyle and that identifies available incentives and resources.
- **STREET-LEVEL RETAIL:** Destination retail, especially at the street level, should be encouraged by property owners -- even if it means giving away space. Retail is a critical amenity for office tenants and the growing residential base. Empty space does no good for the property owner or the community.

- **CITY-OWNED PROPERTIES:** City-owned properties are underutilized assets. Deadlines should be set for the City to improve, lease, or sell its empty buildings. Redevelopment of key City projects – the Superblock, Lexington Market, and a new arena – must be a near-term priority.
- **HOTELS:** Hotel space that is currently in development should be finished as soon as possible, but there should be no incentives for new hotel construction until overall occupancy improves.
- **RETAIL SPACES:** While there is growing demand for retail stores, Downtown lacks spaces large enough to accommodate the kinds of clothing, furniture, and grocery stores that Downtown residents would like to have. Larger retail, for example, should be accommodated at the former Mechanic Theatre and at new space built on the north side of Pratt Street.
- **HISTORIC LANDMARKS:** Many of Downtown’s oldest and most significant structures are vulnerable because they have not been landmarked. The list of these properties is generally agreed upon, so there should be no impediment to landmarking them as soon as possible, before they become targeted for development.
- **PARKING LOTS:** Surface parking should be discouraged through the possible imposition of fees that could be refunded to the property owner once the site is developed.

Staff notified the Antique Row Association, Charles Street Development Corporation, Market Center Merchants Association, Westside Renaissance, BDC and the UMMS of this hearing.



**Thomas J. Stosur**  
**Director**