

**CITY OF BALTIMORE
COUNCIL BILL 12-0030R
(Resolution)**

Introduced by: Councilmembers Henry, Stokes, Clarke, Welch, Reisinger

Introduced and read first time: March 5, 2012

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: Baltimore City Public School System, Department of Finance

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Use of VLT Land Lease Revenue for School Construction and Renovation**

3 FOR the purpose of requesting that the Mayor dedicate all of the annual city revenue from the
4 proposed Video Lottery Terminal facility land lease to the Public School Construction and
5 Renovation Special Fund.

6 **Recitals**

7 According to the press release of February 27, 2012, the Mayor's *Better Schools Initiative*
8 includes among its new revenue streams the idea of dedicating 10% of city revenues from the
9 proposed Video Lottery Terminal facility land lease to leverage additional bond funding for
10 school construction and renovation. The most recent projection of the Administration is that the
11 land lease will produce \$12 million annually; the 10% commitment therefore reflects \$1.2
12 million in additional funds to be leveraged towards the goal of rejuvenating the infrastructure of
13 our school system.

14 Given the fact that the estimates of our school system's physical needs range from \$1.2
15 billion to \$2.8 billion, to take a new revenue source which has no negative impact on existing
16 businesses and use only 10% of that new revenue for what is arguably our most pressing need,
17 leaves us in the position of not leveraging our limited resources to the greatest possible effect.

18 While the Mayor currently plans to use the other 90% of the VLT revenue for property tax
19 reduction, that remaining \$10.8 million – if used in the general fund to off-set a reduction in the
20 tax rate – would only provide the off-set for a 3-cent reduction. That same additional amount
21 however, if dedicated to school construction and renovation, would leverage over \$150 million in
22 additional bond funding.

23 In terms of incremental change, hundreds of millions of dollars of needed improvements to
24 our children's schools will be far more transformative for Baltimore – in terms of attracting new
25 residents and staunching the flow of those leaving – than would a comparatively-small reduction
26 in the property tax rate.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That this
2 Body hereby requests that the Mayor dedicate all of the annual city revenue from the proposed
3 Video Lottery Terminal facility land lease to the Public School Construction and Renovation
4 Special Fund.

5 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor, the
6 CEO of the Baltimore City Public School System, the Director of Finance, and the Mayor's
7 Legislative Liaison to the City Council.