



**MEMORANDUM**

DATE: April 28, 2020  
 TO: Taxation, Finance and Economic Development Committee  
 FROM: Colin Tarbert, President and CEO  
 POSITION: Support  
 SUBJECT: Council Bill 20-0503 –University of Maryland at Baltimore – Approving Application for Designation as a RISE Zone – Granting Enhanced Local Property Tax Credit

**INTRODUCTION**

The Baltimore Development Corporation (BDC) is reporting on City Council Bill 20-0503 introduced by Councilmember Bullock.

**PURPOSE**

If passed, the bill would support the application of University of Maryland, Baltimore (UMB) as a “qualified institution” under Maryland’s Regional Institutional Enterprise Zone (RISE Zone) Program, approve and join in the application for the designation of a RISE Zone along West Baltimore Street identified as; (Ward 04, Section 060, Block 0626, Lots 026, 029, 035, 036, 037, 038 ,039, 040, 041, 042, 043, 052, 053, 053A, 053B, 053C, 053D and 053E), (Ward 18 Section 090, Block 0220, Lot 001M ), (Ward 18, Section 100, Block 0203, Lots 110, 116, 117, and 199 ), (Ward 18, Section 100, Block 0202, Lots 014, 016, 017, 019, 020, 021, 022, 023, 024, 024A, 024B, 025, 026, 027, 028 and 076B), (Ward 18, Section 100, Block 0219 Lots 001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014, 016, 017, 018, 019, 020, 021, 022, 023, 024, 025, 026, 027, 028, 030, 031, 032, 033, 034, 035, 036, 037, 038, 039, 040, 041, 042, 043, 044, 045 and 046) (the “Property”); granting an enhanced local property tax credit for the Property.

**BRIEF HISTORY**

Given the success of the current BioPark building at 801 West Baltimore Street, UMB would like to expand the RISE Zone along the West Baltimore Street corridor in the 700, 800 and 900 blocks. UMB was previously approved for a RISE Zone designation for 873 West Baltimore Street which will expire on December 7, 2020. Development priorities of the BioPark have changed such that 873 West Baltimore Street is no longer the highest priority development, but RISE benefits are still needed to defray the cost of building out the BioPark. The new development includes high-cost lab space necessary to accommodate biotech companies in the City. In order to expand the RISE Zone to cover the additional blocks, UMB has agreed to let the current designation lapse, and to submit a new application to the Department of Commerce for a new geographic area as outlined in the attached exhibit. The new proposed zone will include 873 West Baltimore Street.

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If approved by the Maryland Department of Commerce, the RISE Zone designation will allow for a five year 100% exemption on the incremental real property taxes for development that happens within the RISE Zone during the designation period. The RISE Zone may possibly be renewed for an additional five years. Businesses locating to or existing businesses in the RISE Zone may also qualify for income tax credits related to capital investments and job creation. The City of Baltimore will continue to collect taxes on any properties in the RISE Zone based on their pre-renovation assessment value during the designation period.

The enhanced credits from the RISE Zone will allow for future development of the BioPark. The first phase of the project—located at 4 Martin Luther King Boulevard—will be a 320,000 sf office and lab building with a new parking garage and restaurant that includes capital investment of \$189 million; creating over 1,200 jobs. The total expected economic impact will be \$600 million in capital investment, and over 1,000,000 sf office and lab space, stimulating over 2,000 permanent jobs.

The RISE Zone designation will help expand the BioPark by offering additional state-of-the-art office and lab space to the West Baltimore Street corridor. This project will be a catalyst for other economic development projects, and assist in the attraction of biotech companies in one of Baltimore’s key industry sectors.

**FISCAL IMPACT**

This bill will have no fiscal impact on BDC.

**AGENCY POSITION**

BDC **Supports** this resolution for the application of RISE Zone designation, and respectfully requests that a favorable consideration be given for City Council Bill No. 20-0503.

If you have any questions, please do not hesitate to contact Kim Clark at 410-837-9305 or [kclark@baltimoredevelopment.com](mailto:kclark@baltimoredevelopment.com).

Attachment

cc: Nicholas Blendy  
Matthew Stegman

[NAD]