


F R O M	NAME & TITLE	Frank J. Murphy, Acting Director	CITY of BALTIMORE	
	AGENCY NAME & ADDRESS	Department of Transportation (DOT) 417 East Fayette Street, Room 527		
	SUBJECT	City Council Bill 16-0669	M E M O	

July 25, 2016

TO The Honorable President and  
Members of the City Council  
c/o Natawna Austin  
Room 400 City Hall

I am herein reporting on City Council Bill 16-0669 - Port Covington Development District for the purposes of designating the "Port Covington Development District"; creating a special tax increment fund for the development district; allocating certain property taxes to that fund; providing for a special effective date; and generally providing for matters relating to the designation and operation of the development district, the establishment and use of the special tax increment fund to pay for debt service on special obligation bonds or notes issued by the City in connection with the development district.

This legislation has two companion bills:

- City Council Bill 16-0670, Port Covington - Bond Ordinance - authorizes the City to issue Special Obligation Bonds in an amount not to exceed \$660,000,000 to fund up to \$534,795,000 in public infrastructure improvements; pledges Tax Increment Revenues and Special Tax Revenues to the payment of debt service on the Special Obligation Bonds; and authorizes the Board of Finance to specify the terms of the issuance, sale, and payment of the Special Obligation Bonds.
- City Council Bill 16-0671, Port Covington - Special Taxing District - creates the Port Covington Special Taxing District and authorizes the City to levy Special Taxes. Under the Special Taxing District, the property owners within the District are financially liable to the City, which will ensure the City's ability to repay the holders of the TIF bonds in the event that the Tax Increment Revenues collected are insufficient to service the debt on the TIF Bonds.

This bill defines the geographic area where the tax increment can be collected and the Tax Increment Financing (TIF) bond proceeds can be spent.

If enacted, these three bills will establish the Development District and TIF to support the proposed Port Covington project's redevelopment as a mixed-use community anchored by the new campus headquarters of Under Armour. The creation of the Development District and the issuance of bonds will support this major development, spurring economic growth and development, job creation, and needed upgrades to public infrastructure.

For these reasons, the Department of Transportation (DOT) recommends favorable consideration and passage of this legislation.

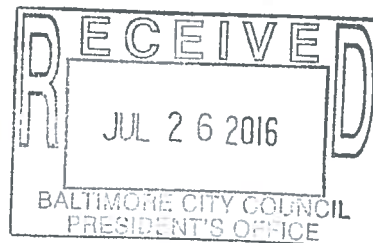
Thank you for this opportunity to comment.

Respectfully,



Frank J Murphy  
Acting Director

FJM/PAF



Cc: Angela Gibson, Mayor's Legislative Liaison

