

MEMORANDUM

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

FROM: Brenda McKenzie, President and CEO *BMC*

DATE: July 5, 2013

SUBJECT: City Council Bill No. 13-0113R
Harbor Point Accountability for Perkins Homes

Baltimore Development Corporation encourages development and promotes economic growth in Baltimore City. The agency's intent is to clarify any misconceptions surrounding the Harbor Point Enterprise Zone expansion.

The process to expand the Consolidated State Enterprise Zone is straightforward. To expand the Enterprise Zone, per the State of Maryland, the demographics of any newly added area must be included in the overall, existing, City-wide consolidated Enterprise Zone. This is the process that is followed State-wide and that the City has followed for all Enterprise Zone expansions. The State thoroughly reviewed the application and confirmed that the guidelines were followed and the methodology was correct.

To further clarify the process, Perkins Homes is located in the 301 census tract and is not, nor has ever been, included in the Harbor Point (203) census tract. The 301 tract demographics have been in the Enterprise Zone for over 10 years and were not recently added.

Neither Perkins Homes nor the 301 census tract were needed or used to qualify the inclusion of Harbor Point in the Enterprise Zone. The Consolidated Enterprise Zone program is not dependent on a single census tract but rather the entire city as a whole.

Placing this resolution on the Harbor Point developer to allocate a portion of the foregone property tax to a specific neighborhood is a precarious precedent that may deter future projects from moving forward in the Enterprise Zone. BDC wants Baltimore to remain competitive and receive the full benefit of this State program.

As such, BDC does not support City Council Bill 13-0113R and respectfully requests that unfavorable consideration is given by the City Council.

cc: Kaliope Parthemos
Angela Gibson

