


Dana P. Moore

FROM	NAME & TITLE	Dana P Moore, Director and Chief Equity Officer	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Office of Equity and Civil Rights, 7 East Redwood St, 9 <sup>th</sup> Floor		
	SUBJECT	City Council Bill 220-0220 – Study and Report-Tax Increment Financing		

DATE:

TO

The Honorable President and Members of the City Council  
City Hall, Room 400

September 13, 2022

**Position: Support with amendments**

The Office of Equity and Civil Rights is herein reporting on City Council Bill 22-0220, Study and Report – Tax Increment Financing (TIF), the purpose of which is to have the multiple City agencies submit a report, in collaboration with advocates, practitioners, and residents, that details how tax increment financing can be used for community development and eliminating vacant and abandoned properties.

**Background**

Tax increment financing (TIF) is a financing tool that captures and uses increased property tax revenues from new development within a defined geographic district to fund public infrastructure. A TIF is created when a government entity borrows money to finance private development that is viewed as beneficial to the community. The collateral for the borrowed money is the projected tax receipts of the property that is being developed.<sup>1</sup> It has been a hotly debated topic for urban development and redevelopment with some exclaiming its value and other decrying the it as an unfair subsidy for rich developers to the detriment of local taxpayers.<sup>2</sup>

**The Office of Equity and Civil Rights will support research and analysis on the use and value of TIFs to ensure they are truly used to the benefit of all residents. The Office of Equity and Civil Rights defers to the Department of Finance on the passage of City Council Bill 22-0220.**

cc: Natasha Mehu, Director Mayor’s Office of Government Relations  
Nina Themelis, Deputy Director, Mayor’s Office of Government Relations

<sup>1</sup> "TIF Funding Debated at Baltimore City Council Meeting." 20 May. 2016, <https://afro.com/tif-funding-debated-at-baltimore-city-council-meeting/>. Accessed 13 Sep. 2022.

<sup>2</sup> "The problem with Baltimore's 'TIF' strategy » Research »." 13 May. 2022, <https://www.mdpolicy.org/research/detail/the-problem-with-baltimores-tif-strategy>. Accessed 13 Sep. 2022.