


FROM	NAME & TITLE	Jennell Rogers, Chief	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of Treasury Management 200 Holliday Street, Room 7		
	SUBJECT	City Council Bill 24-0595 – City-wide Affordable Housing Development District		

DATE:

TO

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

November 7, 2024

Position: Support

The Department of Finance is herein reporting on City Council Bill 24-0595, City-wide Affordable Housing Development District the purpose of which is to create a district that identifies vacant properties that could benefit from an allocation of TIF bond proceeds in addition to identifying formerly vacant properties that have been redeveloped and will be used to generate increment needed to sell the first tranche of bonds.

The Board of Finance has considered and approved the request to establish Development District for this purpose on July 15, 2024; and approved the submission of this legislation to the President and Members of the City Council of Baltimore.

Background

Identification of TIF Properties

There are a total of 7,925 properties included in the Development District legislation. Properties fall into one of three classifications: properties that could qualify for an allocation of TIF Bond proceeds; properties that will be used to support the increment for the first bond tranche, and properties that are under development and could potentially support a future bond tranche. These properties are summarized below:

Criterion	Properties
2023 Rehabs/Sales for First Increment	1203
2024 Rehabs/Sales for First Increment (through August 1 st)	732
VBNs with Open Permits for Increment	1999
In Rem Eligible VBN	2296
ARPA Acquisition	97

MCC-owned VBN	489
Other VBN Acquisition on Priority Block	50
Vacant Buildings Necessary for Development Project	118
Vacant Lots Necessary for Development Project	941
Total	7,925
TOTAL POTENTIAL PROPERTIES THAT CAN BENEFIT FROM TIF PROCEEDS	3,991

Properties included in the TIF District reflect and build on the data-driven methodology DHCD developed when creating its 2019 Community Development Framework. Selected properties are in areas with high vacancy rates where TIF funds can be combined with other funding sources and strategies to build off of stronger areas and assets and achieve whole block outcomes.

The 3,991 properties that could potentially benefit from an allocation of TIF Bond proceeds are all on priority blocks that will be the focus of DHCD’s vacancy reduction efforts.

Fiscal Impact Analysis

The legislation establishes only the development district and does not authorize the issuance of bonds.

Conclusion

The Department of Finance supports the legislation to authorize designate the development district for the City-Wide Affordable Housing Development District. This development district will create a special, tax increment fund and allocate certain property taxes to support the repayment for certain public infrastructure improvements and vacant properties.

For the reasons stated above, the Department of Finance supports City Council Bill 24-0595.

cc: Nina Themelis