

## MEMORANDUM

STEPHANIE RAWLINGS-BLAKE,

PAULT, GRAZIANO.

To:

The Honorable President and Members of the Baltimore City Council

c/o Karen Randle, Executive Secretary

From:

Paul T. Graziano, Commissioner, Department of Housing and Community Development

Date:

June 27, 2013

Re:

City Council Bill 13-0233 - Harbor Point Special Taxing District

The Department of Housing and Community Development has reviewed City Council Bill 13-0233, which was introduced for the purpose of designating a "special taxing district" to be known as the "Harbor Point Special Taxing District"; providing for and determining various matters in connection with the establishment of the special taxing district; creating a special fund for the special taxing district; providing for the levy of a special tax on all taxable real and personal property located in the special taxing district; providing for a special effective date; and generally providing for matters relating to the designation and operation of the special taxing district, the establishment and use of the special fund, authorizing the pledge of the special tax revenues to the payment by or reimbursement to the City for debt service on any special obligation bonds or notes issued by the City in connection with the special taxing district, the replenishment of any reserve fund, and the payment of certain expenses and administrative costs related to the operation of the special taxing district.

This bill, along with companion legislation, City Council Bills 13-0232 and 13-0234, are related to the area known as Harbor Point, which is located between the Fells Point neighborhood and the Harbor East neighborhood of Baltimore City. Specifically, City Council Bill 13-0233 would create a special taxing district to be known as the "Harbor Point Special Taxing District", as well as certain related matters such as creating a special fund, providing for a levy, and generally providing for matters relating to the special taxing district.

It is the understanding of the Department of Housing and Community Development that the adoption of these three City Council Bills, along with a fourth bill relating to the planned unit development—City Council Bill 13-0195—will allow the area located in the Harbor Point Planned Unit Development (PUD) to be developed into a 3.02 million sq.ft. master planned, mixed-use community.

Finally, HCD notes that, pursuant to Article 13, § 2B-21(a) of the Baltimore City Code, every qualifying major public subsidy—which is defined to include tax increment financing (TIF) monies—used in conjunction with the construction of a qualifying residential housing project—one containing 30 or more residential units—triggers an analysis under the "Inclusionary Housing Requirements" of Art. 13, § 2B of the Baltimore City Code. As a TIF has been proposed for this project, HCD has been working in conjunction with the Baltimore Development Corporation (BDC) in BDC's negotiations with the property owner regarding the Inclusionary Housing Requirements. It is expected that housing units will be developed on this site over multiple phases. As such, HCD will conduct the Inclusionary Housing analysis review as each phase is proposed.

The Department of Housing and Community Development supports the adoption of City Council Bill 13-0233.

## PTG:nb

cc:

Ms. Angela Gibson, *Mayor's Office of Government Relations*Ms. Kaliope Parthemos, *Deputy Chief, Economic Development*