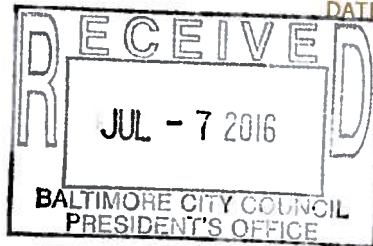


<b>FROM</b>	NAME & TITLE	Rudolph S. Chow, P.E., Director	CITY of <b>BALTIMORE</b> <b>MEMO</b>
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building	
	SUBJECT	<b>CITY COUNCIL BILL 16-0694</b>	



**TO**

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



DATE: July 1, 2016

I am herein reporting on City Council Bill 16-0694 introduced by the Council President on behalf of the Administration (Planning Department).

The purpose of this Bill is to create a Community Impact District, to be known as the South Baltimore Gateway Community Impact District; specify the boundaries of the District; create an Authority and provide for its rights, duties, powers, and funding; provide for the selection and composition of the Authority's Board of Directors; provide for an Administrator for the Authority; mandate the financial responsibilities of the Authority and the City in conjunction with the operation of the District; specify the City's role in maintaining and enhancing existing services; designate the Board of Estimates as the agency charged with reviewing and approving various matters relating to the District and the Authority; provide for the renewal, expiration, and termination of the District and the Authority; include the Authority, its Board of Directors, and its staff within the purview of the City Public Ethics Law; provide for a special effective date; and generally relating to the existence, operation, and control of the South Baltimore Gateway Community Impact District and Authority.

The area of the proposed Community Impact District includes the neighborhoods of: Barre Circle, Carroll Park, Carroll-Camden Industrial Area, Cherry Hill, Federal Hill, Lakeland, Middle Branch/Reedbird Parks, Mount Winans, Otterbein, Pigtown/Washington Village, Ridgely's Delight, Riverside, Saint Paul, Sharp-Leadenhall, South Baltimore, Spring Garden Industrial Area, Stadium Area, and Westport.

In 2014, the Horseshoe Casino opened in this area, on Russell Street, just south of the M&T Bank Stadium. Under State Law (State Government Article section 9-1A-31), a portion of revenue from gambling must be dedicated to improving surrounding communities through the allowable uses of infrastructure investments, facilities, public safety, sanitation, economic and community development, and other public services. Specifically, this law requires that 5.5% of the Video Lottery Terminal (VLT) tax revenue be distributed as impact grants to the local governments of the jurisdictions where the VLTs operate. State law also allows for the creation of a Local Development Council (LDC), which is an advisory board of community representatives, businesses, and institutions in the impact area of the casino. The LDC gives the communities around the casino an official role in determining how the impact funds are utilized. The Baltimore Casino LDC has been meeting regularly since January of 2013.

In order to create a mechanism for the distribution of funds and the provision of services, the Maryland General Assembly passed legislation in its 2016 legislative session that authorizes the Mayor and City Council of Baltimore to establish the South Baltimore Gateway Community Impact District and the South Baltimore Gateway Community Impact District Management Authority. This legislation was signed into law April 26, 2016 and became effective June 1,

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2016. It requires that at least 50% of local impact grants from video lottery proceeds received by Baltimore City be distributed to the Authority, beginning in Fiscal Year 2018. Under the State law, the City is required to adopt an ordinance in order to create the Management Authority.

City Council Bill 16-0694, if approved, will:

- Establish the South Baltimore Gateway Community Impact District;
- Establish the South Baltimore Gateway Community Impact District Management Authority;
- Define the powers, duties, and functions of the Authority;
- Establish the parameters of the composition of the Board of Directors of the Authority;
- Require an annual financial plan, an MOU for baseline City services, and the establishment of the method of disbursing the local impact grant funds;
- Define the powers and immunity of the Administrator;
- Require public hearings to be held every 4 years to evaluate the activities of the Authority and the District and to determine whether the District should be renewed for another 4 years;
- Require financial disclosure statements and ethics requirements for the Authority, Board, and Administrator;
- Establish certain other guidelines and procedures regarding the establishment of the District and Authority.

The establishment of the South Baltimore Gateway Community Impact District and the South Baltimore Gateway Community Impact District Management Authority will create the mechanism for accepting and utilizing the local impact grants. These grant funds are to be spent based on the priorities of the South Baltimore Gateway Master Plan of 2015 which was developed out of two years of workshops with the communities in impact area. The boundaries of the Plan mostly match that of the Impact District with the exception of the area east of South Hanover Street and south of McComas Street in Port Covington, which is not in the Impact District. The Gateway Master Plan describes the needs and opportunities in the area and the priorities for improvements. The local impact grants will help make goals in the plan a reality.

Based on these findings, the Department of Public Works supports the passage of City Council Bill 16-0694.

Respectfully,



RUDY S. CHOW, P.E.  
DIRECTOR