


FROM	NAME & TITLE	Jennell Rogers, Chief <i>JR</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of Treasury Management 200 Holliday Street, Room 7		
	SUBJECT	City Council Bill 20-0587 – Perkins Somerset Oldtown Development District		

DATE:

TO

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

September 16, 2020

Position: Support

The Department of Finance is herein reporting on City Council Bill 20-0587, Perkins Somerset Oldtown Development District, the purpose of which is intended to designate a district to be known as the “Perkins Somerset Oldtown Development District”. The Bill also creates a tax increment fund for that development district: allocation of certain property taxes to that fund; provide for a special effective date; the establishment and use of the tax increment fund and the issuance and payment of, and other matters pertaining to special obligation bonds or notes that will be issued in connection with the development district.

The Board of Finance has considered and approved the request to establish a Special Taxing District for this purpose; and approved the submission of this legislation to the President and Members of the City Council of Baltimore.

Background

The Development Plan encompasses a 244-acre transformation zone home to 5,939 residents, 89% of which are renters and 60% of which are living in poverty. The zone includes two public housing developments (Perkins and Douglas Homes), the former site of Somerset homes, and area redeveloped under Hope VI (Pleasant View Gardens, Latrobe Homes and Albemarle Square).

The Development Plan area is surrounded by dynamic urban neighborhoods that have experienced tremendous growth in recent years. This growth is expanding inward to Perkins from all sides, providing new employment opportunities in the services, retail, and entertainment sectors.

The Development Plan replaces the existing Perkins units one-for-one, and it includes provisions to ensure the long-term affordability for all other affordable housing units. The PSO Plan supplements affordable housing for existing residents with residences for a range of income levels, creating a vibrant community of new, modern, high-quality, well-designed, mixed-income housing. This new mixed-income housing, along with the proposed neighborhood investments, will serve as the cornerstone for reinvestment in the area, catalyzing new commercial, institutional, and additional residential development along the corridor connecting the Johns Hopkins medical campus to the Baltimore Harbor.

Fiscal Impact Analysis

This legislation establishes only the development district and does not authorize the issuance of bonds, nor does it obligate the City to approve the project. The Board of Finance has considered and approved the request to establish a Tax Increment Financing District for this purpose; and approved the submission of this legislation to the President and Members of the City Council of Baltimore.

Conclusion

The Department of Finance supports the legislation to designate the development district for the Perkins Somerset Oldtown project. This development district will create a special, tax increment fund and allocate certain property taxes to support the repayment for bonds issued for certain public and infrastructure constructed in the Perkins Somerset Oldtown Development District.

For the reasons stated above, the Department of Finance supports City Council Bill 20-0587.

cc: Matthew Stegman

Nina Themelis