



Legislation Text

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INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL R
(Resolution)

Introduced by: Councilmember Stokes

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning
Harbor Point Accountability for Perkins Homes

FOR the purpose of calling on the Harbor Point development team to make good on their representations that Harbor Point will benefit the nearby pockets of poverty that allowed for its inclusion in Baltimore's Enterprise Zone by investing a fraction of the Enterprise Zone's projected tax savings into the Perkins Homes community.

Recitals

The Harbor Point development slated for construction on a currently vacant parcel between affluent Harbor East and Fells Point promises to once again transform Baltimore's waterfront. However, according to the property's developers, this project would not be possible without a variety of financial assistance from the City and State that they justify through arguments that the development will benefit the City as a whole, and many of our citizens, rather than just investors' bottom lines.

One key piece of assistance that the Harbor Point developers secured for their property was its designation last year as part of Baltimore's tax-reducing Enterprise Zone. Importantly, Harbor Point on its own would not have met the State's criteria for inclusion in this program, intended to support economic development in impoverished and disadvantaged areas.

Instead, once it became clear that an application for the luxury Harbor Point development alone would fail, project backers modified their application to include nearby poverty-stricken areas, such as the Perkins Homes public housing development, in the application as well. They justified this change through promises that the Harbor Point project would benefit these needy areas as well as its intended wealthy residents and white collar workers.

Now, nearly a year later, groundbreaking for Harbor Point is nearing and its planning is all but complete, but these plans include no tangible or identifiable benefits for the Perkins Homes residents. Without the developers' assurances that waterfront development would aid the children and families of this community, Harbor Point would have remained outside the Enterprise Zone, and, if its backers are to be believed, the billion dollar project would not

be proceeding. Equity therefore demands that the developers make good on their promise that life will be made better in the Perkins Homes.

Harbor Point's inclusion in the Enterprise Zone will save at least \$52 million in taxes - some estimates of the savings range as high as \$169 million. In order for its developers to demonstrate a genuine effort to aid the residents whose poverty has been used to advance a project that will likely make hundreds of millions of dollars for investors, they must commit to investing at least \$15.6 million, 30% of the low estimate of the Enterprise Zone's tax savings, into the Perkins Homes community. To do anything less would be to expose their Enterprise Zone application as a sham; and would raise serious questions about whether it is truly in the City's best interests to continue to support the Harbor Point development.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Council calls on the Harbor Point development team to make good on their representations that Harbor Point will benefit the nearby pockets of poverty that allowed for its inclusion in Baltimore's Enterprise Zone by investing a fraction of the Enterprise Zone's projected tax savings into the Perkins Homes community.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the developers of the Harbor Point project, the President and CEO of the Baltimore Development Corporation, and the Mayor's Legislative Liaison to the City Council.

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