



Legislation Details (With Text)

File #: 20-0589 **Version:** 0 **Name:** Perkins Somerset Oldtown Special Taxing District
Type: Ordinance **Status:** Enacted
File created: 8/17/2020 **In control:** City Council
On agenda: **Final action:** 10/27/2020
Enactment date: **Enactment #:** 20-420

Title: Perkins Somerset Oldtown Special Taxing District
For the purpose of designating a “special taxing district” to be known as the “Perkins Somerset Oldtown 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 to provide for the payment by or reimbursement to the City for debt service, which the City is obligated to pay or has paid (whether such obligation is general or limited) on any special obligation bonds or notes issued by the City, the authorization of the pledge, subject to appropriation, of the special tax revenues, pursuant to a Contribution Agreement, to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations issued in connection with the special taxing district and other related costs, the replenishment of any reserve fund established for any bonds or State Obligations, and the payment of certain expenses and administrative costs related to the operation of the special taxing district.

Sponsors: City Council President (Administration)

Indexes: Special Taxing District

Code sections:

Attachments: 1. Exhibit 1 to Special Taxing District Ordinance - Map of Special Tax District 20-0589, 2. Exhibit 4 to Special Taxing District Ordinance - Special Tax Report 20-0589, 3. Exhibits A through I to Special Tax Report 20-0598, 4. Exhibit A to Rate and Method 20-0598, 5. Exhibit 3 to Special Taxing District Ordinance - Rate and Method 20-0589, 6. 20-0589~1st Reader, 7. Agenda 20-0589, 8. Newspaper Affidavits - Daily Record - 20-0589, 9. Planning 20-0589, 10. Delegate McIntosh - letter of support, 11. BMZA 20-0589, 12. Finance 20-0589, 13. HCD 20-0589, 14. Delegate McIntosh - letter of support, 15. BDC 20-0589, 16. HABC 20-0589, 17. Perkins Homes Tenant Council TIF Support Ltr 091720, 18. Street PSO TIF Support Ltr 091720, 19. support letter - principal richetta, 20. Perkins Homes Tenant Support Letter 20-0589, 21. Street PSO TIF Support Letter 20-0589, 22. support letter - principal richetta, 23. Letter of Support Perkins-Somerset-Oldtown project_, 24. Meeting Minutes - 20-0589, 25. cc20-0589~1st (Comm), 26. Active_134054367_1_Exhibit 4 to Special Taxing District Ordinance - Special Tax Report (8-7-20), 27. Active_134009219_1_Exhibit 1 to Special Taxing District Ordinance - Map of Special Tax District, 28. Senator McCray - Perkins-Somerset-Oldtown Support, 29. Active_134054367_1_Exhibit 4 to Special Taxing District Ordinance - Special Tax Report (8-7-20), 30. Letter of Support Perkins-Somerset-Oldtown project, 31. Senator McCray - Perkins-Somerset, 32. Law - 20-0589, 33. Taxation - 20-0589 - Hearing Notes, 34. TFED - Perkins Somerset Oldtown - Bill Synopsis, 35. 2nd Reader Amendments 20-0589, 36. Signed Ordinance 20-0589, 37. 20-0589~3rd Reader

Date	Ver.	Action By	Action	Result
11/2/2020	0	Mayor	Signed by Mayor	
10/19/2020	0	City Council	Approved and Sent to the Mayor	
10/5/2020	0	City Council	3rd Reader, for final passage	

9/24/2020	0	Taxation, Finance and Economic Development Committee	Recommended Favorably with Amendment	Pass
9/11/2020	0	Taxation, Finance and Economic Development Committee	Advertising	
8/20/2020	0	The City Council	Refer to Dept. of Finance	
8/20/2020	0	The City Council	Refer to Board of Municipal and Zoning Appeals	
8/20/2020	0	The City Council	Refer to Planning Commission	
8/20/2020	0	The City Council	Refer to Baltimore Development Corporation	
8/20/2020	0	The City Council	Refer to Dept. of Housing and Community Development	
8/20/2020	0	The City Council	Refer to City Solicitor	
8/20/2020	0	The City Council	Refer to Housing Authority of Baltimore City	
8/17/2020	0	City Council	Introduced	
8/17/2020	0	City Council	Assigned	
8/17/2020	0	Taxation, Finance and Economic Development Committee	Scheduled for a Public Hearing	

* **Warning:** This is an unofficial, introductory copy of the bill.
The official copy considered by the City Council is the first reader copy.

Introductory*
City of Baltimore
Council Bill

Introduced by: The Council President
At the request of: The Administration (Department of Housing and Community Development)

A Bill Entitled

An Ordinance concerning

Perkins Somerset Oldtown Special Taxing District

For the purpose of designating a “special taxing district” to be known as the “Perkins Somerset Oldtown 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 to provide for the payment by or reimbursement to the City for debt service, which the City is obligated to pay or has paid (whether such obligation is general or limited) on any special obligation bonds or notes issued by the City, the authorization of the pledge, subject to appropriation, of the special tax revenues, pursuant to a Contribution Agreement, to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations issued in connection with the special taxing district and other related costs, the replenishment of any reserve fund established for any bonds or State Obligations, and the payment of certain expenses and administrative costs related to the operation of the special taxing district.

By authority of

Article II - General Powers
Section (62A)
Baltimore City Charter
(1996 Edition)

Recitals

The Special Taxing District Act, Article II, Section (62A) of the Baltimore City Charter (the “Special Taxing District Act”), authorizes the Mayor and City Council of Baltimore (the “City”) to establish a “special taxing district” (as defined in the Special Taxing District Act) and a special fund into which the special taxes levied in the special taxing district are deposited for the purpose of providing financing, refinancing, or reimbursement for the cost (as defined in the Special Taxing District Act) of infrastructure improvements (as defined in the Special Taxing District Act).

The Special Taxing District Act also authorizes the City, subject to certain requirements, to borrow money by issuing and selling Bonds (defined herein), for the purpose of providing financing, refinancing, or reimbursement for the cost of the infrastructure improvements.

The Special Taxing District Act also authorizes the City, subject to certain requirements, to use the special tax revenues to pay or reimburse the City for debt service which the City is obligated to pay or has paid (whether such obligation is general or limited) on Bonds or, under a Contribution Agreement, to a State Issuer (as such terms are defined herein) for the payment of principal of and interest on applicable State Obligations (defined herein) for the purpose of providing financing, refinancing, or reimbursement for the cost of infrastructure improvements.

The City has been requested to designate and create the Perkins Somerset Oldtown Special Taxing District from both (i) the owners of at least two-thirds of the assessed valuation of the real property located in the proposed special taxing district and (ii) at least two-thirds of the owners of the real property located in the proposed special taxing district as determined by the provisions of the Special Taxing District Act.

The Special Taxing District Act provides that before any bonds may be issued, the City must enact an ordinance that (i) designates an area or areas as a “special taxing district”; (ii) creates a special fund for the special taxing district; and (iii) provides for the levy of an ad valorem or special tax on all real and personal property in the special taxing district at a rate or amount designed to provide adequate revenues to pay the principal of, interest on, and redemption premium, if any, on the Bonds and the amount payable under a Contribution Agreement to a State Issuer for the payment of the principal of and interest on applicable State Obligations, to replenish any debt service reserve fund, and for any other purpose related to the ongoing expenses of or security for the Bonds or the payment obligations under the Contribution Agreement.

The City wishes to establish a special taxing district within Baltimore City, establish a special fund for the special taxing district, and provide for the levy of a special tax on all taxable real and personal property in the special taxing district for the purpose of providing funds for the costs of the infrastructure improvements and related costs permitted by the Special Taxing District Act, including, without limitation, the Project (defined herein).

Section 1. Be it ordained by the Mayor and City Council of Baltimore, That for the purposes of this Ordinance, the following terms have the meanings indicated:

- (a) “Bond Ordinance” means the Ordinance of the City authorizing (1) the issuance of Bonds or (2) the execution and delivery by the City of a Contribution Agreement and the pledge by the City, subject to appropriation, of the special tax revenues pursuant to such Contribution Agreement to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations and other related costs.

- (b) “Bonds” means any bonds, notes, or other similar instruments issued by the City pursuant to and in accordance with the Special Taxing District Act.
- (c) “City Expenses” shall have the meaning set forth in the Bond Ordinance.
- (d) “Contribution Agreement” means one or more contribution agreements or such other agreements executed by the City and a State Issuer, pursuant to which the City will evidence a pledge, subject to appropriation, of the special tax revenues to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations, the replenishment of any reserve fund for the State Obligations, and the payment of other costs with respect to the State Obligations, including, without limitation, any City Expenses, State Issuer Expenses, and other administrative costs.
- (e) “MEDCO” means the Maryland Economic Development Corporation.
- (f) “Project” shall have the meaning set forth in Schedule I attached hereto.
- (g) “Rate and Method” means the Rate and Method of Apportionment of the Special Taxes attached hereto as Exhibit 3 and made a part hereof.
- (h) “Special Tax Fund” means the special fund established by Section 4 of this Ordinance.
- (i) *“Special Taxing District” means the area in the City designated in Section 3 of this Ordinance as a special taxing district under the Special Taxing District Act.*
- (j) “Special Taxing District Act” means the Special Taxing District Act, as codified in Article II, Section (62A) of the Baltimore City Charter.
- (k) “State Issuer” means MEDCO, the State of Maryland, or any agency, department, or political subdivision of the State of Maryland.
- (l) “State Issuer Expenses” means administrative costs and other expenses related to the State Obligations of the State Issuer approved by the Director of Finance to be paid by the City, if required by a Contribution Agreement.
- (m) “State Obligations” means any bonds or bond, notes or note, or other similar instruments or instrument issued by a State Issuer, the proceeds of which have been used to finance a portion of the costs of the Project as permitted by the Special Taxing District Act.

Section 2. And be it further ordained, That the Mayor and City Council of Baltimore finds and determines that (a) the establishment of the Special Taxing District, (2) the creation of the Special Tax Fund for such Special Taxing District and (3) the pledge of amounts, subject to appropriation, on deposit in the Special Tax Fund for the payment of debt service on and other costs related to Bonds or the pledge by the City of amounts, subject to appropriation, on deposit in the Special Tax Fund pursuant to a Contribution Agreement to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations and other related costs, all for the purpose of providing funds for the financing and refinancing of a portion of the costs of the Project, accomplish the purposes of the Special Taxing District Act, serve public purposes, including but not limited to the direct and indirect enhancement of the taxable base of the City, the creation of new educational and employment opportunities, the encouragement of additional economic activities, the transformation of existing neighborhoods into sustainable and thriving mixed-income communities, the undertaking of urban renewal projects, the facilitation of planned improvements to the Special Taxing District, and generally promote the health, welfare, and safety of the residents of the State of Maryland and of the City of Baltimore, and the furtherance of economic development conducted pursuant to applicable comprehensive

plans and land use legislation.

Section 3. And be it further ordained, That *the contiguous area consisting of the properties designated as described in Exhibit 2 attached hereto and made a part hereof (as the same may be renumbered or redesignated as a result of any subdivision or re-subdivision of such property), together with the adjoining roads, highways, alleys, rights-of-way and other similar property, shown on the map in Exhibit 1 attached hereto and made a part hereof is designated as a special taxing district to be known as the “Perkins Somerset Oldtown Special Taxing District.”*

Section 4. And be it further ordained, That a special fund is established for the Special Taxing District to be known as the “Perkins Somerset Oldtown Special Tax Fund.” The Director of Finance shall deposit in the Special Tax Fund all special taxes levied and collected in accordance with Section 5 of this Ordinance. The Director of Finance and other officers and employees of the City shall take all necessary steps in order to establish the Special Tax Fund as a separate fund to be held by or for the account of the City.

Section 5. And be it further ordained, That:

- (a) *A special tax shall be levied upon all real and personal property in the Special Taxing District, unless exempted by the provisions of this Ordinance or otherwise by law, for the purposes, to the extent, and in the manner set forth in the Rate and Method.*
- (b) (1) The revenues and receipts from the special tax, the Special Tax Fund, and any other fund into which all or any of these revenues and receipts are deposited after they have been appropriated by the City are authorized to be pledged to the payment of the principal of and interest on any Bonds, the replenishment of any reserves or reserve funds, and the payment of any City Expenses and other administrative costs. These revenues, receipts, and funds are not, however, irrevocably pledged to the payment of the principal of and interest on and other related costs of Bonds, and any such obligation to pay the principal of and interest on, and other related costs of, any Bonds is subject to annual appropriation by the City.
- (2) The revenues and receipts from the special tax, the Special Tax Fund, and any other fund into which all or any of these revenues and receipts are deposited after they have been appropriated by the City are authorized to be pledged by the City, pursuant to a Contribution Agreement, to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations, the replenishment of any reserves or reserve funds, and the payment of any City Expenses, or if required by such Contribution Agreement, State Issuer Expenses, and other administrative costs. These revenues, receipts, and funds are not, however, irrevocably pledged to the City’s obligations under any Contribution Agreement to provide for the payment by a State Issuer of the principal of and interest on and other related costs of State Obligations, and any such payment obligation is subject to annual appropriation by the City.
- (c) Special taxes levied in the Special Taxing District may not be accelerated by reason of Bond or State Obligation default. The maximum special taxes as described in the Rate and Method applicable to any individual property may not be increased in the event that other property owners become delinquent in the payment of the special taxes.

Section 6. And be it further ordained, That *the Mayor and City Council of Baltimore finds*

that:

- (a) The construction of the Project will create a public benefit and special benefits to the properties in the Special Taxing District;
- (b) The special taxes levied under this Ordinance are levied in an amount that does not exceed the special benefit that the properties within the Special Taxing District will receive from the Project, as shown by the Special Tax Allocation Report in Exhibit 4 attached hereto and made a part hereof; and
- (c) The special taxes levied on each property in the Special Taxing District are a fair allocation of the costs of the Project to each property in the Special Taxing District, as shown by the Special Tax Allocation Report.

Section 7. And be it further ordained, That the Director of Finance may do all acts and things and execute all documents and certificates relating to the Special Taxing District and the Special Tax Fund.

Section 8. And be it further ordained, That any approvals, authorizations, or activities provided in this Ordinance do not constitute and may not be deemed to constitute or imply that the City Council, the Mayor, or any department, office or agency of the City has given or will give, any approval, authorization, or consent to any action or activity within or required for the development of the Special Taxing District, including any land use approval, requirements for the provision of public utilities or services, or any other administrative, judicial, quasi-judicial, or legislative approval, authorization, consent, or any necessary amendments to underlying zoning laws and maps, urban renewal plans, Planned Unit Developments or Master Plans required to develop the Project.

Section 9. And be it further ordained, That this Ordinance may be amended by a subsequent ordinance of the Mayor and City Council of Baltimore, which ordinance may enlarge or reduce the size of the Special Taxing District, upon receipt of a request from both (i) the owners of at least two-thirds of the assessed valuation of the real property located with the proposed special taxing district and (ii) at least two-thirds of the owners of the real property located within the proposed special taxing district as determined by the provisions of the Special Taxing District Act. However, no ordinance may be effective to reduce the size of the Special Taxing District so long as there are any outstanding Bonds secured by the Special Tax Fund or City payment obligations pursuant to a Contribution Agreement to provide for the payment by the State Issuer of the principal of and interest on the applicable State Obligations, respectively, unless the ordinance that authorized the issuance of Bonds or State Obligations permits the City to reduce the area constituting the Special Taxing District, the holders of such Bonds or State Obligations or an authorized representative on their behalf consents to the reduction or the indenture authorizing such Bonds or State Obligations permits the reduction.

Section 10. And be it further ordained, *That the provisions of this Ordinance are severable. If any provision, sentence, clause, section or other part of this Ordinance is held or determined to be illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, that illegality, invalidity, unconstitutionality, or inapplicability does not affect or impair any of the remaining provisions, sentences, clauses, sections, or parts of this Ordinance or their application to other persons or circumstances. It is the intent of the Mayor and City Council that this Ordinance would have been passed even if the illegal, invalid, unconstitutional, or inapplicable provision, sentence, clause, section, or other part had not been included in this Ordinance, and as if the person or*

circumstances to which this Ordinance or part are inapplicable had been specifically exempted.

Section 11. And be it further ordained, That this Ordinance takes effect on the date it is enacted.
Schedule 1

Description of the “Project”

The Project means the following infrastructure improvements to the extent permitted by the Acts, to be constructed in accordance with all required City approvals:

1. The design, installation, development, construction or reconstruction, renovation, improvement, landscaping, equipping, and realignment of street and road improvements to, from, and within the Development District, and other related costs, including (without limitation):
 - a. streets and roads that contain pedestrian walks, bike paths, and improvements related thereto (including, but not limited to, bus stops, bike racks, and benches);
 - b. intersections, curbs, gutters, sidewalks, lighting, signage, street markings, signals, ramps, and other improvements, furnishings, or equipment related thereto, which may include items, structures, or improvements relating to transit, pedestrians, and bicycles;
 - c. any other improvements which are designed to improve traffic flow to and from the Development District or otherwise necessary to the foregoing;
2. The design, installation, development, construction and reconstruction, renovation, improvement and equipping of utilities, and any necessary environmental remediation related thereto, and other related costs, including (without limitation):
 - a. water, sewer and sewage facilities, lighting, underdrains, electrical service, ductbanks, and conduits;
 - b. water meter vaults and sanitary lift stations; and
 - c. stormwater management facilities, including (without limitation), drains, gardens, the protection of wetlands, structural improvements, foliage, and bioretention facilities;
3. The design, installation, development, construction and reconstruction, renovation, improvement, installation, and equipping of public parks, green space, and other open spaces and other related costs, including (without limitation):
 - a. required earthwork, sitework, foliage, furnishings, equipment, lighting, signage, and multimodal structures and facilities and
 - b. indoor and outdoor public recreational fields, facilities, pools, structures, and amenities, public restrooms, shade structures, and comfort stations;
4. The cost of purchasing, leasing, or otherwise acquiring land or other property, or an interest in them, in the Development District or as necessary for a right-of-way or other easement to or from the Development District;
5. Site removal, including (without limitation) demolition, site preparation, earthwork, clearing, grading

- and filling, erosion and sediment control, soil cut, infill or removal, capping, and necessary environmental remediation;
6. The construction or rehabilitation of buildings provided that such buildings (i) are to be devoted to a governmental use or purpose, including but not limited to buildings, facilities, or structures to be used as a school or uses ancillary to a school, (ii) are abandoned property; (iii) are distressed property; or (iv) will provide units of affordable housing;
 7. Surveys and studies, including (without limitation) designs, plans, drawings, specifications, and estimates of cost and of revenues, in each case related to the foregoing;
 8. The relocation of businesses or residents; and
 9. The acquisition, construction, reconstruction, renovation, design, and development of other related infrastructure or other improvements as permitted by the Acts that are necessary for the completion of the foregoing for their intended public purposes.

Exhibit 1

Map of the Special Taxing District

Exhibit 2

List of Properties within the Special Taxing District

<u>Address</u>	<u>Block</u>	<u>Lot</u>
426 Oldtown Mall	1272	1
428 Oldtown Mall	1272	2
430 Oldtown Mall	1272	3
432 Oldtown Mall	1272	4
434 Oldtown Mall	1272	5
436 Oldtown Mall	1272	6
440 Oldtown Mall	1272	7
444 Oldtown Mall	1272	8
450 Oldtown Mall	1272	9
510 Forrest St.	1272	10
1000 Orleans St.	1273	1
470 Oldtown Mall	1273	2
400 Mott St.	1273	3
471 Oldtown Mall	1273	4
620 N. Caroline St.	1280	3
400 Forrest St.	1286	1
425 Oldtown Mall	1286	2
427 Oldtown Mall	1286	3
429 Oldtown Mall	1286	4
433 Oldtown Mall	1286	5
437 Oldtown Mall	1286	7

439 Oldtown Mall	1286	8
441 Oldtown Mall	1286	9
447 Oldtown Mall	1286	10
449 Oldtown Mall	1286	11
459 Oldtown Mall	1286	12
461 Oldtown Mall	1286	13
463 Oldtown Mall	1286	14
465 Oldtown Mall	1286	15
467 Oldtown Mall	1286	16
469 Oldtown Mall	1286	17
418 Oldtown Mall	1286	19
420 Oldtown Mall	1286	20
422 Oldtown Mall	1286	21
424 Oldtown Mall	1286	22
519 Oldtown Mall	1288	86
515 Oldtown Mall	1288	87
511 Oldtown Mall	1288	88
509 Oldtown Mall	1288	91
505 Oldtown Mall	1288	92
501 Oldtown Mall	1288	94
479 Oldtown Mall	1288	96
475 Oldtown Mall	1288	97
473 Oldtown Mall	1288	99
420 Aisquith St.	1294	2
500 N. Central Ave.	1295	1
1234 McElderry St.	1295	1A
520 Somerset Ave.	1295	1F
1211 Jefferson St.	1295	1G
1231 Jefferson St.	1295	1H/I
NS Orleans St. NEC Aisquith St.	1295	2
409 Aisquith St.	1295	6
120 S. Central Ave.	1391	1
130 S. Central Ave.	1391	2
100 S. Caroline St.	1393	1
1401 E. Pratt St.	1417	1
1501 E. Pratt St.	1418	1
1601 E. Pratt St.	1419	26
1400 Bank St.	1426	1
1500 Bank St.	1427	1

1600 Bank St.	1428	1
110 S. Central Ave	1380	1
1120 Granby St.	1380	112B

Exhibit 3

Rate and Method of Apportionment of the Special Taxes

Exhibit 4

Special Tax Allocation Report