

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

Senate Bill 850 (Senator Hughes. *et al.*)

Economic and Environmental Affairs

Baltimore City - Community Benefits Districts - Review by Mayor and City Council

This bill repeals the General Assembly's authority to review the desirability of community benefits districts in Baltimore City and the General Assembly's power to terminate the operations of the community benefits districts. Instead, the Mayor and City Council of Baltimore City will review the desirability of the districts every four years, beginning with the Charles Village Community Benefits District in December 2002. The bill also names the Midtown Community Benefits District as one of the six community benefits districts that Baltimore City may establish, and sets its next review date for December 2003. Any additional community benefits districts created in Baltimore City would be reviewed four years after their date of establishment.

The bill is effective June 1, 2000.

Fiscal Summary

State Effect: None.

Local Effect: Giving Baltimore City sole authority to continue the community benefits districts would not alter city operations or net finances. The benefits districts are supported entirely by increased property taxes in the communities they serve and by private grants that the districts obtain. The Baltimore City Mayor and City Council could perform reviews with existing resources.

Small Business Effect: Minimal.

Analysis

Current Law: The General Assembly is scheduled to review the community benefits

districts and to determine the desirability of their continued existence in the 2000 session and every four years thereafter. If the continued existence of the districts is not approved by the General Assembly, they will cease to exist at the end of the fiscal year in which approval was not granted. Only the Charles Village Community Benefits District is named as one of the six districts Baltimore City may establish.

Background: Although the Baltimore City government establishes and sets the boundaries for the community benefits districts, the neighborhood takes on the primary responsibility for the district, paying additional property taxes and volunteering on community projects. The Charles Village Community Benefits District (CVCBD) was the first community benefits district established by Baltimore City. Local volunteers in the district have banded together to keep the neighborhood clean, enhance public safety in the district, and increase local economic development. The Morris Goldseker Foundation has awarded two grants to the CVCBD, most recently a three-year \$100,000 grant presented for the purpose of enabling the continuation of ongoing economic development efforts. The Midtown Community Benefits District is a more recently established benefits district.

The original sunset date for the community benefits districts of May 31, 1997 was extended by Chapter 655 of 1997.

Small Business Effect: To the extent that the community benefits districts aid the economic development of the neighborhoods they service, small businesses would profit from their continuation.

Additional Information

Prior Introductions: None.

Cross File: HB 323 (Delegate Marriott, *et al.*) - Commerce and Government Matters.

Information Source(s): Baltimore City, Department of Legislative Services

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Analysis by: Mark Collins

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510