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By: **Senator McFadden (By Request - Baltimore City Administration)**

Introduced and read first time: February 4, 2005

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - General Powers - Special Tax Districts**

3 FOR the purpose of altering the purposes for which the proceeds shall be applied of  
4 certain bonds issued by the Mayor and City Council of Baltimore City under  
5 certain provisions authorizing certain special tax districts for the improvement  
6 of certain areas in Baltimore City; defining certain terms; making a technical  
7 change; and generally relating to special tax districts in Baltimore City.

8 BY repealing and reenacting, without amendments,  
9 The Public Local Laws of Baltimore City  
10 Section 21-17(a)  
11 Article 4 - Public Local Laws of Maryland  
12 (1979 Edition and 1997 Supplement and 2000 Supplement, as amended)  
13 (As enacted by Chapter 429 of the Acts of the General Assembly of 2003)

14 BY repealing and reenacting, without amendments,  
15 The Charter of Baltimore City  
16 Article II - General Powers  
17 Section (62)(b)(4)  
18 (1996 Edition and 2000 Supplement, as amended)  
19 (As enacted by Chapter 405 of the Acts of the General Assembly of 2004)

20 BY repealing and reenacting, without amendments,  
21 The Charter of Baltimore City  
22 Article II - General Powers  
23 Section (62A)(a)  
24 (1996 Edition and 2000 Supplement, as amended)  
25 (As enacted by Chapter 626 of the Acts of the General Assembly of 2001)

26 BY repealing and reenacting, with amendments,  
27 The Charter of Baltimore City  
28 Article II - General Powers

1 Section (62A)(b)  
2 (1996 Edition and 2000 Supplement, as amended)  
3 (As enacted by Chapter 626 of the Acts of the General Assembly of 2001)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article 4 - Baltimore City**

7 21-17.

8 (a) (1) In this section the following words have the meanings indicated.

9 (2) "Abandoned property" means:

10 (i) an unoccupied structure or vacant lot on which taxes are in  
11 arrears for at least 2 years;

12 (ii) a building:

13 1. that is unoccupied by owner or tenant;

14 2. that is unfit for habitation;

15 3. that has deteriorated to the point where:

16 A. the building is structurally unsound; or

17 B. the cost of rehabilitation significantly exceeds the post  
18 rehabilitation market value; and

19 4. regarding which the owner has been issued a violation  
20 notice from the City requiring the owner to:

21 A. rehabilitate the building to conform to minimum code  
22 habitability requirements; or

23 B. demolish the building for health and safety reasons;

24 (iii) a vacant lot on which a building has been demolished; or

25 (iv) any building in a block of row houses where the block:

26 1. as a whole contains 70% abandoned property as defined  
27 under subparagraph (i), (ii), or (iii) of this paragraph; and

28 2. is determined by the City to require a whole-block remedy,  
29 provided that any tenant or owner-occupant has been offered assistance in  
30 accordance with subsection (l) of this section.

1 (3) "Distressed property" means a parcel of real property that is subject  
 2 to a tax lien or liens with a lien or liens to value ratio equal to or greater than 15%, as  
 3 determined by the Baltimore City Department of Housing and Community  
 4 Development, and that:

5 (i) contains a dwelling unit or other structure that:

6 1. has deteriorated to the extent that the dwelling unit or  
 7 other structure constitutes a serious and growing menace to the public health, safety,  
 8 and welfare; and

9 2. is subject, under the building code of Baltimore City or the  
 10 housing code of Baltimore City, to an expired violation notice and order to correct the  
 11 deteriorated conditions; or

12 (ii) is subject to a lien or liens in an amount greater than \$1000 for  
 13 work done by the Baltimore City Department of Housing and Community  
 14 Development.

### 15 **The Charter of Baltimore City**

#### 16 **Article II - General Powers**

17 The Mayor and City Council of Baltimore shall have full power and authority to  
 18 exercise all of the powers heretofore or hereafter granted to it by the Constitution of  
 19 Maryland or by any Public General or Public Local Laws of the State of Maryland;  
 20 and in particular, without limitation upon the foregoing, shall have power by  
 21 ordinance, or such other method as may be provided for in its Charter, subject to the  
 22 provisions of said Constitution and Public General Laws:

23 (62)

24 (b) (4) "Affordable housing" means housing that is affordable to households  
 25 with incomes up to 115% of the regional median income.

26 (62A)

27 (a) (1) Subject to the provisions of this section and for the purpose stated in  
 28 paragraph (2) of this subsection, to:

29 (i) create a special taxing district;

30 (ii) levy ad valorem or special taxes; and

31 (iii) issue bonds and other obligations.

32 (2) The purpose of the authority granted under paragraph (1) of this  
 33 subsection is to provide financing, refinancing, or reimbursement for the cost of the  
 34 design, construction, establishment, extension, alteration, or acquisition of  
 35 infrastructure improvements, whether situated within the special taxing district or

1 outside the special taxing district if the infrastructure improvement is reasonably  
2 related to other infrastructure improvements within the special taxing district.

3 (b) In this section the following words have the meanings indicated, unless the  
4 context clearly indicates another or different meaning or intent:

5 (1) "ABANDONED PROPERTY" HAS THE MEANING STATED IN § 21-17(A)  
6 OF THE PUBLIC LOCAL LAWS OF BALTIMORE CITY.

7 (2) "AFFORDABLE HOUSING" HAS THE MEANING STATED IN § (62)(B) OF  
8 THIS ARTICLE.

9 [(1)] (3) "Bond" means a special obligation bond, revenue bond, note, or  
10 other similar instrument issued by the Mayor and City Council of Baltimore in  
11 accordance with this section.

12 [(2)] (4) "Cost" includes the cost of:

13 (i) construction, reconstruction, and renovation and purchasing,  
14 leasing, condemning, or otherwise acquiring any lands, structures, real or personal  
15 property, rights, rights-of-way, franchises, easements, and interests acquired or to be  
16 acquired by the Mayor and City [County] COUNCIL of Baltimore;

17 (ii) all machinery and equipment including machinery and  
18 equipment needed to expand or enhance city services to the special taxing district;

19 (iii) financing charges and interest prior to and during construction,  
20 and, if deemed advisable by the Mayor and City Council of Baltimore, for a limited  
21 period after completion of the construction, interest and reserves for principal and  
22 interest, including costs of municipal bond insurance and any other type of financial  
23 guaranty and costs of issuance;

24 (iv) extensions, enlargements, additions, and improvements;

25 (v) architectural, engineering, financial, and legal services;

26 (vi) plans, specifications, studies, surveys, and estimates of cost and  
27 of revenues;

28 (vii) administrative expenses necessary or incident to determining to  
29 proceed with the infrastructure improvements;

30 (viii) site removal;

31 (ix) relocation of businesses and residents; and

32 (x) other expenses as may be necessary or incident to the  
33 construction, acquisition, and financing of the infrastructure improvements.

34 (5) "DISTRESSED PROPERTY" HAS THE MEANING STATED IN § 21-17(A) OF  
35 THE PUBLIC LOCAL LAWS OF BALTIMORE CITY.

1            [(3)]    (6)       "Infrastructure improvement" means adequate storm drainage  
2 systems, sewers, water systems, roads, bridges, culverts, tunnels, streets, sidewalks,  
3 lighting, surface parking, playgrounds, parks and recreation facilities, libraries,  
4 schools, transit facilities, solid waste facilities, buildings devoted to a governmental  
5 use or purpose, **BUILDINGS THAT ARE ABANDONED PROPERTY OR DISTRESSED**  
6 **PROPERTY, BUILDINGS THAT PROVIDE UNITS OF AFFORDABLE HOUSING**, structured  
7 parking facilities that are publicly owned or privately owned, but serve a public  
8 purpose, and other infrastructure improvements as necessary for the development  
9 and utilization of the land, with respect to any defined geographic region within the  
10 City of Baltimore.

11        SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 October 1, 2005.