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South Baltimore Gateway Community Impact District Feasibility Analysis

FOR
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June 30, 2016

Mr. Ethan P. Cohen
Senior Project Coordinator
Mayor's Office of Economic & Neighborhood Development
100 N. Holliday Street—Room 250
Baltimore, MD 21202

**SUBJECT: South Baltimore Gateway Community Impact District
Feasibility Study—Purchase Order #P534023**

Dear Mr. Cohen:

Enclosed please find the Valbridge Team's final report summarizing our study of the feasibility of establishing the South Baltimore Gateway Community Impact District. The Valbridge Team is comprised of the following firms and their principals: Valbridge/Lipman Frizzell & Mitchell LLC (Joseph Cronyn); Advanced Placemaking (Brad Rogers); M.L. Whelley Consulting LLC (Michele Whelley); and Living Design Lab (Davin Hong).

The Valbridge Team finds that the South Baltimore Gateway Community Impact District and its Management Authority will deliver significant benefit to its neighborhoods. Over the past six months we have worked with the Mayor's Office and the Baltimore Casino Local Development Council to refine the objectives and organizational form of the District. This final report summarizes our analysis and recommendations for the District's key organizational documents which are included in the Appendix. The draft documents are intended to provide a solid point of departure for the Board of Directors of the Management Authority to initiate operations in Fiscal Year 2017.

It has been a pleasure working with you and the Local Development Council on this project. Please call me at (410) 423-2372 should you have any questions or comments.

Respectfully submitted,

VALBRIDGE PROPERTY ADVISORS/LIPMAN FRIZZELL & MITCHELL LLC

Joseph M. Cronyn

Joseph M. Cronyn
Senior Managing Director

South Baltimore Gateway Community Impact District--Feasibility Study

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1. INTRODUCTION

The Valbridge Team has been engaged by the Mayor's Office of Economic & Neighborhood Development to analyze the feasibility of establishing the South Baltimore Gateway Community Impact District. The Valbridge Team is comprised of the following firms and their principals: Valbridge/Lipman Frizzell & Mitchell LLC (Joseph Cronyn); Advanced Placemaking (Brad Rogers); M.L. Whelley Consulting LLC (Michele Whelley); and Living Design Lab LLC (Davin Hong).

This final report presents the draft documents intended to assist the City of Baltimore and the South Baltimore Gateway Community Impact District (CID) board of directors to establish the CID on a solid foundation in coming months. Derived from research analysis and reports accomplished over the past six months, our analysis and recommendations informing various key issues in each of the documents are summarized here.

1.1 SCOPE OF WORK

The Valbridge Team and City have agreed to a Scope of Work organized along three principal avenues of inquiry:

- Needs Assessment – Working from the established basis of the goals, objectives and recommendations presented in the South Baltimore Gateway Master Plan, the consultants have organized three Sector Meetings to better identify community priorities for CID strategic planning purposes. In addition, a draft Memorandum of Understanding concerning baseline City services to be delivered to the CID is to be delivered. Davin Hong of Living Design Lab and Joe Cronyn of Valbridge are the lead consultants.
- Precedent Analysis – The organizational, operational and financial structures of comparable community benefits districts in other states (many funded with casino revenues) and in Baltimore City have been analyzed in order to inform decisions on the South Baltimore Gateway CID—in particular on the critical elements to be codified in State legislation, Baltimore City ordinance and organization bylaws. Michele Whelley of M.L. Whelley Consulting LLC is the lead consultant.
- Organizational Creation – Working with the Mayor's Office, State legislators, Local Development Council, Baltimore City Department of Legislative Reference and many others, critical issues have been clarified and draft language recommended for the array of organizational document required for the establishment of the CID. Brad Rogers of Advanced Placemaking is the lead consultant.

1.3 FEASIBILITY ANALYSIS PROCESS

Over the past six months, the Valbridge Team has worked with the Mayor's Office of Economic & Neighborhood Development and the Local Development Council (LDC) to analyze the feasibility of establishing a Community Benefits District (CBD) type of organization to serve the South Baltimore Gateway communities using Local Impact Grant (LIG) funding from the State of Maryland as the primary revenue source. The CBD model has proved valuable in delivering additional services to other neighborhoods in Baltimore City.

We first met with the LDC on January 28, 2016. At that time, the LDC established the goal that the community benefits district organization (henceforth termed "Community Impact District" or CID) would begin operations as soon after July 1, 2016 as possible.

The LDC confirmed that the Gateway Master Plan geography would be the focus of the analysis; that the CID would have a central organization governed with the participation of all neighborhoods; that the City would maintain baseline services to all neighborhoods; that the CID would provide additional services, with priorities determined through a community-based process; and that the feasibility study should focus on practical, operational outputs to get the CID organization up and running.

The LDC appointed its Economic Development Subcommittee to work as the feasibility analysis Steering Committee on an advisory basis with the Mayor's Office and the Valbridge Team. The Steering Committee has met on a monthly schedule to offer input into our analysis and recommendations. In addition to those meetings, we helped organize and conduct community meetings in each of the three geographic sectors to determine community priorities in CID strategic planning and operations.

The schedule for the feasibility analysis process included five progress meetings (January through May) with the Steering Committee, meeting with the full LDC in April, as well as presentation of the draft Final Report to the Steering Committee on June 23, 2016.

1.3 Report Organization

This final report is structured around the principal organizational documents for South Baltimore Gateway Community Impact District (CID) which have been developed with the oversight of the LDC Steering Committee and the Mayor's Office over the past six months. The documents are the product of the Valbridge Team's research and the rich discussion at the progress meetings with the Steering Committee.

The report explains our research and decision-making, proceeding logically from the establishment of the concept of a Community Impact District in Chapter 2 through setting timelines for next steps in the CID organizational process in Chapter 8. Throughout the report references are made to the lengthy organizational documents, now included in the Appendix.

Throughout the report, text is liberally duplicated and paraphrased from progress reports already submitted by the Valbridge Team as part of the assignment, the South Baltimore Gateway Master Plan, extensive materials already assembled by the LDC, various City agencies, the Mayor's Office and others.

In particular, we are grateful for the enthusiastic participation in this project by the members of the LDC (especially the Steering Committee), Ethan Cohen of the Mayor's Office, Brent Flickinger of the Department of Planning, Senator Bill Ferguson and Delegate Luke Clippinger. Without their engagement, the process could not have been nearly as productive.

2. COMMUNITY IMPACT DISTRICT

In this chapter, Valbridge Team reviews briefly critical foundational issues for the South Baltimore Gateway Community Impact District. We trace the creation of the CID concept from its origins in the Local Impact Grants and Local Development Council established in the State legislation authorizing gambling through the South Baltimore Gateway Master Plan and some of its Community Benefits District antecedents in Baltimore City.

2.1 Local Impact Grants

Current Maryland State Law (State Government Article section 9-1A-31) provides that 5.5% of Video Lottery Terminal (VLT) slot machine tax revenue is to be distributed in the form of impact grants to local governments in which the VLTs are operating. Eighteen percent of impact funds will go for 15 years (FY 2012- FY 2027) to Baltimore City through the Pimlico Community Development Authority and to Prince George's County for the community surrounding Rosecroft (\$1 million annually). The remaining grant funds are to be used for improvements in the communities in immediate proximity to the VLT facilities and may be used for: infrastructure improvements, facilities, public safety, sanitation, economic and community development, including housing and other public services and improvements.

2.2 Local Development Council

The State legislation authorizing VLTs created a mechanism for locally affected communities to participate in the planning and implementation of VLT facilities in their neighborhood, with specific attention to the guidance over the use the impact funds. Each local jurisdiction hosting a facility must create a Local Development Council (LDC) consisting of 15 members, who are appointed by the Chief Executive Officer of the jurisdiction in consultation with the senators and delegates and Council members who represent the communities surrounding the facility. The LDCs must be comprised of the following:

- One senator who represents the district where the facility is located;
- Two delegates who represents the districts where the communities surrounding the facility are located;
- One representative of the Video Lottery Operation Licensee;
- Seven residents of the communities in immediate proximity to the facility; and
- Four representatives of businesses or institutions located in immediate proximity to the facility.

The LDC has three primary roles: consultation in the expenditures of the LIG funds, review of the VLT licensee's master plan for the development of the VLT site, and consultation in transportation planning.

Prior to the expenditure of LIG funds, the City develops in consultation with the Baltimore Casino LDC a multiyear plan for the use of the funds. The City presents a plan to the LDC and the Council has 45 days to review, comment and make recommendations on the plan. The LDC may also request a public hearing on the plan. The City, under law, must make its best efforts to accommodate the requests of the LDC and any testimony presented at the hearing before formally adopting the plan.

2.3 Casino Impact Area

The Casino Impact Area (CIA) is a large and diverse section of Baltimore City that includes more than a dozen distinct neighborhoods, extensive waterfront and three industrial areas. As displayed in the following map, the neighborhoods are located in proximity to the Horseshoe Casino and include:

- Pigtown/Washington Village
- Barre Circle
- Ridgely's Delight
- Carroll Camden Industrial Area
- Otterbein and Sharp-Leadenhall
- Federal Hill and Federal Hill South
- Riverside
- Westport
- Mount Winans
- Cherry Hill
- Lakeland

As defined in State legislation, the Casino Impact District serves the above neighborhoods. In addition, the Master Plan divided the area into three geographic sectors (Western, Eastern and Southern), each with its own characteristics, assets and challenges. The main dividers are I-95, the Middle Branch and I-395. The physical barriers reinforce separation between the sectors and internal similarities among neighborhoods within the same sectors related to their historical patterns of development.

2.4 South Baltimore Gateway Master Plan

Developed with input from community members over a 2-year process with the Baltimore City Planning Department, the South Baltimore Gateway Master Plan outlines strategies for fostering a community that is economically strong and offers all residents the chance to live healthy lives and build vibrant futures. The Master Plan provides guidance on a wide array of issues—from

increasing homeownership and improving transportation to achieving cleaner streets and garnering more resources for arts and culture.

The genesis for this planning process was the development of the Horseshoe Casino, which opened in 2014 on Russell Street just south of M&T Bank Stadium. The State law that authorized casino gaming calls for Local Impact Grants to directly benefit the surrounding communities. The Master Plan was approved and adopted by the Baltimore City Planning Commission on October 29, 2015.

The Master Plan offers both a sweeping 20-year vision for the South Baltimore Gateway (SBG) Area as well as a detailed set of recommendations for short-, medium-, and long-term actions. The Master Plan geography is largely the same as the Community Impact District geography. The planning process generated nine principal goals for the SBG Area, organized as follows:

1. Connectivity: Increase and Improve Community Connectivity, Cohesion, and Mobility.
2. Environmental: Improve environmental quality and sustainability.
3. Public Safety: Improve public safety with crime prevention and improved emergency response .
4. Economic Growth: Improve economic viability and growth throughout the entire area with support for businesses and workforce improvement.
5. Community Development: Improve the quality of neighborhoods and increase marketability of properties to establish a greater sense of place.
6. Social Equity: Ensure that all people in the Master Plan area have equitable access to medical and wellness services, healthier food choices and affordable housing options.
7. Education: Ensure that all people in the Master Plan area have equitable access to quality education.
8. Quality of Life: Support initiatives that improve the quality of life for residents, workers, and visitors in the Master Plan area.
9. Infrastructure: Expand and maintain a public infrastructure network promoting reliability, safety and sustainability.

The Master Plan goals and recommendations served as the point of departure for the Valbridge Team's sector meetings and needs analysis process.

2.5 State Legislation

On March 7, 2016, HB 1636 (cross-filed with SB 1164) was introduced in the Maryland General Assembly. The bill authorizes the Mayor and City Council of Baltimore City to establish the South Baltimore Gateway Community Impact District and South Baltimore Gateway Community Impact District Management Authority. The City is required to adopt an ordinance establishing the South Baltimore Gateway Community Impact District Management Authority. The bill requires that, starting in FY 2018, at least 50% of local impact grants from video lottery proceeds are to be distributed to the Authority. The bill was signed into law by Governor Hogan on April 26, 2016 and is effective as of June 1, 2016.

The CID is unique and differs from other “community benefits districts” that provide enhanced services, in that NO special taxes will be levied to fund the operations or services provided.

The state law amends the charter with the addition of a new section uniquely authorizing the CID. Therefore, establishing the CID does not reduce the City’s authority to create up to six community benefits district authorities and a downtown management authority. There are currently three other community benefits districts—Charles Village, Midtown and Waterfront—in addition to the Downtown Partnership.

2.6 Precedent Analysis

We have researched community benefits entities operating in other states and funded by casino revenues. Most operated like foundations (giving grants to specific non-profit organizations) and were not strong operating entities. We looked at five jurisdictions with casinos to investigate how other jurisdictions are applying their share of casino/gaming revenues: Philadelphia, St. Louis, Detroit, Chicago, and the State of Indiana. For the most part, revenues from the casinos in these jurisdictions are distributed by the following approaches:

- Community Benefits Agreements negotiated between the individual casinos and neighborhoods in close proximity;
- Directly by foundations established by the Casino ownership via charitable contributions;
- Application by prospective users to a granting entity established for the purpose of distributing casino revenue to impacted jurisdictions.

There are 1,500 special benefits districts nationally, mostly focused on downtown areas. We have not found any examples of special benefits districts funded by a source of revenue other than a tax surcharge. Many special benefits districts also have a companion non-profit organization that raises revenue through membership and/or other contributions. Baltimore’s Downtown Partnership, for example, has both a membership organization and a BID (Business Improvement District).

For comparison purposes, we reviewed the missions, budgets, organizational structures and underlying ordinances for the four existing Baltimore City Community Benefits Districts (CBDs): Charles Village Community Benefits District; Downtown Management District; Midtown Community Benefits District; and Waterfront Management District. In order to learn from the experience of the four CBDs, various features were compared in Table 2-1 (“Baltimore City Community Benefits Districts”) including:

- Scale - The South Baltimore CID is unique within Baltimore for its size (14,700 properties compared to 3,100 in Charles Village, 3,800 in Midtown, 1,200 in Downtown, etc.) and complexity due to broad geography.

Table 2-1 a
Baltimore City Community Benefits Districts

	Charles Village	Mid-Town	Downtown Mgmt. District; Downtown Partnership	Waterfront Mgmt. District; Waterfront Partnership
Legislated Catchment Area/ Number of Properties	Approximately 100 blocks. 3150 properties assessed tax surcharge in FY2016. Approx. 75% residential	150 blocks; 3800 properties, approx. 75% residential	Downtown Partnership oversees the 106 block Downtown Management District. Approx. 1200 properties taxed, 90% commercial	Waterfront Partnership oversees the Waterfront Management District. WMD tax surcharge applied to 102 properties (fy16).
Tax Surcharge	\$12/\$100 assessed value. Applied to all taxable properties.	\$132/\$100 assessed value. Applied to all taxable properties.	\$21/\$100 assessed value. Applied to all taxable commercial properties and owners of residential apartments with 4 or more units.	\$17/\$100 Assessed value. Applied to all taxable commercial properties and owners of residential apartments with 4 or more units.
Revenue from Tax (FY16)	Approx. \$727K	Approx. \$1.1M	Approx. \$6M	\$1.73M (covers most of cost for clean/safe/green programs.)
Add'l Revenue (FY16)	JHU contribution \$68K; Exempt properties contribution \$3K; Add'l program revenue \$96K. Total revenue \$895K	Service Fees \$15k; Contributions \$70K. Total revenue \$1.18M	DPW Grant \$340,000 (yearly grant, amount varies but generally \$350 +/-). Contributions from exempt properties \$80K; state agencies \$50K, Federal GSA contract \$46.5K; Center Plaza Marketing \$37K; contract services \$40K. Total Rev. approx. \$6.7M. Applied to Clean/Safe/Green initiatives within the District Boundaries.	DPW Grant \$425 (yearly grant varies, generally \$400+/-); Non-profit property owners contributions \$66k; Corporate Partners \$180k; Sponsorships \$140k; Contract service fees \$100k; several additional sources of revenue bring total revenue up to \$2.7M (NOTE: unlike Downtown Management District, the Partnership/Waterfront Management District are co-mingled, though the tax revenue is dedicated to clean/safe/green as a policy)
Clean	Sweep streets and public sidewalks 2x/wk; Bulk trash once a week; daily inspection of trash cans, empty as needed (at least once/wk); clean public area of alleys 2x/wk;	empty 130 corner cans 7x/wk; bulk trash pickup by appt. Clean sidewalks M-F	Maintenance: Clean Sweep Ambassadors 7 days/wk, 7 a.m. - 10:30 p.m.; Litter and graffiti removal; Maintenance training; Employment and training for the homeless; community service deployment	includes power washing, trash removal, graffiti removal, vacuuming litter. 7 days/wk, 5 a.m. - 7 p.m.
Safety/Hosp.	Safety patrol up to 100 hours/wk, provided by off-duty police officers; CVCBD staff coordinates Block Leader program in partnership with Greater Homewood Community Corporation.	employ 14-16 off-duty police officers contracted to provide enhanced neighborhood patrols within the District on selected evenings and weekends. Patrols use Segway vehicles.	Public Safety initiatives include: - Public Safety Guides 7 days/wk, 10 a.m. - 11 p.m.); On-call safety escort service; Video patrol network; Public Safety Coalition; Personal safety training; Property security evaluations; Street Smart awareness campaign; Panhandling deterrence; homeless outreach	Safety/Hospitality guides provide escort service, business checks. 7 days/wk., 7 a.m. - 11 p.m.

Table 2-1 b

Baltimore City Community Benefits Districts

<p>Green</p>	<p>Assist residents with weed control. Routinely inspect public parks and spaces and reports maintenance needs to DPW or R&P. Fall leaf removal.</p>	<p>Maintains 17 acres of park spaces including the Historic St. Paul Street Park, the Mount Vernon Children's Park, the median strips along Mount Royal, Maple Leaf Park, Arnold Sumpter Park, Eutaw Place and the parks of Mount Vernon Square. Plant, water and maintain street trees.</p>	<p>Beautification: Streetscape improvement program; Façade Improvement Program; Landscaping, greening, and maintenance; Pedestrian wayfinding/signage system; Open Space improvements</p>	<p>Includes planting and maintaining flower baskets, planting flower beds, planting trees, weeding and mulching.</p>
<p>Other</p>	<p>Contract for rat abatement. Developing a program to improve private property lighting facilitated by grants and contributions.</p>	<p>Fall leaf removal, alley weed control</p>	<p>The Partnership facilitates business growth. Programs include: Business retention and outreach, Governmental and institutional relations, Public policy and strategic planning, Redevelopment of City Center, Westside, and the Waterfront, Downtown housing development, Retail retention and expansion, Parking/transportation improvements, Small and minority business outreach, Arts initiatives</p>	<p>See Special programs/focus areas, below</p>
<p>Marketing/Events</p>	<p>Maintains website, develops and distributes newsletters, flyers, posters, etc. Develops and/or promote community events, e.g. Greening and Park projects, Art Projects, etc.</p>	<p>Mostly provided through Mid-Town Dev. Corp., a separate entity.</p>	<p>Extensive, funded significantly through the Partnership.</p>	<p>sponsor and support many events, including private events (41) and public events (39) and running events (19) and filmings (18)</p>
<p>Special Programs</p>	<p>Expanding Public Safety Camera Program through partnership with Baltimore City Police Dept. CitWatch program. Waverly Main Street is a partner organization whose boundaries are partly within the CVSPD. This is a volunteer-driven program facilitated with assistance and funding from Baltimore Development Corporation in efforts to improve safety, sanitation and code enforcement, as well as funding and design services for building renovations in Waverly's commercial district. Received no funding from CVCBD.</p>	<p>Midtown Development Corp., a private non-profit established in 2000, grew out of the Midtown Community Plan. It is an entirely separate entity, with its own volunteer board and funded through contributions, sponsorships and grants. CEO of Benefits District is on the board. MDC oversees programs to strengthen the five Midtown neighborhoods – Bolton Hill, Charles North, Madison Park, Mt Vernon and Seton Hill. Programs include assisting with Healthy Neighborhoods loans and Historic Tax Credit assistance</p>	<p>See "Other" under Services, above</p>	<p>Healthy Harbor Initiatives (includes Waterwheel); Event management services for waterfront parks events and programs; partnered with GBC on Inner Harbor 2.0 master plan</p>

Table 2-1 c
Baltimore City Community Benefits Districts

Legislated/Mandated governing/approval processes			
	Annual BOE approval	Annual BOE approval	Annual BOE approval
Approval of Budget	Annual BOE approval	Annual BOE approval	Annual BOE Approval
City Procurement	No	No	No
M/W/BE	Yes	Yes	Yes
Audits	Annual audit required in By-Laws	Annual audit required in By-Laws	Not required but conduct a yearly audit
Communities and Board Membership stipulated in Legislation	Board of 14-27 members, the majority of which must be property owners subject to the tax. There are 4 communities entirely in the boundaries: Charles Village, Harwood, Abell and Old Goucher. 3 party in the district: Waverly, Barclay and Remington. Required voting board members: 1 appointed by the Mayor; 2 City Council appointed by the President of the City Council; at least 8 voting Board members from the following constituent organizations within the District: the Abell Improvement Association, the Charles Village Civic Association, the Old Goucher Community Association, and the Harwood Community Association. At least 6 voting Board members from the following constituent organizations within the District: Waverly Main Street, the Old Goucher Business Alliance, Inc., and the North Charles Village Business Association.	2/3 of board members must be property owners subject to tax surcharge. No. of Board members: 13 - 25. Required board members: 1 member appointed by the Mayor; 1 City Council rep appointed by President; at least 2 from each community organization in the District: (Charles-North, Mt. Royal, Madison Park, Mt. Vernon-Belvedere); 1 at-large from each of the 4 communities; add'l members determined by Board (up to 4 from neighborhood assoc. bordering District; up to 3 from churches and non-profits who make voluntary contributions.	Management District Board only: At least 2/3 of board members must be property owners subject to tax surcharge. No. of Board members between 13 - 25. Required: 1 Mayoral appointment; one Councilperson appointed by President; at least two from: BDC, GBC, Fells Point Homeowners Assoc; Fells Point Dev. Corp; Balt. Harbor Watershed Assoc; Balt. Waterfront Promenade Partnership. At least 3 from groups in the district: Hotels, service providers, retail and restaurants, professional offices.
Communities and Board Membership (continued)	The Board may contain additional members from the following constituent groups: 4 non-voting members from the neighborhood associations bordering the District, and 2 non-voting members from the Midtown Churches, Inc., and the various non-profit organizations within the District. The Board may contain 4 at-large voting members. Required board membership have 2 year terms. Majority of voting members must be property owners.	Downtown Management District Board only: 1 member appointed by the Mayor; 1 member appointed by the Governor; 1 member shall be selected by and approved through resolution of the City Council. At least 1 member, each of whom must be a property-owner representative, appointed by each of the following constituent groups within the District: (i) a trade group recognized by the Board as representing the hotels and motels within the District, which at the time of passage of this subtitle is acknowledged to be the Hotel and Motel Association of Greater Baltimore; (ii) a trade group recognized by the Board as representing the retail merchants within the Market Center area, (iii) a trade group recognized by the Board as representing the retail merchants within the Charles Street corridor, (iv) a trade group recognized by the Board as representing the property owners and managers within the District,	(v) a group recognized by the Board as representing the leaders of major institutional and business interests within the District, acknowledged to be GBC, (vi) a professional trade organization recognized by the Board as representing the users of commercial real estate space within the District acknowledged to be the Greater Baltimore Board of Realtors;

Table 2-1 d

Baltimore City Community Benefits Districts

<p>Process for add'l board members</p>	<p>See above; Board receives nominations for at-large representatives, vote taken at Fall Public Annual Meeting by all voting members present. Board may appoint members in addition to those stipulated in the ordinance. At-large and board appointed members serve one year.</p>	<p>See above; Board receives nominations for discretionary representatives, vote taken at Fall Public Annual Meeting by all voting members present. One-year terms.</p>	<p>By-Laws approved by BOE; provides process for electing the 4 discretionary board members. Standard provisions regarding conducting meetings, quorums, officers, conflicts of interest, etc.</p>	<p>By-Laws approved by BOE; provides process for electing at-large and discretionary board members. Standard provisions regarding conducting meetings, quorums, officers, conflicts of interest, etc.</p>
<p>Governing provisions in By-Laws</p>	<p>By-Laws approved by BOE. Provides for 10 - 25 board members, 2/3 of which must be property owners. Terms to be established by Board resolution, 1, 2 or 3 year terms.</p>	<p>By-Laws approved by BOE. Revises board representation by deleting listing of constituent organizations and "groups." Provides for 3-yr terms for all directors. Standard provisions regarding conducting meetings, quorums, officers, conflicts of interest, etc.</p>	<p>By-Laws approved by BOE. Revises board representation by deleting listing of constituent organizations and "groups." Provides for 3-yr terms for all directors. Standard provisions regarding conducting meetings, quorums, officers, conflicts of interest, etc.</p>	<p>By-Laws approved by BOE. Revises board representation by deleting listing of constituent organizations and "groups." Provides for 3-yr terms for all directors. Standard provisions regarding conducting meetings, quorums, officers, conflicts of interest, etc.</p>
<p>Baseline Services Agreement</p>	<p>In place</p>	<p>Required by legislation but none in place</p>	<p>Required by legislation but none in place. In negotiations with City administration.</p>	<p>In place</p>

South Baltimore Gateway Community Impact District--Feasibility Study

- Revenues – The CBDs have annual revenues ranging from \$727,000 (Charles Village) to \$6.0 million (Downtown) based on their tax surcharges and other revenue sources. The CID is anticipated to have LIG revenues in the range of \$7.0 million initially.
- Services – All districts deliver cleaning, safety/hospitality, beautification and marketing services in line with the needs of their communities. Due to the CID's broad geography and diverse neighborhood needs, careful consideration must be given to the level and types of services to be delivered to each community.
- Budget – The annual budgets for all districts must be approved by the Board of Estimates. Annual audits are required in three of the four, but performed for all four. Audited financial statements are desirable for the CID in order to assure transparency.
- Board Membership – Up to 27 members are allowed on the boards with discrete allocation of board seats to constituent community organizations and property owner groups. The CID board must represent all residents (owner and renter) and businesses in the District.
- Baseline Services Agreement – A baseline services agreement is required in the Ordinance establishing each of the CBDs. Only the Downtown Management District and Waterfront Management District have those agreements in place. Though the existing agreements are not often consulted, they can be useful as a starting point for discussions with City departments on an as-needed basis. The CID's Ordinance will require negotiation of a baseline services agreement.

Ultimately, analysis of the features of the CBDs proved useful in better understanding how their structures could (or could not) be modified in order to adapt the CID to its unique environment. The following chapters explain our process in developing the structure for the CID, as expressed in its organizational documents.

3. CITY ORDINANCE

In this chapter, the Valbridge Team summarizes the process through which the legal form of the Authority was chosen by the LDC Steering Committee and City, the critical organizational issues addressed in the City Ordinance (Exhibit 1 in the Appendix) as it was submitted to City Council.

3.1 Background

Although there are precedents for various public authorities in Baltimore, and even for a variety of Community Benefits Districts (CBDs), there is no precise precedent for a Community Impact District (CID). This new terminology was created during the 2016 legislative process in Annapolis to distinguish the new District from those that are funded through a special property tax levy.

That said, there are a number of parallels between the mission of the new CID and the CBDs that preceded it. CBDs have defined geographic areas, within which they focus strategic interventions. They each have dedicated funding sources, and must build board of directors that seek to balance the wide range of interests at play in any urban community.

Of course, there are also a number of important differences between the new CID and the CBDs that preceded it. The CID has a significantly larger geographic district, which incorporates a highly varied set of neighborhoods. It also is funded by Local Impact Grants, which bring with them fiduciary obligations on the part of the City and the State, as well as potential conflicts between state and local law.

Most importantly, the stated mission of the CID is much broader than that of a typical CBD. While a CBD might focus primarily on providing enhanced services (a “cleaner, greener, safer” agenda), the CID has been charged by the Mayor’s Office and the Local Development Committee with a threefold mission: to provide enhanced services; to distribute neighborhood-specific grants to qualified community organizations; and to pursue transformational projects that might affect the overall trajectory of the District. While none of these objectives is inherently antithetical to the work of a traditional CBD, the CID is unusually assertive in claiming all three goals from the very beginning.

3.2 Choosing the Legal Form of New Entity

Prior to the passage of the State law modifying the Baltimore City Charter, a great deal of time and attention went into determining which legal form the new entity should take. Although the organization was originally conceived of as a Community Benefits District, it was not clear from the outset whether this terminology represented a formal legal designation or simply a colloquial term describing an organization that would beneficial perform work on behalf of the community.

When posed with this question, both the City and the LDC representatives acknowledged that the "Community Benefits District" language had been used in more of a metaphoric sense than a purely legal one. As a result, it quickly became imperative to review the options for the legal form of this new entity, in order to select one that best met the needs of the City and the residents of the District.

As displayed in Table 3-1 ("Legal Structures Capable of Spending Casino Impact Funds") following, a variety of different legal forms were compared and evaluated. We facilitated a discussion of alternative legal structures (matrix attached) which might be used. Each alternative was described, pros and cons explained and establishment process outlined. Discussion focused on the following issues:

- Community Benefits District – This structure would require a 3-step election process involving paper ballots (approved by Board of Estimates) mailed by City to 15,000+/- property owners with 30-day response period and final count by the Office of the Comptroller. Approval by 58% of property owners is required. Election is by property owners, since all previous CBD's were special tax districts—the only CBD form currently available. The negatives of having a vote that did not include renters in the Casino Impact Area were noted.
- Authority – This structure would require enabling legislation from the State. Difficulties in pushing a bill through during the 2016 session were noted.
- Semi-Independent Nonprofit – EBDI might be an example. Some degree of relationship (perhaps by contract) with the City is assumed. Though setting it up might be faster, defunding such an organization might be easier. City procurement rules might require an RFP and award process before the non-profit can receive funds through the City (including the LIG).
- Interim Nonprofit with Future CBD/Authority – This option would enable a nonprofit organization to get up and running relatively quickly, while allowing time for proper establishment of long-term entity. Nonprofit would be folded into authority eventually or could exist as a companion entity. Lean nonprofit would be supported by an existing CDC or other fiscal agent.

Upon a more detailed review, the Community Benefits District (CBD) option was rejected as an imperfect vehicle. The city charter sections outlining the establishment of a CBD assumed that one would only be funded by a special tax district, and so as a result they required an affirmative vote by a majority of the property owners residing in the district. While not insurmountable, this voting process was likely to be confusing to the general public, who might be concerned that it represented an effort to further tax their properties. Indeed, they could hardly be blamed for such confusion, given that every other CBD in Baltimore is funded by property taxes.

Table 3-1
Legal Structures Capable of Spending Casino Impact Funds

Option	Description	Pros	Cons	Establishment Process
Community Benefits District	Typically a geographically-focused district, focusing on cleaner/greener initiatives. May be funded by a special tax district.	Precedents exist in Baltimore. No changes to state law required, although city legislation is required. Organization is "held close" to city government.	The organization we are discussing has a much larger geographic area than most CBDs, has a broader mandate than cleaner/greener, and is not funded (at least initially) by tax revenues. As a result, it would be unique among CBDs nationally. In addition, a CBD requires a special election, with approval by 58% of the population in the CIA. Budget and Bylaws must be approved by BOE. Mayor and City Council must renew the CBD every 4 years or it automatically terminates.	Three-step process: 1. City Resolution. 2. Special Election. 3. Baseline Services Agreement between City and CBD.
Authority	A flexible entity, authorized by the General Assembly, which can pursue a wide range of public goals.	Great flexibility. Precedents exist in Baltimore. No city ordinance required for creation, although city legislation can subsequently regulate the authority. Need not be renewed every 4 years. Precedents exist in Baltimore. No legislation required that the City not reduce services must be included, since that law exists only for CBDs.	State legislation is required. A specific provision requiring that the City not reduce services must be included, since that law exists only for CBDs.	Two-Step Process: 1. State legislature creates a local public law amending the City Charter. 2. Baseline Services Agreement between City and Authority.
Semi-Independent Nonprofit	A mission-based nonprofit organization, affiliated with (but not legally an extension of) local government.	Precedents exist in Baltimore. No legislation required. The relationship between the City and the nonprofit would be managed through contracts, MOUs, and bylaw provisions.	The apparent distance between the City and a nonprofit might make it easier for future administrations to weaken or replace the nonprofit. Particularly if the contractual relationship was not well drafted.	Nonprofits can be quickly set up. The contractual relationship would have to be carefully negotiated. And it is possible that the city would have to issue an open RFP for these services in order to comply with procurement rules.
Interim Nonprofit with Future CBD / Authority	Form a nonprofit organization now, and use that to get started until future legislation can pass.	Can be implemented now without legislation.	Changing organizations could create some confusion. Sunset provisions would have to be carefully drafted in the nonprofit bylaws. City procurement rules might require an open RFP for the nonprofit.	1. Set up nonprofit. 2. Possibly issue/win city RFP. 3. Set up contractual relationship, baseline services agreement. 4. Pass future legislation establishing a CBD/Authority. 5. If CBD, hold a special election. 6. New baseline services agreement. 7. Terminate nonprofit.
Interim Fiscal Agent with Future Organization	Hire an existing nonprofit to serve as fiscal agent for the time being until future legislation can pass.	Can be implemented now, if the right partner can be found. No need for City RFP process.	Requires a partner with both professionalism and mission alignment.	1. Identify partner. 2. Set up contractual relationship, baseline services agreement. 3. Pass future legislation. 5. If CBD, hold a special election. 5. New baseline services agreement. 6. Terminate relationship with
Multiple organizations (e.g. a CBD, a CDC, etc.) tasked with different tasks.	Set up a variety of separate organizations, each with their own separate board, mission, and budget. One might act as a CBD, while another might act as a CDC.	Each organization would have a clearly defined role.	Overlapping authorities in one jurisdiction where many organizations already work. Multiple boards with multiple strategic plans, and the possibility of conflict. Loss of administrative efficiency (multiple offices/secretaries/copiers).	Same as above, but presumably duplicative.

Moreover, the boundaries of this District are significantly larger than a typical CBD, incorporating a highly varied set of neighborhoods. And the proposed mission put forth for the new entity was much broader than that of a typical CBD. While a CBD might focus primarily on providing enhanced services (a “cleaner, greener, safer” agenda), this entity has been charged by the Mayor’s Office and the Local Development Committee with a threefold mission: to provide enhanced services; to distribute neighborhood-specific grants to qualified community organizations; and to pursue transformational projects that might affect the overall trajectory of the District. While none of these objectives is inherently antithetical to the work of a traditional CBD, it would be unusual for one to claim all three goals from the very beginning.

The possibility of a separate nonprofit entity was also rejected, under the theory that it would be at too arms-length of a relationship from city and state government, jeopardizing the fiduciary responsibility these entities have for overseeing and managing the use of Local Impact Grants.

Ultimately, HB 1636/SB 1164 established a new form of public authority, different from a Community Benefits District. The legislation allowed for the creation of a “Community Impact District” (CID), a new category created to support an authority that was not funded by property taxes.

The new State law modified the Baltimore City Charter to allow for the establishment of a CID, but still required a separate City ordinance in order to actually establish the entity. Therefore, attention next turned to the language of the ordinance.

3.3 Critical Ordinance Issues

The Ordinance expanded upon the somewhat skeletal provisions in HB 1636/SB 1164, fleshing out the scope and character of the new CID authority.

However, before drafting the City ordinance itself, it was important to identify which issues could (and should) be properly be dealt with in this format, and which items should be reserved for the Bylaws or other documents to be adopted by a future Board of Directors.

The consultants proposed the following strategy for further defining and shaping the authority, without imposing too many restrictions or making premature decisions that might later be regretted. This allocated a series of critical issues among the State law, the City ordinance, the Bylaws, and the Strategic Plan, as outlined in Table 3-2 following.

Having identified the proper issues to include in the ordinance, the Valbridge team then worked with the Mayor’s Office, the Law Department, Legislative Reference, and the LDC to spell out specifically how these issues would be addressed.

Critical issues addressed by the Ordinance are summarized in Table 3-3 (“Basic Provisions of Ordinance”) following.

Table 3-2
CID Governance Issues/Legal Mechanisms

Topic	At Issue	Proposal	Legal Mechanism(s)			
			State Law	City Ord.	Bylaws	Strategic Plan
Requirement of Strategic Plan	Should CBD be required to operate under a 5-year plan that is available to the public for review?	Require Strategic Plan in Ordinance. Reflect in Bylaws.		X	X	
Require Three Funding Streams	Should be required to disperse funds to at least three purposes: Enhanced Services, Community Grants, and Transformational Projects?	Require CBD to fund (at least) these three priorities in Ordinance. Reflect in Bylaws.		X	X	
Enhanced Services	How should Enhanced Services be allocated?	Define enhanced services yearly. Allow neighborhoods to customize if it doesn't increase cost.			X	X
Community Grants	How should Community Grants be allocated?	Allocate based upon a formula required by bylaws and detailed in the Strategic Plan.			X	X
Transformational Projects	How should Transformational Project funding be allocated?	Define parameters in Bylaws, and specify priorities in Strategic Plan.			X	X
Board Composition	Who should be on the board, and who selects them?	State Law sets broad outlines. Ordinance refines the details. Bylaws reflect Ordinance.	X	X	X	
Minimum Baseline Funding	Must the City disperse a minimum amount of Casino Impact Grant funds to the CBD?	Required in State Legislation.	X			
Annual Budget	How is the CBD Budget Set?	Ordinance requires annual budget w/BOE approval. Bylaws reflect Ordinance.	X	X	X	
Open Meetings Law	Should the Maryland Open Meetings Law apply?	Required in State Law. Reflect in Ordinance and Bylaws.	X	X	X	
Conflict of Interest Policy	Should Board members be required to disclose conflicts of interest and recuse themselves if appropriate?	Require in Ordinance and Bylaws.		X	X	
Regulatory Compliance	Should the CBD be required to comply with MBE and local source hiring goals?	Required in State Law. Reflect in Ordinance.	X	X		
Procurement	Should the CBD be required to comply with Baltimore City procurement policies?	No. Clarify in State Law. Reflect in Ordinance. Bylaws state that CBD should adopt its own procurement policies and make them public.	X	X		
Accounting / Audits	Should the CBD be required to have specified accounting procedures or regular audits?	Require annual audits in Ordinance and Bylaws.		X	X	
Subsidiary Organizations	Can the CBD create subsidiary organizations, like a 501c3?	Allow for this in Ordinance. Clarify in Bylaws.		X	X	
Property Taxes	Should the CBD be allowed to levy special taxes under any circumstance?	Prohibited in State Law. Reflect in Ordinance.	X	X		

Table 3-3 a	
Basic Provisions of Ordinance	
Provision	Purpose
District Created	Defines the South Baltimore Gateway Community Impact District (the geography).
Authority Created	Creates the South Baltimore Gateway Community Impact District Management Authority (the entity).
Purposes	Purpose is to: 1. Provide Enhanced Services, 2. Distribute Community Grants, 3. Enact Transformational Projects, 4. Implement the South Baltimore Gateway Master Plan, and 5. Perform other tasks to improve the District.
Funding	In FY 2017 use amount in City Budget; in 2018, use at least 50% of Community Impact Grants as required by State law.
Strategic Plan	Must adopt a 5-year strategic plan after consultation with LDC and residents.
Written Criteria	Must adopt written criteria for determining which Enhanced Services and Community Grants it will provide.
Budget	Must have a budget, subject to the approval of the BOE.
Fiscal Agent	May enter into a contract with a fiscal agent.
Partner Organizations	May create and operate subsidiary or affiliated entities.
Open Meetings and Public Information	Must operate in accordance with Open Meetings Act and Public Information Act.
Procurement	Subject to WBE/MBE goals, but not other procurement rules.
Baseline City Services	There will be a MOU with the city committing them to provide Baseline Services.
Ethics Law	Is governed by the City Ethics Law.

Table 3-3 b	
Basic Provisions of Ordinance	
Provision	Purpose
Board of Directors	
Number	Board size is 21.
Terms	Terms are 2 years, except for ex officio members. The terms are staggered in the first year.
Residents	The majority of the Board must be Residents.
Businesses	At least 4 Businesses must sit on the Board.
Geographic Requirements	Residents and Businesses are distributed among the three Sectors in the South Baltimore Gateway Master Plan.
Appointments by State Officials	State law requires the Senator to pick two members, and the Speaker of the House to pick four. Of these, two must be residents of the 40th District and two must be residents of the 46th.
Appointments by City Officials	The Mayor appoints one member, and the City Council President appoints two members.
LDC Members on the Board	The 12 non-elected members of the LDC are ex officio members of the Board until December 31, 2018. After that point, they may be replaced. If this happens, the Mayor selects one member and the rest are selected by the Board itself.
Officers	State law requires that the Senator select the Chair from among the appointed Board Members.
Early Timeline	
Within 30 Days	Mayor and City Council President must appoint board members within 30 days. The ordinance requests that State officials also do so in 30 days.
Within 60 Days	Board must determine if it needs a fiscal agent; clarify any paperwork needed to transfer money from the city; and begin drafting a Baseline Services Agreement.
Within 90 Days	Board must adopt bylaws and a first budget.
By End of FY2017	Board must adopt its first Strategic Plan.

3.4 Recommendations

After a significant process of debate, discussion, and revising, a final ordinance was developed which balanced all the relevant factors.

- A. Board Appointment Powers: After statutorily mandated appointments, the non-elected members of the LDC were identified as the core of the initial Board of Directors who could potentially be replaced on or after January 1, 2019.
- B. Geographic Distribution and Constituency Representation of Board Members: We recommend that board members include residents and businesses, and that they be representative of all three Sectors from the South Baltimore Gateway Master Plan.
- C. Local Hiring Requirements: We agree that these are not necessary, and discourage the hiring of the best staff.
- D. MBE/WBE Hiring Requirements: We feel strongly that these should be preserved.
- E. Powers and Authorities: It is important to provide significant flexibility in order to allow for unforeseeable conditions in the future.
- F. Future Taxation Authority: No taxation authority should be introduced at this time.
- G. Termination and Windup Procedures: It is important to remember that the City Charter now requires that at least 50% of Local Impact Grants be spent on the Authority.

The Valbridge Team has worked with the Steering Committee, the LDC, the Mayor's Office and the Baltimore City Department of Legislative Reference to draft the City Ordinance required to establish the South Baltimore Gateway Community Impact District which has been introduced to the City Council. The Ordinance adds Sections 19-1 to 19-17 ("Subtitle 19. South Baltimore Gateway Community Impact District") to Article 14 ("Special Benefits Districts") of the Baltimore City Code.

The potential schedule for enactment of the Ordinance proposed by Councilman Costello and agreed to by Councilman Middleton, Chair of the Urban Affairs and Aging Committee, anticipates passage by the City Council as early as August 15, 2016 with signature by the Mayor shortly thereafter.

4. DRAFT MEMORANDUM OF UNDERSTANDING

In this chapter, the Valbridge Team explains the importance of the “Memorandum of Understanding on Baseline City Services” (MOU) in the City Ordinance and traces its antecedents in other Baltimore City special benefits districts. Starting from historical LIG spending on services in the District, we have drafted an MOU (Exhibit 2 in the Appendix) for negotiation between the Board and the City which includes a recommended apportionment of baseline and extra City services as well as “Authority Services” within the District.

4.1 Background

An important provision of the Special Benefits Districts article of the Baltimore City Code (Section 14) is the agreement that the City will continue to deliver to the District the same baseline level of services which are delivered to all other City neighborhoods. The definition of baseline services is critical since the collection and expenditure of Special Tax revenues (in the case of the existing districts) and LIG revenues (in the case of the Community Impact District) are dedicated to the delivery of additional services over-and-above standard City services to their districts.

4.2 Memorandum of Understanding

The Memorandum of Understanding (MOU) is the legal agreement between the Mayor & City Council (approved by the Board of Estimates) and the South Baltimore Gateway Community Impact District Management Authority to govern the delivery of services in the District. In the CID enabling ordinance (Exhibit 1 in the Appendix), the following provision requires the MOU:

“§19-10. MoU on Baseline City Services.

(A) Agreement to Maintain.

The Authority shall enter into a Memorandum of Understanding with the Mayor regarding the level of services to be maintained by the city as the city’s obligation to the Authority and the District’s taxpayers.

(B) Scope of Agreement.

This Memorandum of Understanding shall:

- (1) Describe the existing levels of service within the District;
- (2) Commit the city to the maintenance of those levels of service; and
- (3) Detail the process by which the city will expend Local Impact Grant funds that:
 - I. Are provided to the City under State Government Article §9-1A-31(A)(1)(I); but

II. Are not transferred directly to the Authority under § 19-3(C)(2) of this subtitle.

(C) Governing Principles.

(1) In general.

The maintenance of existing services shall be governed by the following principles:

(2) No decrease in existing services; exceptions.

Existing services may not be decreased except:

- I. As part of an overall decrease in services necessitated by changes in funding, policy, or resources; and
- II. Only in proportion to the decreases implemented elsewhere in the city.

(3) Any increase in services generally throughout the city shall be matched with increases in those services within the District, in proportion to the increases implemented elsewhere in the city.

(4) Services provided by indirect Local Impact Grants.

Services provided by Local Impact Grant funds that, as described in subsection (B)(3) of this section, are not transferred directly to the Authority under §19-3(C)(2) of this subtitle do not constitute baseline city services."

In the MOU, baseline City services are distinguished from additional services funded by LIG revenues and delivered by either the City or the Authority. In particular, the MOU defines:

- "City Baseline Services" are the services to be provided by the City within the District, which are consistent with services provided to all other City neighborhoods.
- "Services Provided by Indirect Local Impact Grants" are the additional services to be provided by the City within the District using the LIG funds not transferred directly to the Authority, as advised by the LDC.
- "Authority Funding" is the LIG directed to the Authority at the amount approved in the Ordinance of Estimates for Fiscal Year 2017 and, beginning in Fiscal Year 2018, not less than 50% of the LIG from video lottery proceeds distributed to Baltimore City under §17-1A-31(A)(1)(I) of the State Government Article of the Annotated Code of Maryland.
- "Authority Services" are the additional services to be provided by the Authority within the District using the Authority Funding.

The MOU includes the Baseline Services Agreement and additional exhibits addressing the allocation of extra services to be delivered by the City or the Authority.

Other MOU provisions include: Authority financial reporting, insurance/indemnification, collection/disbursement of LIG revenues by the City, monitoring of services, MBE/WBE goals, and conflict of interest policies.

4.3 Community Benefits District Precedents

The City's four existing special benefits districts (Downtown Management District, Charles Village, Midtown and Waterfront Management District) all have articles in their enabling ordinances which are virtually identical to that proposed for the South Baltimore Gateway Community Impact District:

We are informed that the Downtown Management and Waterfront Management Districts both have Memorandums of Understanding and Baseline Services Agreements in place by which the City has agreed to provide specific services to those districts. We are also informed that the Charles Village and Midtown Community Benefits Districts do not have those agreements in place, though the agreement for Charles Village is in negotiation. The existing agreements are not often consulted, but they can be useful as a starting point for discussions with City departments on an as-needed basis.

The existing MOU agreements have been analyzed and used as guides in the drafting of the Authority's Memorandum of Understanding.

4.4 Services To-Date

Additional services have been delivered in the Casino Impact Area by the City with the advice of the LDC in two previous fiscal years: FY 2015 and FY 2016. We review historical spending to offer context for future service and spending allocations between the Authority and the City. The analysis is derived from the April 2016 "South Baltimore Local Impact Grant Funds—FY 2017 Spending Plan" from the City to the LDC.

LIG Funding

Following the opening of the Horseshoe Casino on August 26, 2014, Baltimore City received \$5.94 million in LIG funds for South Baltimore in FY 2015. Approximately \$3.5 million was spent on new initiatives in the CIA, \$1.5 million was appropriated to repay prior infrastructure investments, and \$900,000 was dedicated as "carry-forward" funds available for projects and initiatives in FY 2016.

The FY 2016 Spending Plan, issued in April 2015, included two categories or "tiers" of funding priorities. Tier 1 was comprised of \$6.985 million in appropriations, while Tier 2 included \$2.1 million that would be released only as funds became available. VLT revenues at Horseshoe Casino since September 2015 have exceeded projections, and the City now anticipates funds available for Tier 1 and Tier 2 projects combined will approach \$7.8 million.

The Board of Revenues report also projected that LIG funds would reach \$11.35 million in FY 2017, and an average of \$14.8 million annually in FY 2018-2020. The FY 2017 Spending Plan budget matches the State's projection of \$11.35 million in LIG funds for South Baltimore. The

City is working with the LDC in monitoring revenues on a quarterly basis and determining which projects may proceed as LIG funds are confirmed to be available. In the event revenues for FY 2017 LIG funds are lower than projected, initiatives that cannot be funded will receive priority attention in planning for FY 2018.

FY 2017 Budget Priorities

The FY 2017 plan organizes activities into the following categories:

- A. Operations of City Services Related to Public Safety (Operations 1) - \$2,164,000 (19.1%) – Services include increased police staffing for the Casino Sub-District (CSD), temporary public safety substation, traffic enforcement officers in the vicinity of the Casino, increased BCFD medic services and station house repairs, build/maintain a surveillance camera network.
- B. Operations of City Services for Community Support (Operations 2) – \$1,134,000 (10.0%) - Services include sustaining/expanding the Employment Connection Center, maintaining Bureau of Solid Waste Staffing for two crews, continued funding for the Senior Project Coordinator in the Mayor’s Office of Economic and Neighborhood Development.
- C. Targeted Initiatives Identified in the FY’15-16 Spending Plans and South Baltimore Gateway Master Plan – \$5,335,000 (47.0%) - Services are organized by Master Plan categories and are as follows:
 - o Transportation Connectivity (\$600,000) - Projects identified through the Complete Streets Plan currently underway by DOT addressing pedestrian and bicycle safety, traffic calming needs, greening of the right-of-way, user comfort and accessibility at transit stops.
 - o Environmental Sustainability (\$900,000) - Funds for upgrading parks and trails and improving the Middle Branch’s shoreline and water quality. Projects to be administered by the Baltimore City Department of Recreation and Parks (BCRP), DPW, DOT and the Baltimore Office of Sustainability (BOS).
 - o Safety (\$780,000) - Further builds out the CitiWatch surveillance camera network, upgrades street-lighting in higher crime areas, provides funds towards renovations to two fire stations: Old Truck 6 and Old Engine 26.
 - o Community Development & Revitalization (\$975,000) - Start-up funding for the CID as well as analyses by BDC and Planning of opportunity-sites for creating new housing and commercial uses in soft-market areas.
 - o Economic Growth (\$675,000) – Funds for MOED employment training/diversification of Project JumpStart, increased support for youth Employment, marketing plan for Carroll-

Camden and other industrial areas, expand on existing small-business grant/loan programs offered by BDC.

- Education (\$450,000) – Funds for summer Head Start programming, for expansion of Reading Partners and environmental education programming, matching funds to support the Harry and Jeannette Weinberg Foundation “Library Project” in creating a new, state-of-the art library at George Washington Elementary School in Pigtown.
- Health & Wellness (\$115,000) – Funds administered by Health Department for community-based food access programs including mini-grants to community organizations and expansion of the Virtual Supermarket grants to individuals.
- Quality of Life (\$340,000) – Match to capital funding provided to transform the Lakeland Recreation Center into a new Science, Technology, Engineering, Arts and Math (“STEAM”) Center, to increase waterfront recreational programs by BCRP, to increase community-sponsored events in parks and on neighborhood Main Streets, etc.
- Infrastructure (\$500,000) - First phase of a multi-year plan that leverages the City’s communications resources to provide stable, affordable broadband access for individuals, institutions and businesses within the CIA. One immediate benefit of installing City fiber is easier access to the CitiWatch surveillance network. Connection of city fiber to community assets (e.g., schools, libraries, recreation centers, Main Street districts) to be emphasized.

D. Infrastructure Reimbursements – \$2,717,000 (23.9%) - Expenses related to repaying costs incurred for improvements to public infrastructure in the vicinity of the Casino will continue into FY 2018, with one final payment of \$1.5 million to the Casino Developer.

Service/Budget Considerations

The Board of Revenues projects FY 2018-2020 LIG total revenues to be approximately \$14.8 million annually—an increase of 30% over the FY 2017 projected revenues. In addition, the infrastructure reimbursement (Item D. above) obligation will decline in FY 2018 and be eliminated in subsequent years, freeing up additional LIG funds for additional services. The Authority’s total budget, therefore, could be in the neighborhood of \$7.4 million annually for FY 2018 and beyond.

Agency Meetings

The Valbridge Team met with certain City agency and Mayor’s Office representatives to review their LIG spending plans during the course of our research to provide further background on services delivered in the District. We found the meetings to be useful in better identifying/distinguishing “City Baseline Services” and “Services Provided by Indirect Local Impact Grants” on an historic basis in preparation for drafting the MOU and its exhibits.

4.5 Baseline Services Agreement

The Baseline Services Agreement is comprised of three exhibits which reflect the allocation of services defined in the MOU:

- Department Reports of Baseline Services (Exhibit A) – The directors of the major City departments sign a description of the services which their departments will continue to “provide in the District unless budget reductions or other unforeseen circumstances force City wide program reductions.” For the South Baltimore Gateway Community Impact District, we expect the departments to include:
 - Transportation
 - Public Works
 - Housing & Community Development
 - Police
 - Fire
 - Recreation & Parks
- Services Provided by Indirect Local Impact Grants (Exhibit B) – In existing Baseline Services Agreements with the special benefits districts, these City services are termed “Baseline Plus” services. Consistent with the Master Plan (and later strategic plans), a considerable amount of flexibility should be built into this list of additional services, which may vary somewhat from year-to-year based on the District stakeholder priorities as expressed by the Local Development Council advising the City. Many of the additional services have already been funded by LIG revenues. For the South Baltimore Gateway Community Impact District, we expect the Services Provided by Indirect Local Impact Grants to include such extra services as:
 - Increased Police Staffing near the Casino
 - Increased Fire Department medic staffing
 - Employment Connection Center
 - Increased DPW Solid Waste staffing/services
 - Job-training and youth jobs programs
 - Educational improvements in public schools
- Authority Services (Exhibit C) – Supported by at least half of the City’s LIG revenues annually and working cooperatively with the City, the Authority will work to realize the goals of the Master Plan (and later strategic plans). The Authority has significant flexibility in delivering these additional services, since it can use its own staff or contract providers, make small grants to non-profit or community organizations for defined assignments, or contract with the City to deliver additional services. As determined in the Needs Assessment process, the District communities stated their priorities as:
 - Youth – The needs of young people in the neighborhoods were among the highest priorities including summer jobs programs, school lunch, affordable after-school

daycare and other efforts to improve prospects for youth—in cooperation with the Baltimore City Public Schools and otherwise.

- Local Employment – The need to encourage local businesses and entrepreneurs who could hire local workers was also a high priority, including training the local workforce for solid employment. The rehabilitation of vacant houses was identified as a particular value in improving the community environment but also providing employment opportunities.
- Public Safety – The need for continued attention to public safety including encouragement of police bike and foot patrols, community-based programs like Safe Streets and—more broadly—increased sanitation enforcement was acknowledged.
- Synergies – It was recognized that many of the above efforts could involve synergies, for example: training residents for construction work in the rehab of vacant housing; reinstating the PAL Program to engage youth, provide after-school activities and improve police-community relations; improving public transit so residents could reach employment opportunities downtown and elsewhere more reliably.

A fourth exhibit (Exhibit D “Conflict of Interest Policy”) is also included in the existing MOUs. The purpose of this policy is to protect the Authority in any transactions/arrangements which might benefit the private interest of an officer or director of the Authority. We have kept Exhibit D as part of the MOU to be consistent with procedures to-date.

4.6 Recommendations

The existing special benefits districts in the City are typically providing extra “clean and safe” services in a relatively small and homogeneous geography as compared to the South Baltimore Gateway Community Impact District. Given the District’s broad geography and wide range of neighborhood conditions, the list of additional services to be delivered by the City and by the Authority will necessarily shift somewhat from neighborhood to neighborhood and over the term of a 5-year Strategic Plan.

Considerations for the allocation of services and budget to the Authority and City include:

- Infrastructure Reimbursement – In FY 2018, is the remaining \$1.5 million payment to be made from the City’s or the Authority’s portion of LIG funds?
- City Departments – Given the start-up status of the Casino and CIA process with the City and LDC, most CIA expenditures to-date have been made through City departments in order to expedite investment in the CIA neighborhoods. The Authority can contract with City departments in the future for the same and other services, but need not. Since the budget for “Services Provided by Indirect Local Impact Grants” is anticipated to be approximately

\$7.4 million annually, some paring of the direct City expenditures (not contracted through the Authority) may be required.

- LDC Role – As the core of the initial Board for the Authority, the non-elected members of the LDC have a strong role in advising the City regarding the balance among expenditures to be made with City and Authority funds. The LDC has developed a clear consensus that if services can be delivered most effectively by the City, they would prefer that to be the route taken. Public safety (Police and Fire Department) and certain employment and sanitation services are more likely—but not exclusively—to be delivered by the City.
- Authority Role – Within the parameters set by the Master Plan, Needs Analysis and strategic plan, the Authority’s objective with the “Authority Services” budget is to deliver enhanced youth, employment, public safety and other services which meet the District’s needs. The Authority and its Executive Director need to be flexible in planning “from the ground up” and fitting local talent to the task. As the Authority builds capacity and competence, more tasks will naturally tend to be delivered by local talent. The LDC has also been clear that developing local capacity is critical.

The draft documents (Exhibit 2 in the Appendix) for the Memorandum of Understanding and its exhibits are intended to offer a point of departure and direction to the Board for its own analysis and negotiations. They represent a reasonable restatement of what the Valbridge Team has found in the same documents for the other City special benefits districts, but must ultimately be modified to suit the purposes of the Authority.

5. NEEDS ANALYSIS

In this chapter, the Valbridge Team summarizes the process of engagement with the Community Impact District communities in updating and prioritizing the goals and strategies of the South Baltimore Gateway Master Plan. We outline the results of that process for consideration in crafting the District's strategic plan, referring in particular to the Sector Meetings Summary (Exhibit 3 in the Appendix).

5.1 Background

Working from the established base of the South Baltimore Gateway Master Plan, we have worked with the Community Impact District stakeholders to update and refine neighborhood priorities in the light of experience with City spending to-date. The goal of the Needs Analysis is to provide additional input into the Community Impact District strategic planning process as it develops.

5.2 South Baltimore Gateway Master Plan

Developed with input from community members over a 2-year process with the Baltimore City Planning Department and adopted by the Baltimore City Planning Commission on October 29, 2015, the Master Plan offers both a 20-year vision for the SBG Area as well as a detailed set of recommendations for short-, medium-, and long-term actions. The planning process generated nine principal goals for the South Baltimore Gateway Area, organized as follows:

- I. Connectivity: Increase and Improve Community Connectivity, Cohesion, and Mobility.
- II. Environmental: Improve environmental quality and sustainability.
- III. Public Safety: Improve public safety with crime prevention and improved emergency response.
- IV. Economic Growth: Improve economic viability and growth throughout the entire area with support for businesses and workforce improvement.
- V. Community Development: Improve the quality of neighborhoods and increase marketability of properties to establish a greater sense of place.
- VI. Social Equity: Ensure that all people in the Master Plan area have equitable access to medical and wellness services, healthier food choices and affordable housing options.
- VII. Education: Ensure that all people in the Master Plan area have equitable access to quality education.
- VIII. Quality of Life: Support initiatives that improve the quality of life for residents, workers, and visitors in the Master Plan area.
- IX. Infrastructure: Expand and maintain a public infrastructure network promoting reliability, safety and sustainability.

The Master Plan goals and recommendations served as the point of departure for the Valbridge Team's sector meetings and needs analysis process.

5.3 Sector Meeting Process

In order to solicit feedback from the community residents, businesses, and major stakeholder groups, the consultant team met with City agency representatives, neighborhood groups and business association representatives for the purpose of gathering information on current baseline services and unmet community needs. The consultant team also performed a document review of the Master Plan to summarize and distill its findings and recommendations. With this information, the team conducted a series of community engagement workshops for the purpose of prioritizing recommendations and identifying additional needs not recorded in the Master Plan. Each meeting engaged representatives of the neighborhoods within a specific "sector" of the CIA, to help define the highest priorities unique to that sector. The three sectors meetings were conducted as follows:

- April 11, 2016 East Sector Meeting for Otterbein, Sharp-Leadenhall, Federal Hill, Spring Garden Industrial Area, South Baltimore, and Riverside
- April 18, 2016 West Sector Meeting for Barre Circle, Ridgely's Delight, Washington Village/Pigtown, Carroll-Camden Industrial Area, Stadium Area, Carroll Park, and Casino Area
- April 9, 2016 South Sector Meeting for Westport, Mt. Winans, St. Paul Industrial Area, Lakeland, Cherry Hill

During each sector meeting, stakeholders were briefed on the background of the Local Impact Grant and presented a summary of needs identified in the South Baltimore Gateway Master Plan. For context, community members were also briefed on the typical role and operations of Community Benefits Districts in Baltimore City. The consultant team reviewed the principal expenditures by the City for FY 2016 of LIG spending. The City spending has focused on additional services to the CIA, as advised by the LDC, on issues such as public safety, trash pick-ups, and employment services. The stakeholders were supportive of expenditures to-date and the sector meetings were thereby focused primarily on the priorities for future expenditures by the Community Impact District.

Stakeholders reviewed an overall allocation of which Master Plan strategies were most appropriately to be pursued by City government and by the Community Impact District. Utilizing the nine goal format of the Master Plan, community members were asked to individually vote for preferred recommendation to help inform the prioritization of responsibilities for the CBD. Some differences in priorities among the sectors were evident, but by and large there was consensus on the principal goals to be undertaken by the Community Impact District.

The outcomes of the meetings are described more fully in the South Baltimore Gateway Community Impact District "Sector Meeting Summary" document attached.

5.4 City Priorities

Baltimore City government is a partner with the Community Impact District in delivering additional services to the CID neighborhoods. Up to half of the LIG funding annually will be budgeted and spent directly by the City with the advice of the Local Development Council.

Community stakeholders viewed the Master Plan strategies listed on the following page (Table 5-1) as the primary responsibility of City government. Some of the guiding principles for evaluation included:

- Services which City Delivers Best – Police, fire, public health and employment additional services are examples of services typically most efficiently delivered by the City.
- Long-Term Planning – Certain enhancements require long-term professional planning which takes into account a broader Citywide or regional perspective such as Complete Streets plans, open space/parkland planning, Middle Branch waterfront planning.
- Major Capital Expenses – Certain enhancements necessitate major capital expenditures well beyond the CID's capabilities such as the Hanover Street Bridge replacement, land acquisition/improvements for open space/parks, public housing redevelopment, retiring BRESKO facility, vacant house redevelopment, building police/fire stations.
- Legal Enforcement – Certain enhancements require the use of the City's police powers such as enforcement of anti-dumping regulations, zoning and building code enforcement—and hiring additional inspectors, officers, firefighters, attorneys to accomplish the objectives.

Stakeholders understood the process for executing on the City's responsibilities to be cooperative, with the CID sometimes conducting its own preparatory studies or providing seed money to enable the intervention of City agencies.

5.5 Community Impact District Priorities

The Community Impact District was determined to have lead responsibilities on implementing the Master Plan strategies listed on the following pages (Table 5-2). While delivering these additional services will often involve cooperation with the City, some of the guiding principles for CID involvement were evaluated as:

South Baltimore Gateway Community Impact District--Feasibility Study

Table 5-1
SOUTH BALTIMORE GATEWAY MASTER PLAN
City Lead Responsibilities

GOAL I Transportation Connectivity

- A 1 Adopt a "Complete Streets" plan for each neighborhood
- A 5 Build pedestrian bridges across railroad tracks at key sites for safe access
- B 2 Complete Streets: Implement traffic safety measures
- B 3 Continue to make key roadway improvements
- B 4 Replace or upgrade the Hanover Street Bridge
- C 1 Improve existing bus service and study the feasibility of starting or expanding local "circulator" bus service
- C 2 Expand water taxi service where appropriate
- D 1 Improve traffic operations and signage, especially near schools.
- D 3 To appropriately serve all users, clearly delineate parking areas for both residents and visitors
- E 1 Study and implement "quiet zones"
- E 2 Evaluate possible roadway improvements for truck routes
- F 1 Continue to improve and streamline the use of Envista software

GOAL II Environmental Sustainability

- A 1 Increase the amount of open space and parkland
- A 5 Incorporate low-impact development and Green Street principles into projects
- C 1 Undertake a comprehensive feasibility and design plan for the Middle Branch shoreline
- C 3 Preserve and expand inland environmental habitat restoration and conservation areas
- C 4 Conduct an environmental assessment of Cherry Hill/Reedbird Park and upgrade the land for additional recreational uses
- D 4 Hire additional sanitation inspectors to improve enforcement of trash violations
- D 6 Add an additional attorney to enhance prosecution of sanitation and dumping violations

GOAL III Safety

- A 2 Install and upgrade lighting and public safety cameras
- A 3 Expand the application of Crime Prevention through Environmental Design
- A 4 Increase police and fire department presence near the casino
- B 1 Fund fire station upgrades
- B 2 Study the need for and feasibility of a joint Police and Fire Department station
- B 3 Conduct a water hazards study

GOAL IV Community Development and Revitalization

- A 1 Create a community benefits district and organization to oversee enhanced services, grants to neighborhood groups and strategic initiatives
- B 1 Expand Live Near Your Work program for casino employees and other large employers
- B 3 Develop a pilot program to provide subsidies for rehabilitation of vacant houses
- B 4 Create a pilot rehabilitation program for middle-income homeowners
- B 5 Expand accessibility retrofit programs
- C 1 Conduct a regional housing market and housing typology study for the SBG area
- C 2 Conduct market analyses for parcels not currently planned for redevelopment
- C 5 Develop design guidelines for redevelopment of sites
- C 6 Evaluate the feasibility of making public housing improvements
- C 7 Consolidate industrial areas

GOAL V Economic Growth

- A 1 Evaluate the success of the Employment Connection Center
- C 5 Help small businesses access contracting and vending opportunities with local anchor institutions

GOAL VI Education

- A 3 Ensure reading proficiency by third grade

GOAL VII Health and Wellness

- A 3 Implement the food desert retail strategy
- A 4 Establish partnerships with local food and nutrition providers
- A 5 Establish community design standards that promote physical activity with opportunities to bike and walk
- B 2 Screen children for vision issues and provide them with appropriate care and services
- B 3 Provide grants to fund evidence-based programs that reduce teen pregnancy and reduce or prevent violence
- C 1 Develop a comprehensive strategy to prevent overdose deaths and expand access to behavioral health services

GOAL VIII Quality of Life

- A 2 Establish designated water routes that can be explored by boat
- A 3 Address the safety of fishing and swimming
- A 5 Establish an aquatic advisory committee
- B 4 Provide additional mobile recreation vehicles with regular and predictable schedules
- C 1 Create a public art master plan
- D 3 Increase funding for historic restoration and documentation
- D 4 Partner with community schools to promote historic assets

GOAL IX Infrastructure

- A 1 Implement best storm water management practices, including employing "green infrastructure" techniques wherever possible
- A 3 Ensure continued modernization of public works Infrastructure
- A 4 Continually review and update departmental prioritization lists to improve maintenance of roads and utilities
- B 2 Examine the feasibility of retiring the BRESKO facility
- B 3 Develop heat and power plants and cogeneration facilities

Table 5-2 a
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Lead Responsibilities

GOAL I Transportation Connectivity

- I A 2 Complete Streets: Make pedestrian improvements
- I A 3 Complete Streets: Make improvements for bicycling
- I A 4 Expand the trail system around the Middle Branch; enhance the waterfront promenade
- I B 1 Complete Streets: Put traffic calming strategies in place
- I C 3 Identify and implement "sense of place" improvements at transit locations
- I D 2 Conduct parking studies and make improvements based on findings
- I D 4 Plan and expand offsite parking
- I E 3 Implement transportation coordinator position to manage truck traffic
- I E 4 Reroute truck routes for increased safety

GOAL II Environmental Sustainability

- II A 2 Convert City-owned vacant lots to green space
- II A 3 Improve and upgrade existing parks
- II A 4 Make park gateways more attractive and inviting
- II A 6 Increase the urban tree canopy
- II A 7 Treat MLK as Park Boulevard
- II B 1 Build the proposed additions to the Gwynns Falls Trail
- II B 2 Expand connections to and within the regional trail network
- II B 3 Improve connection to downtown
- II C 2 Stabilize the Middle Branch shoreline, focusing first on Middle Branch Park
- II C 5 Implement Middle Branch trash wheel
- II D 1 Change behavior through media outreach and volunteer cleanup campaigns
- II D 2 Deploy additional sanitation crews to clean up communities and the Middle Branch
- II D 3 Launch pilot sanitation programs
- II D 5 Add cameras and one investigator to improve enforcement and stop illegal dumping
- II D 7 Improve maintenance of publicly owned green spaces
- II D 8 Add public trash cans with pickup service
- II E 1 Promote and expand volunteer activities and education programs
- II E 2 Expand the Baltimore Energy Challenge into SBG neighborhoods
- II E 3 Provide Green Schools coordinators in area schools
- II E 4 Expand the "Make a Plan, Build a Kit, Help Each Other" project
- II E 5 Create and expand community engagement and educational programs
- II E 6 Monitor and improve air quality

GOAL III Safety

- III A 1 Support and expand community-police partnerships
- III A 5 Re-establish the Park Ranger program
- III A 6 Expand police bike and foot patrols
- III A 7 Increase safety at playgrounds
- III A 8 Support and expand substance abuse programs for safety

Table 5-2 b
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Lead Responsibilities

GOAL IV Community Development and Revitalization

- IV B 2 Develop strategies and timeframes for the stabilization of vacant houses
- IV B 6 Create financing subsidies to encourage neighborhood-scale rehab efforts
- IV C 3 Create redevelopment strategies for sites that could serve as catalysts for investment
- IV C 4 Conduct corridor improvement studies
- IV C 8 Develop and implement strategies and incentives to reuse vacant industrial buildings once suitable for industrial use
- IV C 9 Study the future of all City-owned properties

GOAL V Economic Growth

- V A 2 Expand services to residents of public housing and expand Community Action Agency programs
- V A 3 Expand youth jobs programs
- V A 4 Investigate the feasibility of expanding or creating a new "green jobs" training center
- V A 5 Investigate and advocate for improved public transit service linking workers to jobs
- V A 6 Strengthen DDA training facility and adult job training
- V B 1 Conduct an assessment and marketing plan for Carroll Camden Industrial Area
- V C 1 Provide expanded small business support
- V C 2 Actively promote and coordinate existing financing, tax benefit, and marketing programs
- V C 3 Foster support for and connect entrepreneurs to business incubators and co-working spaces
- V C 4 Provide support to start and maintain the viability of worker-owned businesses
- V D 1 Study land uses to identify sites for business expansion

GOAL VI Education

- VI A 1 Implement and expand proven programs that improve school attendance.
- VI A 2 Support planning for Community Schools
- VI A 4 Strengthen environmental education
- VI A 5 Prioritize community based youth programs
- VI A 6 Create and expand summer enrichment programs
- VI A 7 Develop teacher support programs for education and safety aides
- VI A 8 Develop parent support programs
- VI B 1 Expand digital access in homes, schools, libraries, and other community anchors
- VI B 2 Provide programs to enhance English proficiency
- VI B 3 Expand opportunities and supportive services for adult education
- VI 4 Expand technology-based education opportunities for youth in schools and libraries and through community-based programs

Table 5-2 c
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Lead Responsibilities

GOAL VII Health and Wellness

- VII A 1 Expand access to health education and care services and replicate effective models
- VII A 2 Support an expansion of local grocers, farmers markets and community gardens
- VII A 6 Promote initiatives to increase physical activity, such as Medical Mile and Get Fit programs
- VII A 7 Develop environmental health screening and education programs
- VII A 8 Improve health safety inspections of food service businesses
- VII B 1 Increase educational outreach to teach healthy diet, exercise and hygiene in schools, community centers, libraries, places of worship and other neighborhood centers
- VII B 4 Expand Food Pantries and Backpack programs
- VII B 5 Add swimming pool at Carroll Park
- VII B 6 Improve quality and healthiness of school breakfast and lunch
- VII B 7 Develop community based health education programs like Safe Streets
- VII C 2 Provide shelter and homes for the homeless
- VII C 3 Study existing programs and expand those that are successful
- VII C 4 Perform study to strategically target population
- VII C 5 Increase substance abuse screening and support
- VII C 6 Implement foster youth homelessness prevention programs

GOAL VIII Quality of Life

- VIII A 1 Expand boating access and programs
- VIII A 4 Increase the number of athletic events and programs
- VIII B 1 Increase the number of community events, particularly in Middle Branch Park and Carroll Park
- VIII B 2 Provide new facilities to serve older youth, such as skateboard parks, bicycle pump tracks and off-road trails, and basketball courts
- VIII B 3 Expand the Department of Recreation and Parks' Ride Around program to include Middle Branch Park and the Gwynns Falls and Middle Branch Trails
- VIII B 5 Provide recreation programs in schools
- VIII B 6 Expand programs and facilities for senior citizens
- VIII C 2 Expand art programs in schools and in the community
- VIII D 1 Promote historic districts and sites
- VIII D 2 Create exhibits and displays celebrating the historic legacy of SBG area residents
- VIII E 1 Establish a single organization to coordinate cultural programming

GOAL IX Infrastructure

- IX A 2 Expand digital technology to libraries, schools, businesses and households
- IX B 1 Expand the use of renewable energy
- IX B 4 Expand energy education for residents

- Youth – The needs of young people in the neighborhoods were among the highest priorities including summer jobs programs, school lunch, affordable after-school daycare and other efforts to improve prospects for youth—in cooperation with the Baltimore City Public Schools and otherwise.
- Local Employment – The need to encourage local businesses and entrepreneurs who could hire local workers was also a high priority, including training the local workforce for solid employment. The rehabilitation of vacant houses was identified as a particular value in improving the community environment but also providing employment opportunities.
- Public Safety – The need for continued attention to public safety including encouragement of police bike and foot patrols, community-based programs like Safe Streets and—more broadly—increased sanitation enforcement was acknowledged.
- Synergies – It was recognized that many of the above efforts could involve synergies, for example: training residents for construction work in the rehab of vacant housing; reinstating the PAL Program to engage youth, provide after-school activities and improve police-community relations; improving public transit so residents could reach employment opportunities downtown and elsewhere more reliably.

Stakeholders placed particular emphasis on the three following groups of strategies, often expanding on the Master Plan. All three are evaluated as equally important priority areas. We have organized them as follows:

Improving Social Outcomes

Stakeholders in all three sectors prioritized strategies (Table 5-3) that work to strengthen the social outcome of communities, families and youth. Among these, most favored were initiatives that help communities and families improve youth outcomes (Goal VI, Strategy A). All sectors added new recommendations for the support of community youth based programs in education, wellness, and recreation (Goal VII, Strategy B). Such programs may be new programs or existing ones that should be expanded.

- Summer programs for youth were identified as a need and specific community based health education programs like Safe Streets in Cherry Hill were championed by community members.
- Programs that promote healthy habits and improve quality of school lunch were popular considerations.

Table 5-3
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Priorities
Improving Social Outcomes

VI. Strategy A: Support initiatives that address challenges within communities and families in order to improve student performance

- 1 Implement and expand proven programs that improve school attendance and school performance
- 2 Support planning for Community Schools
- 3 Ensure reading proficiency by third grade
- 4 Strengthen environmental education
- 5 *Prioritize community based youth programs, e.g., Sharp Kids*
- 6 *Create and expand summer enrichment programs*
- 7 *Develop teacher support programs for education and safety aides*
- 8 *Develop parent support programs*

VII. Strategy B: Expand and promote youth wellness services

- 1 Increase educational outreach to teach healthy diet, exercise and hygiene in schools, community centers, libraries, places of worship and other neighborhood centers
- 2 Screen children for vision issues and provide them with appropriate care and services
- 3 Provide grants to fund evidence-based programs that reduce teen pregnancy and reduce or prevent violence
- 4 *Expand Food Pantries and Backpack programs*
- 5 *Add swimming pool at Carroll Park*
- 6 *Improve quality and healthiness of school breakfast and lunch*
- 7 *Develop community based health education programs like Safe Streets*

III. Strategy A: Implement crime prevention programs

- 1 Support and expand community-police partnerships
- 2 Install and upgrade lighting and public safety cameras
- 3 Expand the application of Crime Prevention through Environmental Design
- 4 Increase police and fire department presence near the casino
- 5 Re-establish the Park Ranger program
- 6 *Expand police bike and foot patrols*
- 7 *Increase safety at playgrounds*
- 8 *Support and expand substance abuse programs for safety*
- 9 *Add program to employ residents as ambassadors.*
- 10 Reinstated PAL program
- 11 *Community-based safety programs i.e. Safe Streets*

"Black" - Strategies contained in Master Plan

"Red" - Strategies added in Sector Meetings

- In the Western Sector, many lamented the loss of the Carroll Park swimming pool and flagged its restoration as an important priority. There was strong support for the support of Community Schools as a means to provide wrap-around services for students and programs beyond education to the community.
- To aid in the success of schools, parent and teacher support programs were promoted especially by the Southern Sector community.

All sectors also prioritized public safety as an important goal with specific emphasis on crime prevention (Goal III, Strategy A). There was particular support for the expansions of community-police partnerships, such as the Safe Streets program. Community policing strategies with increased bike and foot patrolling were also favored. Improvements in environmental design, lighting and camera installation were recognized as important, but also considered responsibilities that should be shared by the CBD and the City.

Improving Economic Conditions

Community members also identified issues (Table 5-4) related to employment, economic development and community wealth as high priority items. Of all strategies, the highest ranked was for the support of local entrepreneurs and businesses (Goal V, Strategy C) with a majority of votes coming from Eastern and Western Sector community members. All five of the recommendations in this strategy received votes, highlighting the need for business support through a variety of tools such as incubation, professional services, business training and business development. Community development through stabilization and redevelopment was also prioritized (Goal IV, Strategy B). Specifically, programs that incentivize and support rehabilitation of housing with subsidies were considered key recommendations.

All three sectors considered workforce development as essential to ensure that community members remain the principal beneficiaries of success (Goal V, Strategy A). Also, programs that train adults and youth for the workforce and transit improvements that give better access to job centers were recognized as key considerations to improve the economic welfare of communities (Goal I, Strategy C).

Improving Quality of Life

Strategies related to the role of the public realm on quality of life (Table 5-5) garnered significant support by all sectors. Among the strategies related to transportation and connectivity, those that improved pedestrian, bicycling and transit experience garnered most support (Goal I, Strategy A and C). The results point to a demand for complete streets that balance vehicular transportation with other modes of travel, improving access, safety and sense of place.

Table 5-4
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Priorities
Improving Economic Conditions

V. Strategy C: Support local entrepreneurs and businesses with policies to reduce investment costs

- 1 Provide expanded small business support
- 2 Actively promote and coordinate existing financing, tax benefit, and marketing programs
- 3 Foster support for and connect entrepreneurs to business incubators and co-working spaces
- 4 Provide support to start and maintain the viability of worker-owned businesses
- 5 Help small businesses access contracting and vending opportunities with local anchor institutions

IV. Strategy B: Create or expand incentives to stabilize and promote redevelopment in SBG neighborhoods

- 1 Expand Live Near Your Work program for casino employees and other large employers
- 2 Develop strategies and timeframes for the stabilization of vacant houses
- 3 Develop a pilot program to provide subsidies for rehabilitation of vacant houses
- 4 Create a pilot rehabilitation program for middle-income homeowners
- 5 Expand accessibility retrofit programs
- 6 Create financing subsidies to encourage neighborhood-scale rehab efforts with small developer preference

V. Strategy A: Provide job training and other assistance to local residents

- 1 Evaluate the success of the Employment Connection Center
- 2 Expand services to residents of public housing and expand Community Action Agency programs
- 3 Expand youth jobs programs
- 4 Investigate the feasibility of expanding or creating a new "green jobs" training center
- 5 Investigate and advocate for improved public transit service linking workers to jobs
- 6 **Strengthen DDA training facility and adult job training**

I. Strategy C: Enhance transit infrastructure to improve access, mobility and user comfort

- 1 Improve existing bus service and study the feasibility of starting or expanding local "circulator" bus service
- 2 Expand water taxi service where appropriate
- 3 Identify and implement "sense of place" improvements at transit locations

"Black" - Strategies contained in Master Plan

"Red" - **Strategies added in Sector Meetings**

Table 5-5
SOUTH BALTIMORE GATEWAY MASTER PLAN
Community Impact District Priorities
Improving Quality of Life

I. Strategy A: Improve the pedestrian and bicycling network

- 1 Adopt a "Complete Streets" plan for each neighborhood
- 2 Complete Streets: Make pedestrian improvements
- 3 Complete Streets: Make improvements for bicycling
- 4 Expand the trail system around the Middle Branch; enhance the waterfront promenade
- 5 Build pedestrian bridges across railroad tracks at key sites for safe access

II. Strategy A: Provide all neighborhoods access to high-quality green space and expand the urban forest canopy

- 1 Increase the amount of open space and parkland
- 2 Convert City-owned vacant lots to green space
- 3 Improve and upgrade existing parks
- 4 Make park gateways more attractive and inviting
- 5 Incorporate low-impact development and Green Street principles into projects
- 6 Increase the urban tree canopy
- 7 **Treat MLK as Park Boulevard**

II. Strategy B: Expand and enhance the recreational trail network

- 1 Build the proposed additions to the Gwynns Falls Trail
- 2 Expand connections to and within the regional trail network
- 3 **Improve connection to downtown**

II. Strategy D: Reduce litter accumulation and pollution on land and in waterways

- 1 Change behavior through media outreach and volunteer cleanup campaigns
- 2 Deploy additional sanitation crews to clean up communities and the Middle Branch
- 3 Launch pilot sanitation programs
- 4 Hire additional sanitation inspectors to improve enforcement of trash violations
- 5 Add cameras and one investigator to improve enforcement and stop illegal dumping
- 6 Add an additional attorney to enhance prosecution of sanitation and dumping violations
- 7 Improve maintenance of publicly owned green spaces
- 8 **Add public trash cans with pickup service**

"Black" - Strategies contained in Master Plan

"Red" - Strategies added in Sector Meetings

Open spaces and trails were recognized as essential assets for neighborhoods (Goal II, Strategy A and B). Quality parks that are well maintained, attractive and inviting were considered important along with the increase of tree canopy and conversion of vacant lots to green space. Building on existing trails to improve connectivity to parks and business centers was also a popular recommendation.

Sanitation issues and the control of litter were cited as a key concern (Goal II, Strategy B and C). Recommendations to improve municipal sanitation service with added public trash cans and additional crews were favored. Additionally, the relationship of dumping to crime prevention was highlighted, promoting the use of cameras, sanitation inspectors, and investigators to address problems.

5.6 Sector Priorities

The priorities identified by stakeholders in each of the three sectors were overall very similar, indicating that a reasonable community consensus exists around which the CID can build a strategic plan and prioritize its own operations. Some differences in emphasis among the geographic sectors are to be anticipated, given their wide range of socio-economic and physical conditions. We note below the highest priority items (in Master Plan order), with no particular ranking within a sector presumed.

Eastern Sector

Eastern Sector neighborhoods tended to emphasize public transit (Circulator), public infrastructure (parks, sidewalks), small business support and improving community schools:

- Complete Streets: Make pedestrian improvements
- Improve existing bus service and study the feasibility of starting or expanding local "circulator" bus service
- Improve and upgrade existing parks
- Create financing subsidies to encourage neighborhood-scale rehab efforts
- Provide support to start and maintain the viability of worker-owned businesses
- Investigate and advocate for improved public transit service linking workers to jobs
- Provide expanded small business support
- Actively promote and coordinate existing financing, tax benefits, and marketing programs
- Support planning of community schools
- Expand technology-based education opportunities for youth in schools and libraries and through community-based programs
- Expand digital technology to libraries, schools, businesses and households

Western Sector

Western Sector neighborhoods tended to emphasize public transit (Circulator), public sanitation, police-community engagement, reuse of obsolete industrial buildings and other improvements in industrial (Carroll-Camden) areas and improving community schools:

- Improve existing bus service and study the feasibility of starting expanding "circulator" bus service
- Deploy additional sanitation crews to clean up communities and the Middle Branch
- Expand police bike and foot patrols
- Develop and implement strategies and incentives to reuse vacant industrial buildings once suitable for industrial use
- Conduct an assessment and marketing plan for Carroll Camden Industrial Area
- Support planning of community schools
- Prioritize community based youth programs (New)
- Add swimming pool at Carroll Park (New)

Southern Sector

Southern Sector neighborhoods tended to emphasize public transit, police-community engagement, rehab/reuse of vacant buildings, summer job programs and improving community schools:

- Support and expand community-police partnerships
- Create and expand summer enrichment programs
- Develop strategies and timeframes for the stabilization of vacant houses
- Improve existing bus service and study the feasibility of starting or expanding local "circulator" bus service
- Create a pilot rehabilitation program for middle-income homeowners
- Create financing subsidies to encourage neighborhood-scale rehab efforts
- Provide recreation programs in schools
- Develop teacher support programs for education and safety aides (New)

5.7 Recommendations

The South Baltimore Gateway Master Plan has served its purpose in setting a comprehensive vision for the Community Impact District organization and its neighborhoods. As the CID staff and board approach the task of setting the 5-year strategic plan for the organization, we recommend the following be kept in mind:

- Youth/Jobs/Quality of Life – The success of the CID will be judged in how effectively (and visibly) it addresses the inter-related challenges presented in engaging/promoting young people, creating job opportunities for the workforce and improving the neighborhood quality of life through improved public transit, community-police communications, etc. The

CID has the mission "to undertake transformational community development and economic development projects, designed to improve the quality of life and economic conditions within the District."

- Partnership – The CID budget will never be sufficient to solve the challenges experienced by the neighborhoods. Partnerships with neighborhood businesses, non-profits, foundations, City agencies and more are required to more adequately address the issues. Working with the LDC and the City, the CID should never deliver a service which can be delivered more effectively by others.
- Sector/Neighborhood – Though all CID neighborhoods share the broad priorities outlined above, each neighborhood and sector has a somewhat different set of needs based on their own particular set of circumstances. The CID has flexibility to foster local initiatives through its mission "to disperse grants to local community and non-profit organizations within the District."

6. DRAFT BYLAWS

In this chapter, the Valbridge Team presents draft Bylaws for the Authority (Exhibit 4 in the Appendix) for consideration by the Board. The Ordinance requires that Bylaws be adopted by the Authority within 90 days of the establishment of the District, so prompt attention must be paid to the various critical issues in play.

6.1 Background

Given the many decisions that have to be made, the Valbridge Team (and, indeed, the City itself) has had to balance the urge to lock in decisions through the legislative process with the need to keep the process moving forward expediently. In addition, it is important to provide flexibility and adaptability in the Authority, so that it is not bound to outdated or mistaken requirements that are difficult to modify in the future. The Bylaws present a chance to fine tune many of the decisions made in the Ordinance stage.

6.2 Recommendations

In addition to reiterating elements of the Ordinance for clarity's sake, it is important to set out new procedures for dealing with events that have not yet been detailed. Provisions in the draft Bylaws dealing with the next level of detail include:

- A. Standing Committees. In the draft Bylaws, we recommend establishing a series of standing and ad hoc committees to oversee the management of the Authority. These include:
 - The Finance Committee, to oversee fiscal management and budgeting.
 - The Nominating Committee, to develop and manage a process for Board Member selection.
 - The Program Committee, to oversee the process for distributing grants and administering other projects.
 - The Strategic Planning Committee, to manage the periodic strategic planning process.
- B. Replacement of the LDC Members on the Initial Board. In the draft Bylaws, we recommend empowering a Nominating Committee to undertake this effort, using procedures that it feels accomplish the twin goals of diversity and representation.
- C. Terms/Reappointment. In the draft Bylaws, we recommend that (other than for the initial Board) terms of office be two years in order to build experience on the Board. We also recommend, however, that no individual (other than those serving ex officio) serve for more

than six consecutive years—in order to keep the Board fresh. We recommend that Board officers' terms be for one year.

- D. Meetings. In the draft Bylaws, we recommend that the Board schedule at least ten meetings each calendar year including a Spring Public Meeting. The Spring Public Meeting should be scheduled to enable the submission of the Authority's proposed budget to the Board of Estimates by April 30th. The Board is a public body under the "Open Meetings Act," Title 10, Subtitle 5 of the State Government Article of Md. Ann. Code.
- E. Committees. In the draft Bylaws, we recommend a minimum of four standing committees (Governance, Finance, Nominating and Program), each with a specific mandate.
- F. The Strategic Plan. In the draft Bylaws, we lay out a process for drafting an initial Strategic Plan, and then following it with periodic updates and rewrites. These must happen at least once every 5 years, but can happen sooner in the face of new information or conditions.
- G. Allocation and Distribution of Funds. In the draft Bylaws, we suggest a process by which the Program Committee will decide on the allocation of services and funding within the District. The funding available for the Authority will vary from year to year due to fluctuations in the LIG. The Authority Board must decide the appropriate proportion of funds to be allocated to each of the Authority's three principal program areas. We recommend particular attention to such issues as:
- Enhanced Services – There has to be some mechanism for neighborhoods to request/receive alternate services which might fit local needs better than the overall package of enhanced services proposed for the District or Sector.
 - Community Grants – The process for soliciting and judging proposals must be open and transparent, based on clear application/selection criteria. The Authority's tracking, payment, impact analysis and other policies must be flexible enough to deal with the wide range of circumstances of grantees.
 - Transformational Projects – The larger projects with District-wide impact will often be multi-year investments and could be capital projects—fully funded or more likely partially funded by the Authority in partnership with other partners. They must be carefully chosen and tracked with proportionate impact in mind.
- H. Budgeting Calendar - In order to accomplish the statutorily-required imperatives of drafting a strategic plan (which should inform budgeting), holding a public hearing on the draft Budget, and submitting a proposed budget to the Board of Estimates, there is a significant need to structure a regular calendar such that all of these steps can take place in a timely fashion. The substance of this calendar will be addressed in greater detail in Chapter 8, in the context of critical next steps for getting the authority up and running.

7. DRAFT BUDGET/STAFFING PLAN

In this chapter, the Valbridge Team presents a draft budget and staffing plan (Exhibit 5 in the Appendix) for the first two years of Authority operations as an illustration of how finances and staffing might be organized under certain reasonable assumptions.

7.1 Assumptions

As envisioned by the various documents in this report, as well as the Ordinance currently in First Reader, the annual budget of the authority must ultimately be the result of a strategic planning process that has not yet taken place by a Board that has not yet been constituted.

As a result, the proposed Budget included in this report must by definition be largely illustrative. In the absence of a Strategic Plan, the budgeting feedback received at the legally-mandated public hearing, and the diligent work of the Board itself, there is no way to know for certain the specific expenditures that will result.

7.2 Year 1 Scenario

Critical issues to be addressed in Year 1 include the following:

- Staffing - We assume that the first year will involve a significant amount of work by the Board before the Executive Director is hired. It will then take the Director a significant amount of time to get things up and running, including the hiring of new staff. Therefore, we assume that the Executive Director be the only staff member hired in the first year. This also maximizes the amount of revenues that can go into building the organization and delivering value to the District in its startup year, which will already suffer from a lower revenue level than future years.
- Office - Given that the Executive Director is expected to be the only staff person, and the first year revenues will be low, we have assumed that the organization will not establish a permanent office during the first year. Rather, it will sublease a small amount of space from an existing organization in the District.
- Allocation of Program Funds - We recommend that the majority of the first year funds be committed to Community Grants and the initial stages of Transformational Projects, rather than Enhanced Services. Enhanced Services require such significant investments in staffing, equipment, and dollars that it seems unlikely that the fledgling organization will be able to make much of a mark in its first year (particularly with so much internal organization to accomplish).

- Equipment and Supplies - While we assume that the authority will not take on significant Enhanced Services work in the first year, it will nonetheless need to invest in equipment and supplies in order to be able to perform those tasks in the second year.
- Fiscal Agent - Given the legal and ethical imperative to properly manage the Local Impact Grant funds that the Authority will receive, we recommend that the Authority contract with a Fiscal Agent during the first year of its existence. This will allow the Board / Director to establish a bank account, chart of accounts, and accounting procedures without delaying the flow of funds.

7.3 Year 2 Scenario

In the second year of operations as the organization matures, we see the critical budget and staffing issues to include:

- Staffing - We assume that there will be significant hiring in order to quickly staff up to the point where such a large budget can be properly parceled out. While the staffing allocation we have proposed (visible in the Draft Budget) is conceptual, we believe it is likely that there will need to be an accounting/bookkeeping person, an office manager, and program staff to work on the daily activities of the organization.
- Office - With increased staffing and a growing inventory of equipment comes the need for extra space. We assume, therefore, that the second year will require a larger and more sophisticated office environment, possibly with access to a storage and staging area for service patrols.
- Allocation of Program Funds - As funding and staffing come online, it will be possible to significantly ramp up Enhanced Services. Although the final allocation is up to the Board, we have modeled a scenario where 75% of program funds go to Enhanced Services; 20% go to Transformational Projects; and 5% go to Community Grants. We believe that this allows the organization to make meaningful progress on each front in a timely manner.
- Equipment and Supplies - Having invested in large amounts of equipment and supplies in the first year, we assume that spending will be reduced in the second year.
- Fiscal Agent - As the revenue volume for the organization grows, it is likely to be cheaper (and, ultimately, preferable) to hire a full-time bookkeeper who can keep track of the flow of all revenues and expenditures.

While we believe that this scenario is credible, and based upon solid reasoning, the final detailed decisions will be left up to the Finance Committee, the Board at large, and in particular the Executive Director, whose role is naturally to build the organization as he/she sees fit.

8. NEXT STEPS

In this chapter, the Valbridge Team further explains the inter-relationship among the organizational documents we have produced and the milestones for the Authority's operational development inherent in the adoption of the documents. Timelines and budget/staffing issues over the first two years of the Authority's operations are addressed.

8.1 Relationship among Organizational Documents

The documents included in the Appendix of this report represent a nested set of organizational documents intended to work in harmony with one another. With their foundation in the Charter Amendment enacted in the State statute, the City Ordinance has been introduced but not voted upon and the other documents have been drafted for consideration by the future Board of Directors of the Authority, with the understanding that the future Board will have a fiduciary obligation to review, edit, and modify the contents based upon evolving circumstances and their own changing priorities. These documents include:

<u>Document</u>	<u>Status 6/30/16</u>
1. Charter Amendment	Passed
2. City Ordinance (Exhibit 1)	Introduced
3. Bylaws (Exhibit 4)	Drafted for Consideration
4. Baseline Services MOU (Exhibit 2)	Drafted for Consideration
5. FY2017 & FY2018 Draft Budget (Exhibit 5)	Drafted for Consideration
6. Executive Director Job Description (Exhibit 6)	Drafted for Consideration

These items are described as "nested organizational documents" because they are designed to interrelate with one another, combining to gradually shape an organization built upon sound legal, administrative, strategic, and financial foundations. (This is particularly true of items 1 through 5 above, with the Executive Director Job Description representing an important instrument but not a core foundational document).

These items are designed to perform the following broad functions:

Charter Amendments	Authorization
City Ordinance	Establishment
Bylaws	Management
Strategic Plan	Decision Making
Baseline Services MOU	Responsibilities
Budget	Immediate Actions

As the table above makes clear, the origins of the Authority are found in the **Charter Amendments**, which were passed by the Maryland Legislature as HB 1636 / SB 1164. These authorized the City to establish an Authority, provided for its District boundaries, specified the appointment process for 6 of 21 Board members, and created a skeletal framework for how the organization would operate. (Not a work product of the Valbridge Team, this document is not included in the Appendix.)

The **City Ordinance** (Exhibit 1), currently in First Reader, actually establishes the Authority. It specifies the appointment authority for the remaining members of the Board, and details the specific powers and prohibited actions of the Authority. It also creates an aggressive timeline for the first year of operations, requiring the organization to get off the ground quickly and professionally.

The **Bylaws** (Exhibit 4), which cannot be adopted until there is a Board to do so, further clarify the processes for management and decision making. They establish Board roles, plan for standing and ad hoc committees, and build a framework for the annual calendar of events which must take place in order to fulfill the various management obligations outlined in the Ordinance and Charter. (This timeline is detailed in Section 8.2 below.)

It is worth noting that, as currently drafted, the Bylaws do not specify the process by which the Board can select new members to replace LDC members. Rather, it establishes a Nominating Committee charged with proposing such a process, thereby giving the Board the flexibility to experiment until it finds a system that inspires confidence and builds trust among the wide range of constituents it serves. Similarly, the Bylaws do not prescribe a strategic role for the organization, but rather establish a Strategic Planning Committee tasked with working with the Board, Staff, and other stakeholders to meet this complex challenge.

The **Strategic Plan** has not, and by definition cannot, be drafted prior to the establishment of the Board. This is the document wherein the multifaceted goals of the South Baltimore Gateway Master Plan are translated into a core set of priorities in the short- and medium-term. While all of the goals in the Master Plan are laudable, the Authority must choose for itself the specific role it wants to play in making them a reality, and the specific steps it wants to take to implement those goals. It may need to choose, for example, between an emphasis on housing and an emphasis on transportation. It may need to choose between certain housing goals and other housing goals. One thing is for certain, though: with the funds available to it, the Authority cannot accomplish all the goals simultaneously, all the time. In order to implement anything of value, it must be strategic.

The **Baseline Services MOU** (Exhibit 2) is designed to clarify the roles and responsibilities of the City in the provision of baseline services, the responsibilities of the Authority in providing additional services beyond what the City typically does, and the role of the City in the expenditure of the remaining Local Impact Grant funds that are not transferred to the Authority. These documents are typically very long and detailed, and as a result can take very long to finalize. The organization cannot wait until this process is finished to take constructive action, but it must also not waste time in initiating the conversation.

The **Annual Budget** (Exhibit 5) is the place where all of the different layers of planning done to date are transformed into a core set of short-term expenditures. While this is the most mundane and familiar of the various documents, it is also the culmination of a long chain of thought stretching back to the South Baltimore Gateway Master Plan itself. It is the ultimate expression of all the management and strategic decision-making that came before.

In summary, the documents contain the following basic content:

Charter Amendments	<ol style="list-style-type: none"> 1. Authorize Creation of Authority 2. Specify 6 Board Appointments 3. Sets Certain Rules
City Ordinance	<ol style="list-style-type: none"> 1. Establishes the Authority 2. Specifies Remaining Board Appointments 3. Clarifies Mission, Powers, and Rules
Bylaws	<ol style="list-style-type: none"> 1. Defines How Organization will Run 2. Establishes Committees with Management Responsibility 3. Gives Flexibility for LDC Replacement Process
Strategic Plan	<ol style="list-style-type: none"> 1. Mandated by Charter, Ordinance, and Bylaws 2. Rooted in South Baltimore Gateway Master Plan 3. Projects Specific 5-year Strategies
Baseline Services MOU	<ol style="list-style-type: none"> 1. Mandated by Charter and Ordinance 2. Prevents City from Decreasing Services 3. Facilitates Coordination of Baseline & LIG Funds
Budget	<ol style="list-style-type: none"> 1. Annual Expenditures to Accomplish Strategic Plan 2. Public Meeting Mandated by Charter Amendment 3. BOE Approval Required

8.2 Budgeting Process and Annual Timeline

The various legal requirements for public input and Board of Estimates approval introduce some critical milestones into the annual cycle of the organization. These have been reflected in the Draft Bylaws, which will ultimately dictate the management process of the Authority.

The timeline can best be understood by working backwards from the start of a new fiscal year, as indicated by the following diagram:



Timeline: Working Backwards from the Start of the Fiscal Year

In any given year, the Authority's new fiscal year begins on July 1st. This, in turn, means that the proposed budget must be approved by the Board of Estimates prior to that date.

For obvious reasons, the Board of Estimates requires a certain amount of time to review items of this nature. Typically, this is 60 days. As a result, the proposed budget must be sent to the Board for review by April 30th at the latest.

In order to be sent to the Board of Estimates, the proposed budget must be adopted by the Board of the Authority, which is most likely to occur at a meeting of the Board held sometime in March or April.

However, the City Charter requires that all budgets must be brought to the public for comment at an open meeting. In order for the Board and Staff to take into consideration these comments, this public meeting (and any subsequent budgetary alterations) must take place prior to the Board meeting where the proposed budget is adopted.

In order for there to be a public meeting about the budget, there must be a draft budget to present. The draft budget, therefore, must be worked on in the early months of the year, prior to the public meeting.

And, lastly, the draft budget must respond to the priorities outlined in any new amendments to the Strategic Plan. This means that any edits, revisions, or other changes that affect the budget of the next fiscal year must take place by December 31st of the current fiscal year. If the changes happen later, there would simply not be time to incorporate them into the draft budget presented to the general public.

Though perhaps daunting at first, this calendar cycle introduces a strong annual rhythm that will serve to coordinate action and prevent haphazard or last-minute decision-making.

8.3 Immediate Next Steps

As clearly understood in the June 23, 2016 Steering Committee meeting to review the Valbridge Team's final report, the hard work of establishing the Community Impact District Management Authority on solid operational footing is just beginning with the enactment of the City Ordinance. In particular, the Steering Committee made the following preliminary decisions:

- Bylaws Review - The four members of the Steering Committee who will become members of the Authority Board have been tasked with reviewing the draft Bylaws and making recommendations to the full LDC in its July 28, 2016 session in order to facilitate adoption of the Bylaws as expeditiously as possible after enactment of the Ordinance.
- Executive Director – The draft Executive Director job description (Exhibit 6 in the Appendix) should be reviewed, revised and circulated as soon as possible following enactment of the Ordinance. Once the Authority Board is constituted, one of its most critical actions is to hire an Executive Director to direct organizational efforts. (In the meantime, the Board Chair or other Board member will serve as Interim Administrator.)

8.4 Next Steps upon Passing of Ordinance

In its Section 2, the Ordinance is clear about expectations for the speedy implementation of the Authority following enactment of the Ordinance and establishment of the Community Impact District:

- Within 30 Days – The Mayor and City Council President shall appoint the members of the Board for which they are responsible. The Mayor and City Council shall express their desire that the appointments to be made by the State Senator and the House Speaker will be made within the same period. Appointments are to be made on a staggered term basis.
- Within 60 Days - The Authority Board shall, at a minimum, retain a fiscal agent, if one is determined to be necessary or appropriate; resolve any procedural issues that might delay the transfer of local impact grants or other funds from the City of Baltimore to the Authority; and begin drafting a Baseline Services Agreement between the City and the Authority.
- Within 90 Days – The Authority Board shall draft and, subject to the approval of the Board of Estimates, adopt Bylaws for the Authority; and draft a first budget for Board of Estimates approval, which may be for less than a full fiscal year; and, on approval of the budget, promptly commence expending funds in the manner contemplated by the budget.

In addition, the Ordinance requires that by June 1, 2017, the Board shall adopt its first 5-year strategic plan.

