

REVITALIZE SPARROWS POINT



THE SPARROWS POINT INFRASTRUCTURE AND REVITALIZATION AGREEMENT

3 FACTS ABOUT THE AGREEMENT

1. Unlike the Proposed TIF, under this plan Baltimore County will immediately begin to benefit from the new property tax revenue generated by the re-development of the former steel mill.
2. TPA will forward fund \$34 million in new roadway infrastructure and will seek reimbursement through the earned Enterprise Zone Tax Credit payments the State of Maryland will make to Baltimore County.
3. Baltimore County through the Metropolitan District Fund (Metro Fund), a program designed to fund public water and sewer projects will fund \$44 million to extend and upgrade the water and sewer system to serve Sparrows Point. Connection and usage fees paid into the fund by Tradepoint Atlantic and its tenants will offset the project costs over time.

YOUR QUESTIONS ANSWERED

What is the public benefit?

Tradepoint Atlantic (TPA), the redevelopment of 3,200 acres at Sparrows Point, is the largest economic development project in over a generation in Baltimore County.

Securing 17,000 new jobs and \$3 billion in economic impact anywhere in the County has a positive impact everywhere in the County. Employees will come from all over the county to fill these jobs.

The public infrastructure investment in the redevelopment of Sparrows Point into a global industrial port and logistics hub will grow and diversify Baltimore County's economy, further strengthening the county's economic position.

Tradepoint Atlantic means more tax revenue to provide services and build schools county-wide. \$294 million in County tax revenues are projected through 2048 as a result of the development at Tradepoint Atlantic. (RKG Associates, 2018)

To take advantage of today's strong industrial development market, it is critical that new public roads, public sewer mains, and public water mains be quickly installed to harness the market, to attract the best tenants to maximize employment opportunities at Sparrows Point.

There's a ripple effect of new economic activity – from direct suppliers to companies coming to Tradepoint Atlantic to local businesses where employees will spend their money. In order to see this economic impact, business prospects need to have confidence that basic infrastructure will be in place before they will commit to locating to Sparrows Point.

Is this a TIF [Tax Increment Financing]?

No, this is not a TIF. Baltimore County looked for a way to support this public infrastructure while making certain the County benefits from the increased property value of the 3,250 acres being redeveloped at Tradepoint Atlantic.

- Road Infrastructure: Tradepoint Atlantic will pay for design, construction and development of five miles of public roads. As funds are expended, the County will reimburse TPA for up to \$34 million in actual expenses. The County will fund this solely from Enterprise Zone reimbursements made to the County by the State that are generated from new development at Tradepoint Atlantic.
- Water and Sewer Infrastructure: Up to \$44 million, to be funded through the Metropolitan District Fund [Metro], a program designed to fund public water and sewer projects. Connection and usage fees paid into the fund by Tradepoint Atlantic and its tenants will offset the project costs.

How will this impact County property tax revenue?

Unlike a TIF, the proposed infrastructure assistance will use NO property taxes. Property tax revenues will continue to be paid to the County. Baltimore County will immediately begin collecting the new property tax revenue generated by the redevelopment of the former steel mill site. In addition to property tax revenues, the build out of Sparrows Point will generate additional personal property and income tax revenues to the county.

Will this satisfy all the infrastructure projects itemized in Tradepoint Atlantic's TIF request?

After months of review with County Department of Public Works engineers, Tradepoint Atlantic was able to reduce their anticipated costs using more detailed, precise estimates.

- Five public roads including installation of storm drain systems will be built to county standards, combining nearly 5.0 miles of public roadway
- Nearly 4.0 miles of public sanitary sewer mains
- Over 6.0 miles of public water mains

Working with Tradepoint Atlantic, Baltimore County also was able to secure \$20 million on behalf of Tradepoint in federal Department of Transportation TIGER funding to support modernizing rail and port infrastructure at Sparrows Point.

What is Tradepoint Atlantic’s contribution toward this infrastructure?

TPA has already invested over \$1 billion in private funding towards environmental clean-up, new infrastructure, roads, rail, port, and utilities. TPA expects that an additional \$1 billion will be invested to complete the build out of the former Bethlehem Steel site.

TPA also is donating additional land to the county for new fire and police facilities.

Who will maintain this infrastructure?

Once built to County standards by Tradepoint Atlantic, the County will take ownership of these public assets and maintain them as part of the County’s overall public works system.

Was a new public safety facility planned for Sparrows Point prior to Tradepoint Atlantic’s request for infrastructure support?

A new fire station and sub-police station will be constructed to assure safety for the thousands of people working and doing business at Tradepoint Atlantic as well as improve service to the surrounding communities.