

- (2) site removal;
- (3) surveys and studies;
- (4) relocation of businesses or residents;
- (5) installation of utilities, construction of parks and playgrounds, and other necessary improvements including streets and roads to, from, or within the development district, parking, lighting, and other facilities;
- (6) construction or rehabilitation of buildings provided that such buildings are to be devoted to a governmental use or purpose;
- (7) reserves and capitalized interest on the bonds;
- (8) necessary costs of issuing bonds; and
- (9) payment of the principal and interest on loans, money advanced, or indebtedness incurred by the Mayor and City Council of Baltimore for any of the purposes set out in this section.

(d) Before issuing any bonds under this section, the Mayor and City Council of Baltimore shall:

(1) designate by ordinance a contiguous area within the City of Baltimore as a "development district";

(2) receive from the Supervisor of Assessments a certification as to the amount of the original assessable base, or if applicable, the adjusted assessable base; and

(3) [pledge] PROVIDE that until the bonds have been fully paid or thereafter, the property taxes on real property within the development district shall be divided as follows:

(i) that portion of the taxes which would be produced by the rate at which taxes levied each year by the Mayor and City Council of Baltimore upon the original taxable value shall be allocated to and when collected paid into the funds of the Mayor and City Council of Baltimore in the same manner as taxes by the Mayor and City Council of Baltimore on all other property are paid; and

(ii) that portion of the taxes representing the levy on the tax increment that would normally be paid to the Mayor and City Council of Baltimore shall be paid into a special fund to be applied in accordance with the provisions of subsection (e) of this section. This yield shall not be considered as municipal taxes for the purposes of any constant yield tax limitation or State or local restriction. No State real property taxes may be paid into the special fund.

(e) (1) The Mayor and City Council of Baltimore may enact an ordinance creating a special fund described in subsection (d)(3)(ii) of this section with respect to a development district, even though no bonds authorized by this section have been issued by the Mayor and City Council of Baltimore with respect to that development district or are then outstanding. The taxes allocated to such special fund by