

Board of Estimates

Council President Nick Mosby | Mayor Brandon M. Scott | Comptroller Bill Henry
City Solicitor James Shea | Director of DPW Jason Mitchell

100 Holliday Street Room 204 | Baltimore, MD 21202
410-396-4755 Fax: 410-685-4416
E-mail: comptroller@baltimorecity.gov

October 29, 2021

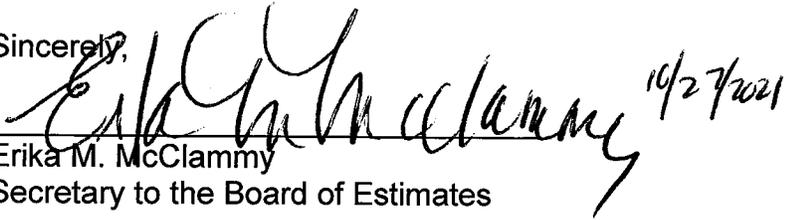
Honorable President and Members
of the City Council

On October 27, 2021, the Board had before it for consideration the following pending City Council Bills:

- 21-0100 – An Ordinance concerning City Property – Grant Easements for the purpose of authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration for the maintenance of 2 stormwater drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.
- 21-0058 – An Ordinance concerning Real Property Tax – Installment Plans for the purpose of authorizing that the real property taxes to be owed on certain properties may be paid through a monthly installment plan; establishing the maximum term for an installment payment plan in accordance with State law; requiring the Director of Finance to adopt regulations to implement this subtitle; defining certain terms; providing for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

After **NOTING AND CONCURRING** in all favorable reports received, the Board approved the aforementioned City Council Bills and referred them to the City Council with the recommendation that they be approved and passed by that Honorable Body.

Sincerely,


Erika M. McClammy

Secretary to the Board of Estimates

CITY OF BALTIMORE
COUNCIL BILL 21-0100
(First Reader)

Introduced by: The Council President
At the request of: The Administration (Department of Transportation)
Introduced and read first time: July 19, 2021
Assigned to: Economic and Community Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Planning, Planning Commission, Department of Housing and Community Development, Department of Transportation, Department of Real Estate

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **City Property – Grant of Easements**

3 FOR the purpose of authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual
4 Easements to the Maryland State Highway Administration for the maintenance of 2 storm
5 water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven
6 Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State
7 Highway Administration State Roads Commission; and providing for a special effective date.

8 BY authority of
9 Article V - Comptroller
10 Section 5(b)
11 Baltimore City Charter
12 (1996 Edition)

13 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
14 Comptroller of Baltimore City is hereby authorized to grant 2 Perpetual Easements, to the
15 Maryland State Highway Administration for the maintenance of 2 storm water drainage inlets
16 along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore
17 County, Maryland, and more particularly described as follows:

18 Beginning for the same at a point on the western side of MD Route 146 (Dulaney
19 Valley Road) 60 feet wide, the point of beginning being offset 30.53 feet to the
20 left of station 130 + 94.89 feet of the baseline of right of way and survey as shown
21 on State of Maryland Acquisition Plat 61536 running thence binding the 4
22 following courses and distances;

- 23 1. North 10° 38' 32" West a distance of 23.00 feet thence;
- 24 2. North 20° 43' 03" East a distance of 50.00 feet thence;
- 25 3. South 69° 16' 57" East a distance of 11.73 feet and thence;

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

BOE Approval Needed for City Council
Bills 21-0058, 21-0083 and 21-0100
Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B.
Austin

Council Bill 21-0100

1 4. South 20° 31' 19" West a distance of 69.64 feet to the place of beginning.

2 Being shown on Plat 61536 of the State Highway Administration and containing
3 708 square feet or 0.016 acres of land, more or less.

4 Beginning for the second at a point on the eastern side of MD Route 146 (Dulaney
5 Valley Road) 60 feet wide, the point of beginning being offset 29.43 feet to the
6 right of station 131 + 07.28 feet, of the baseline of right of way and survey as
7 shown on State of Maryland Acquisition Plat 61536 running thence binding the 4
8 following courses and distances;

9 1. North 20° 31' 19" East a distance of 66.50 feet thence;

10 2. South 68° 53' 16" East a distance of 23.00 feet thence;

11 3. South 20° 31' 19" West a distance of 66.50 feet and thence;

12 4. North 68° 53' 16" West a distance of 23.00 feet to the place of beginning.

13 Being shown on Plat 61536 of the State Highway Administration and containing
14 1,530 square feet or 0.035 acres of land, more or less.

15 All courses, distances, and coordinates in the preceding description are referred to the true
16 meridian as adopted by the State of Maryland NAD 83/91.

17 Subject to the following conditions:

18 1. The plans and specifications for the use of the easement must be approved in writing by
19 the City before construction.

20 2. The City and its employees or agents must have access to the easement area at all times
21 when necessary for public purposes.

22 3. The Grantee shall maintain the easement at its sole cost and expense.

23 4. The City shall be protected, indemnified, and saved harmless from all legal action, losses,
24 and damages resulting from injury to persons or damage to property caused by the use of
25 the easement by the Grantee, its assigns and invitees.

26 5. No structures may be erected by the Grantee over the easement area except for facilities
27 approved in advance by the City.

28 **SECTION 2. AND BE IT FURTHER ORDAINED,** That no easement may be granted under this
29 Ordinance unless the easement has been approved by the City Solicitor.

30 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect when it is
31 enacted.

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100 Contact for Questions: Matt Stegman BOE Document Sheet: Natawna B. Austin

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
JAMES L. SHEA, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

September 13, 2021

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 21-0100 – City Property – Grant of Easements

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 21-0100 for form and legal sufficiency. The bill would grant two perpetual easements to the Maryland State Highway Administration for the maintenance of two storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission.

Section 5(b) of Article V of the City Charter provides that the disposition of any interest in real property “shall be authorized by ordinance, shall be approved by the Board of Estimates with the approval entered in its minutes, and shall be made at public sale unless a private sale or other manner of disposition shall be expressly authorized by the Board of Estimates and entered in its minutes.” City Charter, Art. V, §5(b). The granting of an easement diminishes or disposes of some property rights. *See e.g. Magraw v. Dillow*, 341 Md. 492, 502-03, n.12 (1996); *accord Lindsay v. Annapolis Roads Property Owners Ass’n*, 431 Md. 274, 290 (2013). Therefore, this bill is the appropriate method to approve the easements. Were this property to be inalienable property or Park property, additional requirements would apply. City Charter, Art. VII, § 67(a), (f); Art. VIII.

Very truly yours,

A handwritten signature in black ink, appearing to read "Hilary Ruley".

Hilary Ruley
Chief Solicitor

cc: James L. Shea, City Solicitor
Nina Themelis, Mayor’s Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Ashlea Brown, Chief Solicitor
Victor Tervalá, Chief Solicitor

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100 Contact for Questions: Matt Stegman BOE Document Sheet: Natawna B. Austin

FROM	NAME & TITLE	Robert Cenname, Budget Director <i>RC</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall		
	SUBJECT	City Council Bill 21-0100 – City Property- Grant of Easements		

TO

DATE:

The Honorable President and
Members of the City Council
City Hall, Room 400

August 13, 2021

Position: Does Not Oppose

The Department of Finance is herein reporting on City Council Bill 21-0100, City Property – Grant of Easements, the purpose of which is to authorize the Mayor and City Council of Baltimore to grant two (2) perpetual easements to the Maryland State Highway Administration for the maintenance of two (2) storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.

Fiscal Impact

There is no fiscal impact expected from this legislation as the grantee, State Highway Administration (SHA), will be performing all work at their sole cost and expense and will maintain these utilities in the future.

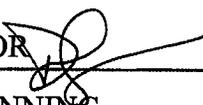
Other Considerations

The City will not have utility or other interests affected by the granting of these easements, and grantees will be solely responsible for the costs to maintain the easements. The City will retain access to the area when necessary but will be held harmless from all legal actions, losses, and damages. Additionally, any structures erected over the easements will require advance approval by the City.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 21-0100.

cc: Henry Raymond
Natasha Mehu
Nina Themelis

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100 Contact for Questions: Matt Stegman BOE Document Sheet: Natawna B. Austin

FROM	NAME & TITLE	CHRIS RYER, DIRECTOR 	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET		
	SUBJECT	CITY COUNCIL BILL #21-0100/ CITY PROPERTY – GRANT OF EASEMENTS		

TO

DATE:

The Honorable President and
 Members of the City Council
 City Hall, Room 400
 100 North Holliday Street

July 26, 2021

The Department of Planning is in receipt of City Council Bill #21-0100, which is for the purpose of authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration for the maintenance of 2 storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.

The Department of Planning has no objection to City Council Bill #21-0100, and defers to the Department of Transportation as the more directly affected agency.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

- cc: Ms. Natasha Mehu, Mayor's Office
 Ms. Nina Themelis, Mayor's Office
 The Honorable Eric Costello, Council Rep. to Planning Commission
 Mr. Matthew Stegman, City Council President's Office
 Ms. Nikki Thompson, City Council President's Office
 Mr. Colin Tarbert, BDC
 Ms. Kathleen Byrne, BMZA
 Mr. Geoffrey Veale, Zoning Administration
 Ms. Stephanie Murdock, DHCD
 Ms. Elena DiPietro, Law Dept.
 Mr. Francis Burnszynski, PABC
 Mr. Liam Davis, DOT
 Ms. Natawna Austin, Council Services
 Mr. Dominic McAlily, Council Services

BOE Approval Needed for City Council
 Bills 21-0058, 21-0083 and 21-0100
 Contact for Questions: Matt Stegman
 BOE Document Sheet: Natawna B.
 Austin



MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Acting Housing Commissioner

Date: September 21, 2021

Re: City Council Bill 21-0100 City Property - Grant of Easements

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 21-0100 for the purpose of authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration for the maintenance of 2 storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.

If enacted, Council ordinance 21-0100 will authorize the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration necessary for the continuing maintenance of 2 storm water drainage inlets along Dulaney Valley Road in Baltimore County.

DHCD defers to the Department of Transportation on the passage of City Council Bill 21-0100.

BOE Approval Needed for City
Council Bills 21-0058, 21-0083 and
21-0100 Contact for Questions: Mat
Stegman BOE Document Sheet:
Natawna B. Austin

AK/sm

cc: Ms. Nina Themelis, *Mayor's Office of Government Relations*

F R O M	NAME & TITLE	Steve Sharkey, Director	CITY of BALTIMORE M E M O	
	AGENCY NAME & ADDRESS	Department of Transportation (DOT) 417 E Fayette Street, Room 527		
	SUBJECT	City Council Bill 21-0100		

TO: Mayor Brandon M. Scott
TO: Economic and Community Development Committee
FROM: Department of Transportation
POSITION: **Support**
RE: Council Resolution – 21-0100

DATE: 8/16/21

INTRODUCTION – City Property - Grant of Easements

PURPOSE/PLANS – For the purpose of authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration for the maintenance of 2 storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.

COMMENTS – Council Bill 21-0100 looks to grant an easement allowing State Highway Administration to install 2 stormwater drainage inlets to serve Dulaney Valley Road, in Baltimore County. The easements are being granted on City owned land adjacent to Dulaney Valley Road, between Old Bosley Road and Timonium Road, on the property of Loch Raven Reservoir.

AGENCY/DEPARTMENT POSITION – The Department of Transportation foresees no significant direct fiscal or operational impact resulting from the advancement of Council Bill 21-0100. The Department of Transportation **supports** Council Bill 21-0100.

If you have any questions, please do not hesitate to contact Liam Davis at Liam.Davis@baltimorecity.gov or at 410-545-3207.

Sincerely,

Steve Sharkey
Director

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100 Contact for Questions: Matt Stegman BOE Document Sheet: Natawna B. Austin

FROM	NAME & TITLE	Andy Frank, Real Estate Officer	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Real Estate, Room 304, City Hall		
	SUBJECT	21-0100 City Property - Grant of Easements		

TO

The Honorable President and
 Members of the City Council
 City Hall, Room 400

DATE:

October 1, 2021

Position: Defer to the Department of Transportation

The Department of Real Estate is reporting on 21-0100 City Property - Grant of Easements. The purpose of this bill is to authorize the Mayor and City Council of Baltimore to grant two Perpetual Easements to the Maryland State Highway Administration for the maintenance of two storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission.

The Department of Real Estate foresees no direct fiscal or operational impact from City Council Bill 21-0100. It defers to the Department of Transportation as the more directly affected agency.

CC: Celeste Amato, Chief of Staff, Comptroller's Office
 KC Kelleher, Director of Communication, Comptroller's Office
 Nina Themelis, Mayor's Office

BOE Approval Needed for City Council
 Bills 21-0058, 21-0083 and 21-0100
 Contact for Questions: Matt Stegman
 BOE Document Sheet: Natawna B. Austin



PARKING
OF BALTIMORE CITY
AUTHORITY

MEMORANDUM

To: Nick J. Mosby, President, Baltimore City Council

From: Peter Little, Executive Director

Date: October 1, 2021

Subject: City Council Bill 21-0100

I am herein reporting on City Council Bill 21-0100 introduced by the Council President at the request of The Administration (Department of Transportation).

The purpose of this bill is authorizing the Mayor and City Council of Baltimore to grant 2 Perpetual Easements to the Maryland State Highway Administration for the maintenance of 2 storm water drainage inlets along Dulaney Valley Road, through the property of the Loch Raven Reservoir, in Baltimore County, Maryland, as shown on Plat 61536 filed in the State Highway Administration State Roads Commission; and providing for a special effective date.

The Parking Authority of Baltimore City (PABC) has reviewed the proposed legislation. The legislation does not reference parking. The area has been reviewed. There is no on-street parking along the adjacent curb segments of Dulaney Valley Road. The PABC does not manage any parking programs in the area. The proposed infrastructure improvements do not have a parking requirement.

Based on the comments above, the PABC does not oppose the passage of City Council Bill 21-0100.

BOE Approval Needed for City Council
Bills 21-0058, 21-0083 and 21-0100
Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B. Austir

**CITY OF BALTIMORE
COUNCIL BILL 21-0058
(First Reader)**

Introduced by: Councilmembers Ramos, Bullock, Dorsey, Middleton, Glover, Burnett, Cohen,
Conway, Torrence

Introduced and read first time: March 22, 2021

Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Planning, Department of
Housing and Community Development, Commission for Historical and Architectural
Preservation, Department of Real Estate, Department of Finance, Board of Estimates, Baltimore
City Information Technology

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Real Property Tax – Installment Plans**

3 FOR the purpose of authorizing that the real property taxes to be owed on certain properties may
4 be paid through a monthly installment plan; establishing the maximum term for an
5 installment payment plan in accordance with State law; requiring the Director of Finance to
6 adopt regulations to implement this subtitle; defining certain terms; providing for a special
7 effective date; and generally relating to installment payments of real property taxes in
8 Baltimore City.

9 BY authority of
10 Tax-Property Article
11 Section 10-208
12 Maryland Code

13 BY adding
14 Article 28 - Taxes
15 Section(s) 7A-1 through 7A-3, to be under the new subtitle,
16 "Subtitle 7A. Installment Payments"
17 Baltimore City Code
18 (Edition 2000)

19 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That the**
20 **Laws of Baltimore City read as follows:**

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

Council Bill 21-0058

Baltimore City Code

Article 28. Taxes

SUBTITLE 7A. INSTALLMENT PAYMENTS

§ 7A-1. DEFINITIONS.

(A) *IN GENERAL.*

IN THIS SUBTITLE, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(B) *DIRECTOR.*

“DIRECTOR” MEANS THE BALTIMORE CITY DIRECTOR OF FINANCE OR THE DIRECTOR’S DESIGNEE.

(C) *PROPERTY.*

“PROPERTY” MEANS ANY UNIT OF REAL PROPERTY THAT IS SUBJECT TO THE REAL PROPERTY TAX OF BALTIMORE CITY.

§ 7A-2. ELECTION OF INSTALLMENT PAYMENTS.

(A) *IN GENERAL.*

THE LOCAL PORTION OF THE REAL PROPERTY TAXES THAT WILL BECOME DUE ON ANY ELIGIBLE PROPERTY MAY BE PAID IN A MONTHLY INSTALLMENT PAYMENT SCHEDULE AS AUTHORIZED IN STATE TAX-PROPERTY ARTICLE § 10-208.

(B) *ELIGIBILITY.*

(1) *IN GENERAL.*

TO BE ELIGIBLE FOR THE ELECTION OF INSTALLMENT PAYMENTS UNDER THIS SECTION, A PROPERTY SHALL BE OWNER-OCCUPIED.

(2) *PROOF OF OWNERSHIP.*

(I) THE DIRECTOR SHALL VERIFY OWNERSHIP OF THE PROPERTY THROUGH THE MARYLAND STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.

(II) IF THE RESIDENT’S NAME IS NOT ON THE DEED, THE DIRECTOR SHALL REQUIRE SUFFICIENT PROOF THAT THE DEED IS BEING TRANSFERRED TO THE RESIDENT OR BEING AMENDED TO REFLECT THE RESIDENT’S OWNERSHIP OF THE PROPERTY.

(C) *TERM.*

THE TERM OF ANY INSTALLMENT PLAN UNDER THIS SUBTITLE MUST COMPLY WITH THE STATE TAX-PROPERTY ARTICLE.

Council Bill 21-0058

1 **§ 7A-3. RULES AND REGULATIONS.**

2 SUBJECT TO TITLE 4 {"ADMINISTRATIVE PROCEDURE ACT - REGULATIONS"} OF THE
3 GENERAL PROVISIONS ARTICLE, THE DIRECTOR MAY ADOPT RULES AND REGULATIONS TO
4 CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

5 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
6 are not law and may not be considered to have been enacted as a part of this or any prior
7 Ordinance.

8 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on January 1,
9 2022.

BOE Approval Needed for
City Council Bills 21-0058,
21-0083 and 21-0100
Contact for Questions: Matt
Stegman
BOE Document Sheet:
Natawna B. Austin

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
JAMES L. SHEA, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

March 30, 2021

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 21-0058 – Real Property Tax – Installment Plans

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 21-0058 for form and legal sufficiency. It would create a Subtitle 7A in Article 28 (Taxes) of the City Code to create an installment plan for the payment of certain real property taxes. This subtitle is authorized by Section 10-208 of the State Property Tax Article of the Maryland Code. Md. Code, Tax-Prop., § 10-208(a) (located in Subtitle 2 (“Advance Payments and Advance Billing”) of Title 10 (“Property Tax Payment”). This authorization is only to allow payment “in advance of the property tax bill” becoming due “for the county, municipal corporation, or special taxing district property tax imposed.” *Id.* It allows local governments to elect if they want to allow installment plans for advanced real property tax payments just as they can allow lump sum advanced payments. Md. Code, Tax-Prop., §10-205.

However, local governments “may not authorize advance payment or an installment payment schedule for property taxes imposed on real property that is subject to a deed of trust, a mortgage, or any other encumbrance that includes the escrowing of property tax payments.” Md. Code, Tax-Prop. § 10-208(a)(3)(i) (making this enabling act subject to the provisions of Md. Code, Tax-Prop., § 10-205(a)(3)(iii)). This makes sense because escrows are already effectuating installments for the advanced payment of real property tax, usually via the mortgage payments.

The Law Department suggests one amendment to the bill to reflect that real property tax is always owed by the owner of the property, regardless of the name on the deed. Often a deed is in the name of a trust or other legal construct to allow a life estate with a reverter, such that the property reverts to the possession of another (usually family member) after the end of the person’s life. Maryland state tax law provides for these common situations: “For property tax purposes, the owner of a life estate, or other particular freehold estate, or term of years perpetually renewable in property is deemed the owner of the property and is liable for property tax on the property.” Md. Code, Tax-Prop., § 5-101(a). An amendment to remove this requirement is attached to this report.

BOE Approval Needed for City
Council Bills 21-0058, 21-0083 and
21-0100
Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B.
Austin

Removal is recommended so that all those deemed to owe the property tax under state law are allowed this pre-payment benefit by the City. In contrast, to require that those who owe the taxes under state law must go through a process to change the name on the deed just to be eligible for a tax pre-payment plan could be seen to violate the Equal Protection Clause of the United States Constitution. The City would need to articulate a reason why some people who owe property taxes are allowed the benefits of a pre-payment plan and others similarly situated are not. *See, e.g., Christopher v. Montgomery County Dept. of Health and Human Services*, 381 Md. 188, 215-17 (2004) (“we are mindful that if a law is applied and administered by public authority with an evil eye and an unequal hand so as to make unjust discriminations between persons in similar circumstances, material to their rights, such denial of equal justice is within the prohibition of the Constitution’)(internal quotations omitted)”)(citations omitted); *see also e.g., Baltimore Gas and Elec. Co. v. Heintz*, 760 F.2d 1408, 1417 (4th Cir. 1985) (citing *Western & Southern L.I. Co. v. Board of Equalization*, 451 U.S. 648, 668, (1981) for the requirement that the courts determine whether the law’s “classification would promote that [legitimate government] purpose”). The City should make sure that it can articulate “in what way the restrictive nature of the statutory provisions bears any reasonable relation to the public interest.” *Bruce v. Director, Dept. of Chesapeake Bay Affairs*, 261 Md. 585, 601 (1971).

Assuming such an articulation can be made, the bill could be approved for form and legal sufficiency because state law allows the City to create additional eligibility criteria for installment payment plans. Md. Code, Tax-Prop., § 10-208(c). Thus, Finance’s practice to require the name on the deed would be such an additional criterion. Although state law allows for local governments to enact such an additional criterion, it will narrow the group of people eligible for this pre-payment benefit.

Assuming the rational basis for the deed requirement is provided or the bill is amended to remove that requirement, the Law Department can approve the bill for form and legal sufficiency.

Very truly yours,



Hilary Ruley
Chief Solicitor

cc: James L. Shea, City Solicitor
Matthew Stegman, Mayor’s Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Victor Tervalá, Chief Solicitor
Ashlea Brown, Assistant Solicitor

BOE Approval Needed for City Council Bills 21-0058,
21-0083 and 21-0100

Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B. Austin

AMENDMENTS TO COUNCIL BILL 21-0058
(1st Reader Copy)

Proposed by: Law Dep't

On page 2 delete lines 25 through 27.

FROM

NAME & TITLE	CHRIS RYER, DIRECTOR 
AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 TH FLOOR, 417 EAST FAYETTE STREET
SUBJECT	CITY COUNCIL BILL #21-0058/ REAL PROPERTY TAX – INSTALLMENT PLANS

CITY of
BALTIMORE
MEMO



TO The Honorable President and
Members of the City Council
City Hall, Room 400
100 North Holliday Street

DATE: March 29, 2021

The Department of Planning is in receipt of City Council Bill #21-0058, which is for the purpose of authorizing that the real property taxes to be owed on certain properties may be paid through a monthly installment plan; establishing the maximum term for an installment payment plan in accordance with State law; requiring the Director of Finance to adopt regulations to implement this subtitle; defining certain terms; providing for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

The Department of Planning has no objection to City Council Bill #21-0058, and defers to the Department of Finance as the more directly impacted agency.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

- cc: Ms. Natasha Mehu, Mayor's Office
- Ms. Nina Themelis, Mayor's Office
- The Honorable Eric Costello, Council Rep. to Planning Commission
- Mr. Matthew Stegman, City Council President's Office
- Ms. Nikki Thompson, City Council President's Office
- Mr. Colin Tarbert, BDC
- Ms. Kathleen Byrne, BMZA
- Mr. Geoffrey Veale, Zoning Administration
- Ms. Stephanie Murdock, DHCD
- Ms. Elena DiPietro, Law Dept.
- Mr. Francis Burnszynski, PABC
- Mr. Liam Davis, DOT
- Ms. Natawna Austin, Council Services
- Mr. Dominic McAlily, Council Services

BOE Approval Needed for City Council Bills 21-0058,
21-0083 and 21-0100
Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B. Austin



MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Acting Housing Commissioner

Date: August 16, 2021

Re: City Council Bill 21-0058 Real Property Tax - Installment Plans

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 21-0058 for the purpose of authorizing that the real property taxes to be owed on certain properties may be paid through a monthly installment plan; establishing the maximum term for an installment payment plan in accordance with State law; requiring the Director of Finance to adopt regulations to implement this subtitle; defining certain terms; providing for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

If enacted, City Council Bill 21-0058 would allow the Director of Finance to create an option for a monthly installment plan for the payment of certain real property taxes on owner occupied properties. Taxpayers are presently allowed to make advanced lump sum payments or pay property taxes in two equal installments, which can be difficult for homeowners on a fixed income. This legislation would allow City homeowners more flexibility in paying property taxes by creating a monthly installment payment plan.

Keeping low-income homeowners in their homes is a key strategy to preserving affordable housing in our city. The DHCD Division of Homeownership & Housing Preservation's Tax Sale Coordination and Prevention Services Program assists homeowners in avoiding tax sale by promoting tax sale clinics and community-based information sessions, assisting homeowners with applications for State Homeowners and Homestead Tax credits and working with community partners to assist homeowners in applying for other public assistance. DHCD's Tax Sale Ombudsmen would promote this payment option with populations in danger of facing tax sale should the Bill be approved.

The legislation as drafted requires that in order to be eligible for the monthly installment program a property must be: owner occupied and show proof of ownership through SDAT, or if the owner's name is not on the deed, that the applicant for the program show sufficient evidence that the deed is being transferred to the resident or being amended to reflect the resident's ownership of the property. The Law Department suggests an amendment to remove the eligibility requirements of the Bill so that all those deemed to owe property tax under state law would be allowed to participate in this installment-payment plan and not have to show proof of ownership.



BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

DHCD is in support of this amendment. Homeowners without their names on their deeds is an all-too-common problem facing our legacy households. Without their names on the deeds to their properties, individuals are ineligible for property tax credits, home improvement programs, and other sources of assistance that can lower household expenses and help make it easier to pay bills. Often times younger generations living in the family home are faced with large lump-sum property tax bills without the resources to pay them and find themselves ineligible for assistance programs because of "bad deeds" and "tangled titles". DHCD actively works with The *My Home, My Deed, My Legacy* initiative to help homeowners correct these problems.

DHCD supports creating payment plans to provide financial flexibility to our most vulnerable homeowners who may experience difficulty paying tax bills. By electing to allow installment plans we would be supporting our most vulnerable homeowners.

DHCD supports the intent of City Council Bill 21-0058, but **defers to the Department of Finance** as the directly impacted agency.

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100

Contact for Questions: Matt Stegman

BOE Document Sheet: Natawna B. Austin

AK/sm

cc: Ms. Nina Themelis, *Mayor's Office of Government Relations*

FROM	NAME & TITLE	Eric Holcomb, Executive Director CHAP <i>EH</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Commission for Historical and Architectural Preservation 417 East Fayette Street, 8 th Floor		
	SUBJECT	COUNCIL BILL 21-0058 – Real Property Tax – Installment Plans		

TO

The Honorable President and
Members of the City Council
City Hall, Room 400
100 North Holliday Street

DATE:

May 5, 2021

The Commission for Historical and Architectural Preservation staff is in receipt of City Council Bill 21-0058 - Real Property Tax – for the purpose of authorizing that the real property taxes to be owed on certain properties may be paid through a monthly installment plan; establishing the maximum term for an installment payment plan in accordance with State law; requiring the Director of Finance to adopt regulations to implement this subtitle; defining certain terms; providing for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

This item has been scheduled for a committee hearing before the Commission for Historical and Architectural Preservation will be able to review it and provide a recommendation to the committee.

CHAP Executive Director advises a **recommendation of approval** of City Council Bill 21-0058 because the proposed bill will not directly impact any historic buildings.

If you have any questions, please contact Mr. Eric Holcomb, Executive Director, at 410-371-5667.

BOE Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100
Contact for Questions: Matt Stegman
BOE Document Sheet: Natawna B. Austin

FROM	NAME & TITLE	Bill Henry, Comptroller <i>Bill H</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Office of the Comptroller, Room 204, City Hall		
	SUBJECT	21-0058 Property Tax – Installment Plans		

DATE:

TO

The Honorable President and
 Members of the City Council
 City Hall, Room 400

April 30, 2021

Position: Defer to Finance

The Comptroller’s Office is reporting on City Council Bill 21-0058 Property Tax – Installment Plans. The purpose of this legislation is to authorize the Department of Finance to create monthly installment plans for real property taxes.

Background

City Council Bill 21-0058 Property Tax – Installment Plans would allow taxpayers who are unable to pay their bill in full an option to instead pay their bill in installments. This change would apply to owner-occupied properties exclusively.

Currently, under state law real property taxes on owner-occupied residences and some small businesses can be paid in two equal installments, the first payment due in July and the last payment before January 1. Taxpayers are allowed to make advance lump sum payments, but are not able to quarterly, monthly, etc.

Conclusion

This legislation would allow owner-occupied City homeowners more flexibility in paying property taxes. The Comptroller’s Office supports making the bill paying process more flexible and manageable for residents and suspects this may have the added benefit of increasing property tax collection rates and decreasing the costs of collection efforts across the multiple agencies engaged in various real property collection processes. Offering this installment plan option to qualifying taxpayers may require an upgrade of the City’s current tax collection systems or technology platforms. If needed, funds allocated to the City under the American Rescue Plan could provide the necessary capital to move from legacy systems to a cloud-based system to meet the mandate of this legislation and offer improvements and efficiencies internally and externally to the taxpaying customers interacting with City payment systems.

The Comptroller’s Office supports the bill’s intention, but defers to the Department of Finance as the directly impacted agency.

FROM	NAME & TITLE	Henry Raymond, Director of Finance <i>H. Raymond</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall		
	SUBJECT	City Council Bill 21-0058, Real Property Tax – Installment Plans		

TO

DATE:

The Honorable President and
 Members of the City Council
 City Hall, Room 400

August 17, 2021

The Department of Finance is herein reporting on City Council Bill 21-0058, Real Property Tax – Installment Plans, for the purpose of authorizing that real property taxes to be owed on certain properties may be paid through a monthly installment plan and establishing the maximum term of an installment payment plan in accordance with State law.

Background

The proposed legislation would allow certain taxpayers to prepay their real property tax bills in monthly installments. Currently, property tax payments are due on July 1st of each year for full-year payment. Semiannual payment schedules for property taxes are authorized for owner-occupied residential properties and businesses with combined total State, City, and Special Benefit tax payments below \$100K. Semiannual payments are due by September 30th and December 31st when opted into.

Section 10-208, subject to Section 10-205 of the Tax-Property Article of the Maryland Code, authorizes an installment payment schedule for real property taxes under the Advance Payment Program. This program is not authorized for real property taxes subject to a deed of trust, a mortgage, or any other encumbrance that includes the escrowing of property tax payments.

The City currently accepts prepayment of real property taxes under its Future Tax Savings Program managed by the Bureau of Revenue Collections (BRC.) In Fiscal 2019, BRC accepted prepayment of property taxes from 1,155 properties and in Fiscal 2020 a total of 399 properties participated in this program. The proposed legislation will expand the Future Tax Savings Program by setting a schedule of monthly installments in advance to the issuance of property tax bills in July of each year.

Fiscal Impact Analysis

The Department of Finance foresees that the proposed legislation will require the allocation of additional resources to efficiently administer this program. It is anticipated that the City would need to fund two additional full-time staff at an approximate cost of \$100,000 per year. These two employees will be dedicated to managing the daily operations of this program which includes opening mail, processing payments, producing/reviewing installment plan documents, data entry, answering questions and overall assistance to eligible participating taxpayers. Additionally, the proposed legislation can only be implemented with system upgrades through Baltimore City Information Technology (BCIT.) The cost for upgrading existing systems or the acquisition of new technology to administer this program is not available at this time.

On the other hand, it is estimated that there are 26,900 residential properties that are potentially eligible for this program, accounting for \$72.9 million in property taxes. It is anticipated that the proposed legislation may positively impact property tax collections by allowing eligible taxpayers to pay their taxes

in installments instead of lump-sum or semiannually. The legislation may also increase the cash flow of property taxes collected in advance of their billing year, which will have a direct impact on the monthly amount of cash available for investments.

Conclusion

The Department of Finance does not object to the passage of City Council Bill 21-0058; however, we respectfully request that implementation of this measure be delayed until January 1, 2023. The additional time is needed to properly make the required improvements to the existing systems, or to select and acquire the appropriate technology to efficiently manage this program.

cc: Henry Raymond
Natasha Mehu
Nina Themelis

FROM	NAME & TITLE	Todd Carter Chief Information Officer <i>Todd A. Carter</i>	CITY OF	
	AGENCY NAME & ADDRESS	Baltimore City Office of Information & Technology (BCIT) 401 E Fayette Street, 3 rd floor	BALTIMORE	
	SUBJECT	City Council Bill 21-0058 – Real Property Tax – Installment Plans	MEMO	

TO: The Honorable President and
Members of the City Council
Room 400 City Hall
c/o Natawna Austin, Executive Secretary

June 1, 2021

The Baltimore City Office of Information & Technology (BCIT) has reviewed City Council Bill 21-0058 – Real Property Tax – Installment Plans. The purpose of this bill is to authorize that the real property taxes to be owed on certain properties may be paid through a monthly installment plan; establish the maximum term for an installment payment plan in accordance with State law; require the Director of Finance to adopt regulations to implement this subtitle; define certain terms; provide for a special effective date; and generally relating to installment payments of real property taxes in Baltimore City.

Upon reviewing 21-0058, BCIT determined that the City could utilize an existing mainframe system, the Tax Savings Plan, to provide these services to residents, but it would be limited in the functionality offered. The Tax Savings Plan gives citizens the ability to make periodic payments towards their Real Property Tax at any frequency. There is currently not a way for residents to make these payments online. Payments are made via a "counterbill," meaning the customer mails a check to the City for deposit. While this option is available to residents, this program is rarely used because the service is not offered online and its existence has not been broadly publicized. Although this system could be used, it is self-actualized, meaning that it does not provide for scheduling of monthly payments, recurring apportioned bills, or coupon books.

BCIT and the Department of Finance are in the process of securing and implementing a new Payment Solution System that will give residents the ability to make Citywide payments, view payment history, and see outstanding balances in one dashboard. The functionality of the Payment Solution System will include the ability to make Tax Saving Payments. The Tax Savings Plan within the Payment Solution System could offer a potential solution. This project is in the scoping phase now and a timeline will be forthcoming shortly.

If you have any questions, please contact Leyla Layman, Chief of Staff, at (443) 202-4511.

Cc: Ms. Natasha Mehu, *Mayor's Office of Government Relations*
Ms. Nina Themelis, *Mayor's Office of Government Relations*

FROM	NAME & TITLE	Natawna B. Austin, Executive Secretary	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Baltimore City Council, 100 Holliday Street, 4 th Floor, Baltimore, MD, 4 TH Floor		
	SUBJECT	BOE Agenda Approval Needed for City Council Bills 21-0058, 21-0083 and 21-0100		

DATE:

TO

ACTION REQUESTED OF THE BOARD OF ESTIMATES: Board of Estimates agenda approval needed for city council bills 21-0058, 21-0083 and 21-0100.

AMOUNT AND SOURCE OF FUNDS: N/A

BACKGROUND/EXPLANATION: N/A

MBE/WBE PARTICIPATION:

MWBOO WAIVER FOR GRANT AGREEMENT: YES NO

REASON: State Pass-Through Grant Federal Pass-Through Grant

