



BALTIMORE CITY COUNCIL BUDGET & APPROPRIATIONS COMMITTEE

Mission Statement

The Budget and Appropriations Committee (BA) is responsible for ensuring taxpayer dollars are expended prudently and equitably. BA will exercise regular oversight of the funding and spending practices of City agencies, the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include all budgets & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

The Honorable Danielle McCray

CHAIR

PUBLIC HEARING

Tuesday, September 9, 2025

9:00 AM

CLARENCE "DU" BURNS COUNCIL CHAMBERS

Bill:25-0036

***Title: Property Taxes – Baltimore City Payment in
Lieu of Taxes Task Force***

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Meeting: Bill Hearing

Committee: Budget & Appropriations

Bill # 25-0036

Title: Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force

Purpose: Establishing the Baltimore City Payment in Lieu of Taxes Task Force; providing for the membership, staffing, compensation, and procedures of the Task Force; establishing the duties of the Task Force; requiring a certain annual report; defining certain terms; and generally relating to the Baltimore City Payment in Lieu of Taxes Task Force.

REPORTING AGENCIES

Agency	Report
Department of Finance	Favorable Report with Amendments – May 12, 2025 (Copy in Bill File)
Law Department	Approve Bill for form and legal sufficiency with Law Department Amendment - April 7, 2025 (Copy in Bill File)
Office of the Comptroller	Favorable Report with Amendments – Updated September 3, 2025 (Copy in Bill File)

BACKGROUND

Baltimore City negotiated the current ten-year PILOT agreement (expiring in 2026) with 14 of the largest non-profit hospitals and universities, to offset revenue loss due to their tax exemption status and reliance on municipal services.

On May 13, 2025, the Budget and Appropriations committee held their first public hearing on the Bill 25-0036, Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force, introduced by Councilwoman Porter. The Bill aims to create a Task Force with 17 members that will work in conjunction with the Department of Finance assessing the participating institutions and make recommendations on legislative changes needed at the City or State

level. In addition, the Task Force will publish a public report on the status on annual payments in lieu of taxes of each participating institution and educate Baltimore City residents about any existing PILOT agreements.

The Committee received testimony from numerous individuals and advocacy groups in favor of the Bill, and many concerned about the impact of the Bill. Several advocates in favor of the Bill cited previous reports published by the Office of the Comptroller and City's Department of Finance, which estimates these participating Institutions using \$47.6 million in municipal services annually. Meanwhile, other advocates expressed concerns on the financial constraints of Institutions due to federal funding cuts and referred to the significant uncalculated contributions these Institutions provide to the City.ⁱ

In addition, the Committee received several amendments to the Bill from the Office of the Comptroller, the Law Department, and Councilwoman Porter (Bill Sponsor) and the Mayor's Office of Governmental Relations. The amendments to date are briefly summarized below, however updated amendments may be received before or during the next hearing on September 9, 2025, at 9:00 AM.

The Office of the Comptroller:

- The Report developed will be submitted to the Board of Estimates and City Council instead of the Mayor and City Council.

The Law Department:

- Removing the City Solicitor or the City Solicitor's Designee under the Ex-Officio Members.

Councilwoman Porter/MOGR:

- Adding a special effective date
- Adjusting the composition of voting members by reducing the number of Union Representatives and adding City residents
- Adjusting the Chair designation from majority vote to the Mayor designating
- Ensuring voting members are needed to approve official action and ex-officio members may not vote
- Adjusting staff designation from the Office of the Comptroller to the Department of Finance
- Adjusting the duties of the Task Force to work in conjunction with the Department of Finance
- Adding details to the Annual Report to include an assessment of each institution's assets and City service utilization and description of education events/activities held by the Task Force.

ADDITIONAL INFORMATION

Fiscal Note:

Council Bill 25-0036, Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force will have little to no fiscal impact on the City’s Budget. The Bill specifically states that members of the Task Force will not be compensated, however they may be entitled to reasonable reimbursements associated with their duties. The Department of Finance does not anticipate any additional costs for the staff support for the Task Force.ⁱⁱ

The current negotiated agreement is for a combined \$60 million payment over ten years (Fiscal Years 2017 – 2026) between the participating Institutions.

Information Source(s):

ⁱ “25-0036 Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force.” Budget & Appropriations Committee, Baltimore City Council. Hearing on May 13, 2025. [youtube.com/watch?si=-nA-IYCu-GdDvHkC&t=5461&v=DgQZ9rMMOQI&feature=youtu.be](https://www.youtube.com/watch?si=-nA-IYCu-GdDvHkC&t=5461&v=DgQZ9rMMOQI&feature=youtu.be)

ⁱⁱRobert Cennane, “25-0036 Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force.” City of Baltimore, Legistar, May 12, 2025. <https://baltimore.legistar.com/LegislationDetail.aspx?ID=7257338&GUID=A3C09737-F224-4071-8AF5-A42995397C1E&Options=ID|Text|&Search=25-0036>

Analysis by: Paroma Nandi
Analysis Date: 9/3/2025

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443-890-0839

**CITY OF BALTIMORE
COUNCIL BILL 25-0036
(First Reader)**

Introduced by: Councilmember Porter

Cosponsored by: Councilmembers Conway, Middleton, Torrence, Gray, Blanchard, Jones,
Ramos, Dorsey, Bullock and President Cohen

Introduced and read first time: March 10, 2025

Assigned to: Budget and Appropriations Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Office of the
Comptroller

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force**

3 FOR the purpose of establishing the Baltimore City Payment in Lieu of Taxes Task Force;
4 providing for the membership, staffing, compensation, and procedures of the Task Force;
5 establishing the duties of the Task Force; requiring a certain annual report; defining certain
6 terms; and generally relating to the Baltimore City Payment in Lieu of Taxes Task Force.

7 BY adding

8 Article 28 - Taxes

9 Sections 13-1 through 13-7, to be under the new subtitle designation,

10 “Subtitle 13. Payment in Lieu of Taxes Task Force”

11 Baltimore City Code

12 (Edition 2000)

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

15 **Baltimore City Code**

16 **Article 28. Taxes**

17 ***Division II: Property Tax***

18 **SUBTITLE 13. PAYMENT IN LIEU OF TAXES TASK FORCE**

19 **§ 13-1. DEFINITIONS.**

20 (A) *IN GENERAL.*

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

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

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(B) *AMI*.

“AMI” MEANS THE AREA MEDIAN INCOME FOR THE METROPOLITAN REGION THAT ENCOMPASSES BALTIMORE CITY, AS PUBLISHED AND ANNUALLY UPDATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(C) *ENABLING LAW*.

“ENABLING LAW” MEANS § 7-501 OF THE STATE TAX – PROPERTY ARTICLE.

(D) *PARTICIPATING INSTITUTION*.

“PARTICIPATING INSTITUTION” MEANS A CORPORATE ENTITY THAT IS NEGOTIATING OR HAS AGREED TO A PILOT AGREEMENT WITH THE CITY.

(E) *PILOT*.

“PILOT” MEANS NEGOTIATED PAYMENTS IN LIEU OF PROPERTY TAXES, AS AUTHORIZED BY THE ENABLING LAW.

(F) *PILOT AGREEMENT*.

“PILOT AGREEMENT” MEANS AN AGREEMENT BETWEEN A PARTICIPATING INSTITUTION AND THE CITY PROVIDING FOR NEGOTIATED PAYMENTS IN LIEU OF PROPERTY TAXES.

(G) *TASK FORCE*.

“TASK FORCE” MEANS THE PAYMENT IN LIEU OF TAXES TASK FORCE.

§ 13-2. ESTABLISHMENT.

THERE IS A PAYMENT IN LIEU OF TAXES TASK FORCE IN THE OFFICE OF THE CITY COMPTROLLER.

§ 13-3. COMPOSITION.

(A) *IN GENERAL*.

THE TASK FORCE COMPRISES 17 MEMBERS.

(B) *VOTING MEMBERS*.

(1) 10 MEMBERS APPOINTED BY THE MAYOR IN ACCORDANCE WITH CITY CHARTER ARTICLE IV, § 6, INCLUDING:

(I) 5 UNION REPRESENTATIVES NOMINATED BY THE METRO BALTIMORE AFL-CIO COUNCIL THAT REPRESENT BALTIMORE CITY HOSPITAL, PRIVATE UNIVERSITY, OR PUBLIC SECTOR WORKERS;

(II) 2 REPRESENTATIVES FROM A HOSPITAL WITH MORE THAN 500 BEDS;

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(III) 1 REPRESENTATIVE FROM A HOSPITAL WITH FEWER THAN 500 BEDS; AND

(IV) 2 REPRESENTATIVES OF THE MARYLAND INDEPENDENT COLLEGE AND
UNIVERSITY ASSOCIATION;

(2) 3 MEMBERS NOMINATED BY THE CITY COUNCIL PRESIDENT AND APPOINTED BY THE
MAYOR IN ACCORDANCE WITH CITY CHARTER ARTICLE IV, § 6, WHO SHALL:

(I) BE BALTIMORE CITY RESIDENTS;

(II) HAVE AN ANNUAL INCOME AT OR BELOW 100% AMI; AND

(III) RESIDE IN DIFFERENT DISTRICTS OF THE CITY COUNCIL;

(3) THE CITY COUNCIL PRESIDENT OR THE CITY COUNCIL PRESIDENT'S
DESIGNEE;

(4) THE CITY COMPTROLLER OR THE CITY COMPTROLLER'S DESIGNEE;

(5) THE MAYOR OR THE MAYOR'S DESIGNEE; AND

(6) A MEMBER OF THE BALTIMORE CITY COUNCIL.

(C) *EX-OFFICIO MEMBERS.*

THE EX-OFFICIO MEMBERS OF THE TASK FORCE ARE COMPRISED OF THE FOLLOWING
INDIVIDUALS:

(1) THE DIRECTOR OF THE DEPARTMENT OF FINANCE OR THE DIRECTOR'S DESIGNEE;

(2) THE COMMISSIONER OF THE BALTIMORE CITY HEALTH DEPARTMENT OR THE
COMMISSIONER'S DESIGNEE;

(3) THE CITY SOLICITOR OR THE CITY SOLICITOR'S DESIGNEE; AND

(4) THE COMMISSIONER OF THE DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT OR THE COMMISSIONER'S DESIGNEE.

§ 13-4. TERMS; ORGANIZATION.

(A) *TERMS.*

MEMBERS SERVE FOR A TERM OF 4 YEARS, CONCURRENT WITH THE MAYOR'S TERM OF
OFFICE.

(B) *VACANCIES.*

(1) AT THE END OF A TERM, A MEMBER SERVES UNTIL A SUCCESSOR IS SELECTED AND
QUALIFIES.

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(2) A MEMBER WHO IS SELECTED AFTER A TERM HAS BEGUN SERVES FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS SELECTED AND QUALIFIES.

(C) *COMPENSATION.*

A MEMBER OF THE TASK FORCE:

(1) SERVES WITHOUT COMPENSATION; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR REASONABLE EXPENSES INCURRED IN THE PERFORMANCE OF THE MEMBER'S DUTIES, AS PROVIDED IN THE ORDINANCE OF ESTIMATES.

(D) *OFFICERS.*

(1) BY MAJORITY VOTE OF THE VOTING MEMBERS OF THE TASK FORCE, THE TASK FORCE SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS.

(2) THE CHAIR MAY SELECT OTHER OFFICERS.

(E) *QUORUM.*

A MAJORITY OF THE MEMBERS OF THE TASK FORCE QUALIFIES AS A QUORUM FOR TRANSACTION OF BUSINESS.

(F) *VOTING.*

AN AFFIRMATIVE VOTE FROM AT LEAST A MAJORITY OF MEMBERS IS NEEDED TO APPROVE ANY OFFICIAL ACTION.

(G) *MEETINGS.*

THE TASK FORCE:

(1) SHALL MEET AT THE CALL OF THE CHAIR; BUT

(2) SHALL MEET AT LEAST ONCE A MONTH.

§ 13-5. STAFF.

THE COMPTROLLER SHALL ASSIGN STAFF FROM THE OFFICE OF THE COMPTROLLER TO SERVE AS STAFF TO THE TASK FORCE TO PROVIDE ADMINISTRATIVE AND TECHNICAL SUPPORT.

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§ 13-6. DUTIES.

THE TASK FORCE SHALL:

- (1) RECOMMEND A STANDARD FORMULA BY WHICH PAYMENTS IN LIEU OF TAXES SHALL BE DETERMINED FOR EACH TAX-EXEMPT HOSPITAL AND UNIVERSITY IN THE CITY THAT TAKES INTO CONSIDERATION AN INSTITUTION'S TOTAL PROPERTY TAX EXEMPTION AND USE OF CITY SERVICES;
- (2) PROVIDE RECOMMENDATIONS ON LEGISLATIVE CHANGES NEEDED AT THE CITY OR STATE LEVEL RELATED TO PILOT;
- (3) PUBLISH PUBLIC REPORTS ON THE STATUS OF ANNUAL PAYMENTS IN LIEU OF TAXES OF EACH PARTICIPATING INSTITUTION IN COLLABORATION WITH THE DEPARTMENT OF FINANCE;
- (4) EDUCATE BALTIMORE CITY RESIDENTS ABOUT PILOT AGREEMENTS, THE TASK FORCE, AND THE IMPACT THAT PROPERTY TAXES HAVE ON THE CITY BUDGET; AND
- (5) EDUCATE BALTIMORE CITY RESIDENTS ABOUT ANY EXISTING PILOT AGREEMENTS BETWEEN THE CITY AND PARTICIPATING INSTITUTIONS.

§ 13-7. ANNUAL REPORT.

ON BEFORE DECEMBER 31 OF EACH YEAR, THE DEPARTMENT OF FINANCE, WITH THE ASSISTANCE OF THE TASK FORCE, SHALL SUBMIT A REPORT TO THE MAYOR AND CITY COUNCIL DETAILING:

- (1) THE RECOMMENDED STANDARD FORMULA FOR PILOT AGREEMENTS AS REQUIRED BY §13-6(1) OF THIS SUBTITLE;
- (2) THE ANNUAL PAYMENTS MADE BY EACH PARTICIPATING INSTITUTION UNDER THE TERMS OF A PILOT AGREEMENT;
- (3) THE STATUS OF FULFILLMENT OF EACH PARTICIPATING INSTITUTION'S OBLIGATIONS UNDER A PILOT AGREEMENT; AND
- (4) ANY OTHER INFORMATION REQUESTED BY THE MAYOR AND CITY COUNCIL.

SECTION 2. AND BE IT FURTHER ORDAINED, That Councilmember Phylicia Porter shall serve as the member of the City Council on the Task Force under § 13-3(b)(6) of this Ordinance for the initial term of the Task Force.

SECTION 3. AND BE IT FURTHER ORDAINED, That the Baltimore City PILOT Task Force shall convene its first meeting no later than July 31, 2025.

SECTION 4. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on June 1, 2025.

Baltimore City Council



Budget & Appropriations

Committee

Bill:25-0036

**Title: Property Taxes – Baltimore City
Payment in Lieu of Taxes Task Force**

AMENDMENTS

**AMENDMENTS TO COUNCIL BILL 25-0036
(1st Reader Copy)**

By: Councilmember Porter
{To be offered to the Budget and Appropriations Committee}

Amendment No. 1

On page 1, in line 6, after “terms;” insert “providing for a special effective date;”; and, on page 5, in line 31, strike “July 21, 2025.” and substitute “30 days after the date this Ordinance is enacted.”; and, on that same page, in line 33, strike “June 1, 2025.” and substitute “on the date it is enacted.”.

Amendment No. 2

On page 2, in lines 19 and 20, strike “FORCE IN THE OFFICE OF THE CITY COMPTROLLER.” and substitute “FORCE.”.

Amendment No. 3

On page 2, in line 27, strike “5” and substitute “3”; and, on that same page, in line 28, strike beginning with “THAT” in line 28 down through and including “WORKERS;” in line 29 and substitute “THAT REPRESENT:

(A) BALTIMORE CITY HOSPITAL WORKERS;

(B) BALTIMORE CITY PRIVATE UNIVERSITY WORKERS; OR

(C) BALTIMORE CITY PUBLIC SECTOR WORKERS;”;

and, on page 3, in line 1, strike “AND”; and, on that same page, strike “ASSOCIATION;” and substitute “ASSOCIATION FROM AN INSTITUTION LOCATED IN BALTIMORE CITY; AND

(V) 2 CITY RESIDENTS WITH DEMONSTRATED EXPERIENCE WITH MUNICIPAL OR NONPROFIT FINANCING AGREEMENTS;”.

Amendment No. 4

On page 4, strike lines 10 and 11 in their entireties and substitute:

“(1) THE MAYOR SHALL DESIGNATE A MEMBER OF THE TASK FORCE TO SERVE AS ITS CHAIR, TO BE CONFIRMED BY THE CITY COUNCIL.”.

Amendment No. 5

On page 4, in line 17, before “AN” insert “(1)”; and, on that same page, in that same line strike “MEMBERS” and substitute “THE VOTING MEMBERS OF THE TASK FORCE”; and, on that same page, after line 18, insert:

“(2) AN EX-OFFICIO MEMBER OF THE TASK FORCE MAY NOT VOTE.”.

Amendment No. 6

On page 4, after line 22, insert:

“(H) DISQUALIFICATIONS.

AN INDIVIDUAL MAY NOT SERVE ON THE TASK FORCE IF THAT INDIVIDUAL IS REQUIRED TO REGISTER WITH THE ETHICS BOARD UNDER SUBTITLE 8 {“LOBBYING”} OF ARTICLE 8 OF THE CITY CODE.”.

Amendment No. 7

On page 4, in line 24, strike “COMPTROLLER” and substitute “DIRECTOR OF FINANCE”; and, on that same page, in that same line, strike “OFFICE OF THE COMPTROLLER” and substitute “DEPARTMENT OF FINANCE”.

Amendment No. 8

On page 5, before line 3, insert:

“(1) IN CONJUNCTION WITH THE DEPARTMENT OF FINANCE, ASSESS AND ACCOUNT FOR EACH INSTITUTION’S ASSETS AND CITY SERVICE UTILIZATION;”;

and, on that same page, strike in their entireties lines 12 and 13; and, on that same page, in lines 3, 7, and 9, respectively, strike “(1)”, “(2)”, and “(3)”, respectively, and substitute “(2)”, “(3)”, and “(4)”, respectively; and, on that same page, in line 11, after “FINANCE;” insert “AND”.

Amendment No. 9

On page 5, before line 20, insert:

“(1) THE ASSESSMENT OF EACH INSTITUTION’S ASSETS AND CITY SERVICE UTILIZATION AS REQUIRED BY § 13-6 (1);”;

and, on that same page, in line 21, strike “§13-6(1)” and substitute “§13-6(2)”; and, on that same page, in lines 20 and 22, strike “(1)” and “(2)”, respectively, and substitute “(2)” and “(3)”, respectively; and, on that same page, strike lines 24 and 25 in their entireties and substitute:

“(4) A BRIEF DESCRIPTION OF EACH EDUCATIONAL EVENT OR ACTIVITY HELD BY THE TASK FORCE, INCLUDING THE DATE, TIME, AND LOCATION OF THE EVENT OR ACTIVITY; AND”;

and, on that same page, in line 26, strike “(4)” and substitute “(5)”.

**AMENDMENTS TO COUNCIL BILL 25-0036
(1st Reader Copy)**

By: Mayor's Office of Government Relations
{To be offered to the Budget and Appropriations Committee}

Amendment No. 1

On page 1, in line 6, after "terms;" insert "providing for a special effective date;"; and, on page 5, strike lines 30 and 31 in their entireties; and on that same page, in line 32, strike "4." and substitute "3."; and, on that same page, in line 33, strike "June 1, 2025." and substitute "on the date it is enacted.".

Amendment No. 2

On page 2, in lines 19 and 20, strike "FORCE IN THE OFFICE OF THE CITY COMPTROLLER." and substitute "FORCE.".

Amendment No. 3

On page 2, in line 27, strike "5" and substitute "3"; and, on that same page, in line 28, strike beginning with "THAT" in line 28 down through and including "WORKERS;" in line 29 and substitute "THAT REPRESENT:

(A) BALTIMORE CITY HOSPITAL WORKERS;

(B) BALTIMORE CITY PRIVATE UNIVERSITY WORKERS; OR

(C) BALTIMORE CITY PUBLIC SECTOR WORKERS;";

and, on page 3, in line 1, strike "AND"; and, on that same page, strike "ASSOCIATION;" and substitute "ASSOCIATION FROM AN INSTITUTION LOCATED IN BALTIMORE CITY; AND

(V) 2 CITY RESIDENTS WITH DEMONSTRATED EXPERIENCE WITH MUNICIPAL OR
NONPROFIT FINANCING AGREEMENTS."

Amendment No. 4

On page 4, strike lines 10 and 11 in their entireties and substitute:

“(1) THE MAYOR SHALL DESIGNATE A MEMBER OF THE TASK FORCE TO SERVE AS ITS CHAIR.”.

Amendment No. 5

On page 4, in line 17, before “AN” insert “(1)”; and, on that same page, in that same line strike “MEMBERS” and substitute “THE VOTING MEMBERS OF THE TASK FORCE”; and, on that same page, after line 18, insert:

“(2) AN EX-OFFICIO MEMBER OF THE TASK FORCE MAY NOT VOTE.”.

Amendment No. 6

On page 4, after line 22, insert:

“(H) DISQUALIFICATIONS.

AN INDIVIDUAL MAY NOT SERVE ON THE TASK FORCE IF THAT INDIVIDUAL IS REQUIRED TO REGISTER WITH THE ETHICS BOARD UNDER SUBTITLE 8 {“LOBBYING”} OF ARTICLE 8 OF THE CITY CODE.”.

Amendment No. 7

On page 4, in line 24, strike “COMPTROLLER” and substitute “DIRECTOR OF FINANCE”; and, on that same page, in that same line, strike “OFFICE OF THE COMPTROLLER” and substitute “DEPARTMENT OF FINANCE”.

Amendment No. 8

On page 5, strike lines 3 through 6, and 12 and 13, in their entireties; and, on that same page, in lines 7, 9, and 14, strike “(2)”, “(3)”, and “(5)”, respectively, and substitute “(1)”, “(2)”, and “(3)”, respectively; and, on that same page, in line 11, after “FINANCE,” insert “AND”; and, on that same page, strike lines 20, 21, 24, and 25 in their entireties; and, on that same page, in lines 22 and 26, strike “(2)” and “(4)”, respectively, and substitute “(1)” and “(3)”, respectively; and, on that same page, after line 25, insert:

“(2) A BRIEF DESCRIPTION OF EACH EDUCATIONAL EVENT OR ACTIVITY HELD BY THE TASK FORCE, INCLUDING THE DATE, TIME, AND LOCATION OF THE EVENT OR ACTIVITY; AND”.

**AMENDMENTS TO COUNCIL BILL 25-0036
(1st Reader Copy)**

By: Office of the Comptroller
{To be offered to the Budget and Appropriations Committee}

Amendment No. 1

On page 5, in line 18, strike “MAYOR” and substitute “BOARD OF ESTIMATES”; and, on that same page, in line 26, strike “MAYOR” and substitute “BOARD OF ESTIMATES”.

**AMENDMENTS TO COUNCIL BILL 25-0036
(1st Reader Copy)**

By: Law Department
{To be offered to the Budget and Appropriations Committee}

Amendment No. 1

On page 3, in line 19, after “DESIGNEE;”, insert “AND”; and, on that same page, strike line 20 in its entirety; and, on that same page, in line 21, strike “(4)” and substitute “(3)”.

Baltimore City Council



Budget & Appropriations

Committee

Bill: 25-0036

**Title: Property Taxes – Baltimore City
Payment in Lieu of Taxes Task Force**

Agency Reports



MEMORANDUM

To: The Honorable President and Members of the City Council
c/o Shamoyia Gardiner, Deputy Chief of Staff

From: KC Kelleher, Deputy Chief of Staff

Date: September 3, 2025

Re: 25-0036 Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force REVISED
(originally submitted on May 9, 2025)

Position: Support with an Amendment

Summary

City Council bill 25-0036 - Property Taxes - Baltimore City Payment in Lieu of Taxes Task Force establishes the Baltimore City Payment in Lieu of Taxes (PILOT) Task Force to review and recommend policies regarding tax-exempt hospitals and universities making payments to the City in lieu of property taxes.

The Office of the Comptroller (OTC) supports the creation of a Baltimore City PILOT Task Force, with several key amendments to strengthen the bill's structure, effectiveness, and transparency.

Background

Baltimore City's non-profits offer vital services to residents and perform essential work. Many also possess valuable real estate, significant wealth and diverse assets, while contributing significantly less to the City's general fund than they consume.

More than 18,000 properties owned by nonprofits are fully exempt from real property taxes in Baltimore City, yet they impose significant costs for police and fire protection, street maintenance, and other public services. These nonprofits comprise only 7.5% of the City's real property but their parcels are some of the largest and most valuable. If taxed, these properties would represent 30% of the taxable base and would generate \$389 million in yearly tax revenue.

In March 2024, the Comptroller's Office released a report examining PILOT programs in peer cities and offering policy recommendations. Our report identified 10 best practices, which we summarize below:

1. Municipalities should work collaboratively with nonprofits when seeking and negotiating PILOTs. Because PILOTs are voluntary payments, the best PILOT initiatives arise out of partnerships between municipalities and nonprofit organizations.
2. PILOT agreements should standardize a formula that determines an institution's contributions. Using concrete and quantifiable methods reduces the appearance of unfairness, which increases exempt organizations' willingness to comply with municipal PILOT requests.
3. Cash contributions should be adjusted annually for public benefits provided to residents. City officials and nonprofit leaders should work together to identify which services would be most valuable for residents and most appropriate for each nonprofit to provide. But there must be a standard methodology used to calculate those community benefits.
4. Agreements should provide the opportunity to adjust annual contributions based on acquiring or relinquishing new property by exempt institutions. PILOTs that provide additional payments when land becomes tax-exempt under nonprofit ownership could help ensure that local governments can continue to provide the same level of services.
5. Municipalities should listen to each institution's priorities and earmark PILOTs for services consistent with a non-profit's mission and/or target a PILOT to fund activity that directly benefits the institution or supports its mission.
6. State governments should provide grants to reimburse overburdened local governments for the loss of revenue due to property tax exemptions, particularly when the entire state derives significant economic benefits from the nonprofit.
7. PILOTs should be multi-year agreements – with 10 years being the minimum. This provides for a predictable revenue stream for local governments and a known budget number for nonprofits.
8. Agreements should specify payment in the base year but adjust for inflation each year.
9. PILOT agreements and their negotiations should be a public and transparent process.
10. Local governments should track and publish PILOT contributions detailing total amounts – both cash contributions and community benefits credits – made by each nonprofit. Universities and hospitals may be more inclined to pay into PILOT agreements if they see other universities and hospitals doing so and know the public is privy to the information.

While not included in the official report, the Office of the Comptroller notes that any money generated from a PILOT deal must go to the general fund, NOT special interest funds. These monies should be treated like the real property tax they are substituting and fund essential City services within the ordinance of estimates.

Our research found that in cities with successful PILOT programs—such as Boston, Providence, and New Haven—progress was largely driven by strong executive leadership, not legislation. For example, Boston's PILOT framework was established by executive order. While the city councils in each of the cities we studied were supportive advocates of stronger PILOT agreements, the primary driver in each case was

the mayor. However, the OTC believes a formally established task force can still serve as a useful tool if properly structured and focused.

Bill 25-0036 proposes three objectives similar to those of Boston's 2009 Task Force:

- Establishing a standard contribution level for nonprofit institutions
- Recommending changes to City and State laws to support PILOT implementation
- Publicly publishing the voluntary PILOT contributions from nonprofit institutions

Amendment

Reporting

Task Force recommendations should be formally submitted to the Board of Estimates (BOE), then the City Council, instead of the Mayor, to ensure the body that determines the City's fiscal policy is informed. If or when a PILOT agreement is created, the BOE would have to approve such a deal, so reviewing the recommendations is essential.

The Office of the Comptroller respectfully requests a favorable report enabling this ordinance.

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
EBONY M. THOMPSON, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

April 7, 2025

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 25-0036 – Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 25-0036 for form and legal sufficiency. The bill would require the creation of a Task Force to study the City's implementation of the state real property tax law authorizing Payments in Lieu of Taxes. The City has the general welfare power to create such a task force. City Charter, Art. II, § (47). The bill should clarify if the ex-officio members are part of the quorum or can vote.

The Law Department's seat on the task force could be a conflict of interest since the Law Department is the legal representative of the Mayor and City Council of Baltimore, which includes its task forces. City Charter, Art. I, § 1; Art. VII, § 24; Md. Rule 19-301.7, note 34 (organizational client conflicts); Md. Rule 19-301.13 (Organization as Client); Md. Rule 19-301.11 (Special Conflict of Interest for Current and Former Government Officers and Employees). The bill should be amended to remove line 20 on page 3.

Assuming the bill is amended, the Law Department can approve the bill for form and legal sufficiency.

Very truly yours,

Hilary Ruley
Chief Solicitor

cc: Ebony M. Thompson, City Solicitor
Ty'lor Schnella, Mayor's Office of Government Relations
Ashlea Brown, Chief Solicitor
Jeffrey Hochstetler, Chief Solicitor
Michele Toth, Assistant Solicitor
Desiree Lucky, Assistant Solicitor



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Robert Cennane, Deputy Finance Director
DATE	May 12 th , 2025
SUBJECT	25-0036 Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force

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

Position: Support with Amendments

The Department of Finance is herein reporting on City Council Bill 25-0036 Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force, for the purpose of establishing the Baltimore City Payment in Lieu of Taxes Task Force; providing for the membership, staffing, compensation, and procedures of the Task Force; establishing the duties of the Task Force; requiring a certain annual report; defining certain terms; and generally relating to the Baltimore City Payment in Lieu of Taxes Task Force (PILOT).

Background

Nonprofit institutions in Maryland are exempt from property taxes if their property is used exclusively for charitable or educational purposes. However, the City bears a significant cost in providing essential services that these institutions benefit from, including public safety, street maintenance, street lighting, public-right-of-way cleaning and landscaping, and snow removal, among others. To account for these costs the City has traditionally sought voluntary contributions from the largest nonprofit institutions to the City's General Fund. The City currently has a ten-year agreement with the 14 largest educational and medical institutions that generates \$6.0 million annually. The current agreement expires at the end of Fiscal 2026.

Baltimore City is disproportionately impacted by Maryland's property tax exemption for non-profits in comparison to other Maryland counties. 27% of the City's assessed real property is exempt from taxation, which includes properties used for government, education, charitable, and religious purposes. By comparison, the sum of all other Maryland county's tax-exempt property is only 9.6% of its total. One result of the high proportion of tax-exempt property in Baltimore is that it shifts the tax burden onto other non-exempt entities. Baltimore City property owners pay a real property tax rate of \$2.248 per \$100 of assessed value, by far the highest county rate in the state of Maryland.

If the current parties to the non-profit PILOT agreement were paying full taxes, those institutions would contribute over \$105 million to the General Fund annually. The table below summarizes the current non-profit contributions versus the amount that would be due if those institutions were fully taxable:

Non-Profit Contributions Revenue at Full Taxation vs. Current PILOT Agreement					
<u>Colleges and Universities</u>	# of Properties	Exempt Assessment	Revenue Full Taxation	Revenue Current PILOT	Difference
Johns Hopkins University	159	\$1,139,061,526	\$25,606,103	\$1,860,426	(23,745,677)
Loyola University Maryland	73	\$238,791,900	\$5,368,042	\$329,630	(5,038,412)
Maryland Institute College of Art	33	\$159,412,977	\$3,583,604	\$69,554	(3,514,050)
Notre Dame of Maryland University	4	\$73,842,400	\$1,659,977	\$44,272	(1,615,705)
Total Colleges and Universities	269	\$1,611,108,803	\$36,217,726	\$2,303,882	(33,913,844)
<u>Hospitals</u>					
Johns Hopkins Hospital (East Balt. & Bayview)	21	\$1,371,944,500	\$30,841,312	\$1,399,972	(29,441,340)
University of Maryland Medical Center	101	\$707,419,929	\$15,902,800	\$930,158	(14,972,642)
MedStar (Harbor-Union Memorial-Good Samaritan)	13	\$191,008,825	\$4,293,878	\$558,322	(3,735,556)
Sinai LifeBridge	5	\$164,948,860	\$3,708,050	\$316,116	(3,391,934)
Mercy Medical Center	17	\$435,136,704	\$9,781,873	\$226,208	(9,555,665)
St. Agnes Health Care	1	\$209,422,575	\$4,707,819	\$190,462	(4,517,357)
Bon Secours	6	\$4,271,100	\$96,014	\$74,880	(21,134)
Total Hospitals	164	\$3,084,152,493	\$69,331,748	\$3,696,118	(65,635,630)
Combined Contribution	433	\$4,695,261,296	\$105,549,474	\$6,000,000	(99,549,474)

Policy Considerations

Council Bill 25-0036 establishes a 17-person Non-Profit PILOT Task Force, with members serving a four-year term. The Task Force would be tasked with recommending a standard formula for calculating PILOT payments for each tax-exempt hospital and university, as well as educating the public about PILOT agreements and the impact that property taxes have on the City budget. The bill also requires the Department of Finance, with assistance from the Task Force, to submit an annual report to the Mayor and City Council that summarizes the annual PILOT payments made by each participating institution and the status of any other obligations of those institutions under the PILOT agreement.

Although we appreciate the intent of the proposed Task Force, especially around the public education components, some of the tasks outlined for the Task Force in CCB#25-0036 are duplicative of work already underway. For example, the bill tasks the Task Force with recommending the standard formula by which PILOT payments would be calculated. The Department of Finance, in preparation for negotiating a new PILOT agreement beginning in Fiscal 2027, has already begun exploring best practices on calculation methods in other cities including Boston, Providence, and New Haven. One common model, which is still utilized by the City of Boston, is to set a standard voluntary contribution amount based on the size of the entity's real property assessment plus an estimate of the government services consumed by the tax-exempt entity. Some cities have also developed methodologies for entities to deduct the value of community benefits or partnerships, which tends to drive higher compliance overall.

Fiscal Impact

The Department of Finance expects a negligible financial impact from Council Bill 25-0036. Task Force members would not be paid but could be reimbursed for small expenses. The required staff support for the Task Force could be handled by existing staff in the Department of Finance.

Conclusion

The Department of Finance supports the intent of City Council Bill 25-0036, which is to raise awareness about the City's PILOT agreement with its largest non-profit medical and educational institutions. We suggest amending the bill to eliminate the requirement that the Task Force recommend a formula for future agreements, which is duplicative of work already being performed.

For the reasons stated above, the Department of Finance supports City Council Bill 25-0036.

cc: Michael Mocksten
Nina Themelis

Baltimore City Council



Budget & Appropriations

Committee

Bill:25-0036

**Title: Property Taxes – Baltimore City
Payment in Lieu of Taxes Task Force**

Additional Materials

COUNCIL BILL 25-0036

**UNOFFICIAL REPRINT TO SHOW CONTEXT
OF AMENDMENTS PROPOSED BY MOGR, LAW, AND THE COMPTROLLER**

A BILL ENTITLED

AN ORDINANCE concerning

Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force

FOR the purpose of establishing the Baltimore City Payment in Lieu of Taxes Task Force; providing for the membership, staffing, compensation, and procedures of the Task Force; establishing the duties of the Task Force; requiring a certain annual report; defining certain terms; providing for a special effective date; and generally relating to the Baltimore City Payment in Lieu of Taxes Task Force.

BY adding

Article 28 - Taxes

Sections 13-1 through 13-7, to be under the new subtitle designation,

“Subtitle 13. Payment in Lieu of Taxes Task Force”

Baltimore City Code

(Edition 2000)

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

Baltimore City Code

Article 28. Taxes

Division II: Property Tax

SUBTITLE 13. PAYMENT IN LIEU OF TAXES TASK FORCE

§ 13-1. DEFINITIONS.

(A) *IN GENERAL.*

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

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.
Underlining indicates matter added to the bill by amendment.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from existing law by amendment.

(B) *AMI*.

“AMI” MEANS THE AREA MEDIAN INCOME FOR THE METROPOLITAN REGION THAT ENCOMPASSES BALTIMORE CITY, AS PUBLISHED AND ANNUALLY UPDATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(C) *ENABLING LAW*.

“ENABLING LAW” MEANS § 7-501 OF THE STATE TAX – PROPERTY ARTICLE.

(D) *PARTICIPATING INSTITUTION*.

“PARTICIPATING INSTITUTION” MEANS A CORPORATE ENTITY THAT IS NEGOTIATING OR HAS AGREED TO A PILOT AGREEMENT WITH THE CITY.

(E) *PILOT*.

“PILOT” MEANS NEGOTIATED PAYMENTS IN LIEU OF PROPERTY TAXES, AS AUTHORIZED BY THE ENABLING LAW.

(F) *PILOT AGREEMENT*.

“PILOT AGREEMENT” MEANS AN AGREEMENT BETWEEN A PARTICIPATING INSTITUTION AND THE CITY PROVIDING FOR NEGOTIATED PAYMENTS IN LIEU OF PROPERTY TAXES.

(G) *TASK FORCE*.

“TASK FORCE” MEANS THE PAYMENT IN LIEU OF TAXES TASK FORCE.

§ 13-2. ESTABLISHMENT.

THERE IS A PAYMENT IN LIEU OF TAXES TASK ~~FORCE IN THE OFFICE OF THE CITY COMPTROLLER.~~ FORCE.

§ 13-3. COMPOSITION.

(A) *IN GENERAL*.

THE TASK FORCE COMPRISES 17 MEMBERS.

(B) *VOTING MEMBERS*.

(1) 10 MEMBERS APPOINTED BY THE MAYOR IN ACCORDANCE WITH CITY CHARTER ARTICLE IV, § 6, INCLUDING:

(i) ~~5~~ 3 UNION REPRESENTATIVES NOMINATED BY THE METRO BALTIMORE AFL-CIO COUNCIL ~~THAT REPRESENT BALTIMORE CITY HOSPITAL, PRIVATE UNIVERSITY, OR PUBLIC SECTOR WORKERS; THAT REPRESENT:~~

(A) BALTIMORE CITY HOSPITAL WORKERS;

(B) BALTIMORE CITY PRIVATE UNIVERSITY WORKERS; OR

(C) BALTIMORE CITY PUBLIC SECTOR WORKERS;

(II) 2 REPRESENTATIVES FROM A HOSPITAL WITH MORE THAN 500 BEDS;

(III) 1 REPRESENTATIVE FROM A HOSPITAL WITH FEWER THAN 500 BEDS; ~~AND~~

(IV) 2 REPRESENTATIVES OF THE MARYLAND INDEPENDENT COLLEGE AND UNIVERSITY ~~ASSOCIATION~~; ASSOCIATION FROM AN INSTITUTION LOCATED IN BALTIMORE CITY; AND

(V) 2 CITY RESIDENTS WITH DEMONSTRATED EXPERIENCE WITH MUNICIPAL OR NONPROFIT FINANCING AGREEMENTS.

(2) 3 MEMBERS NOMINATED BY THE CITY COUNCIL PRESIDENT AND APPOINTED BY THE MAYOR IN ACCORDANCE WITH CITY CHARTER ARTICLE IV, § 6, WHO SHALL:

(I) BE BALTIMORE CITY RESIDENTS;

(II) HAVE AN ANNUAL INCOME AT OR BELOW 100% AMI; AND

(III) RESIDE IN DIFFERENT DISTRICTS OF THE CITY COUNCIL;

(3) THE CITY COUNCIL PRESIDENT OR THE CITY COUNCIL PRESIDENT'S DESIGNEE;

(4) THE CITY COMPTROLLER OR THE CITY COMPTROLLER'S DESIGNEE;

(5) THE MAYOR OR THE MAYOR'S DESIGNEE; AND

(6) A MEMBER OF THE BALTIMORE CITY COUNCIL.

(C) *EX-OFFICIO MEMBERS.*

THE EX-OFFICIO MEMBERS OF THE TASK FORCE ARE COMPRISED OF THE FOLLOWING INDIVIDUALS:

(1) THE DIRECTOR OF THE DEPARTMENT OF FINANCE OR THE DIRECTOR'S DESIGNEE;

(2) THE COMMISSIONER OF THE BALTIMORE CITY HEALTH DEPARTMENT OR THE COMMISSIONER'S DESIGNEE; AND

~~(3) THE CITY SOLICITOR OR THE CITY SOLICITOR'S DESIGNEE; AND~~

(3) ~~(4)~~ THE COMMISSIONER OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OR THE COMMISSIONER'S DESIGNEE.

§ 13-4. TERMS; ORGANIZATION.

(A) *TERMS.*

MEMBERS SERVE FOR A TERM OF 4 YEARS, CONCURRENT WITH THE MAYOR'S TERM OF OFFICE.

(B) *VACANCIES.*

- (1) AT THE END OF A TERM, A MEMBER SERVES UNTIL A SUCCESSOR IS SELECTED AND QUALIFIES.
- (2) A MEMBER WHO IS SELECTED AFTER A TERM HAS BEGUN SERVES FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS SELECTED AND QUALIFIES.

(C) *COMPENSATION.*

A MEMBER OF THE TASK FORCE:

- (1) SERVES WITHOUT COMPENSATION; BUT
- (2) IS ENTITLED TO REIMBURSEMENT FOR REASONABLE EXPENSES INCURRED IN THE PERFORMANCE OF THE MEMBER'S DUTIES, AS PROVIDED IN THE ORDINANCE OF ESTIMATES.

(D) *OFFICERS.*

~~(1) BY MAJORITY VOTE OF THE VOTING MEMBERS OF THE TASK FORCE, THE TASK FORCE SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS.~~

(1) THE MAYOR SHALL DESIGNATE A MEMBER OF THE TASK FORCE TO SERVE AS ITS CHAIR.

(2) THE CHAIR MAY SELECT OTHER OFFICERS.

(E) *QUORUM.*

A MAJORITY OF THE MEMBERS OF THE TASK FORCE QUALIFIES AS A QUORUM FOR TRANSACTION OF BUSINESS.

(F) *VOTING.*

AN AFFIRMATIVE VOTE FROM AT LEAST A MAJORITY OF MEMBERS IS NEEDED TO APPROVE ANY OFFICIAL ACTION.

(G) *MEETINGS.*

THE TASK FORCE:

- (1) SHALL MEET AT THE CALL OF THE CHAIR; BUT
- (2) SHALL MEET AT LEAST ONCE A MONTH.

(H) *DISQUALIFICATIONS.*

AN INDIVIDUAL MAY NOT SERVE ON THE TASK FORCE IF THAT INDIVIDUAL IS REQUIRED TO REGISTER WITH THE ETHICS BOARD UNDER SUBTITLE 8 {"LOBBYING"} OF ARTICLE 8 OF THE CITY CODE.

§ 13-5. STAFF.

THE ~~COMPTROLLER~~ DIRECTOR OF FINANCE SHALL ASSIGN STAFF FROM THE ~~OFFICE OF THE COMPTROLLER~~ DEPARTMENT OF FINANCE TO SERVE AS STAFF TO THE TASK FORCE TO PROVIDE ADMINISTRATIVE AND TECHNICAL SUPPORT.

§ 13-6. DUTIES.

THE TASK FORCE SHALL:

- ~~(1) RECOMMEND A STANDARD FORMULA BY WHICH PAYMENTS IN LIEU OF TAXES SHALL BE DETERMINED FOR EACH TAX-EXEMPT HOSPITAL AND UNIVERSITY IN THE CITY THAT TAKES INTO CONSIDERATION AN INSTITUTION'S TOTAL PROPERTY TAX EXEMPTION AND USE OF CITY SERVICES;~~
- (1) ~~(2)~~ PROVIDE RECOMMENDATIONS ON LEGISLATIVE CHANGES NEEDED AT THE CITY OR STATE LEVEL RELATED TO PILOT;
- (2) ~~(3)~~ PUBLISH PUBLIC REPORTS ON THE STATUS OF ANNUAL PAYMENTS IN LIEU OF TAXES OF EACH PARTICIPATING INSTITUTION IN COLLABORATION WITH THE DEPARTMENT OF FINANCE; AND
- ~~(4) EDUCATE BALTIMORE CITY RESIDENTS ABOUT PILOT AGREEMENTS, THE TASK FORCE, AND THE IMPACT THAT PROPERTY TAXES HAVE ON THE CITY BUDGET; AND~~
- (3) ~~(5)~~ EDUCATE BALTIMORE CITY RESIDENTS ABOUT ANY EXISTING PILOT AGREEMENTS BETWEEN THE CITY AND PARTICIPATING INSTITUTIONS.

§ 13-7. ANNUAL REPORT.

ON BEFORE DECEMBER 31 OF EACH YEAR, THE DEPARTMENT OF FINANCE, WITH THE ASSISTANCE OF THE TASK FORCE, SHALL SUBMIT A REPORT TO THE MAYOR BOARD OF ESTIMATES AND CITY COUNCIL DETAILING:

- ~~(1) THE RECOMMENDED STANDARD FORMULA FOR PILOT AGREEMENTS AS REQUIRED BY §13-6(1) OF THIS SUBTITLE;~~
- (1) ~~(2)~~ THE ANNUAL PAYMENTS MADE BY EACH PARTICIPATING INSTITUTION UNDER THE TERMS OF A PILOT AGREEMENT;
- ~~(3) THE STATUS OF FULFILLMENT OF EACH PARTICIPATING INSTITUTION'S OBLIGATIONS UNDER A PILOT AGREEMENT; AND~~
- (2) A BRIEF DESCRIPTION OF EACH EDUCATIONAL EVENT OR ACTIVITY HELD BY THE TASK FORCE, INCLUDING THE DATE, TIME, AND LOCATION OF THE EVENT OR ACTIVITY; AND
- (3) ~~(4)~~ ANY OTHER INFORMATION REQUESTED BY THE MAYOR BOARD OF ESTIMATES AND CITY COUNCIL.

SECTION 2. AND BE IT FURTHER ORDAINED, That Councilmember Phylicia Porter shall serve as the member of the City Council on the Task Force under § 13-3(b)(6) of this Ordinance for the initial term of the Task Force.

~~SECTION 3. AND BE IT FURTHER ORDAINED, That the Baltimore City PILOT Task Force shall convene its first meeting no later than July 31, 2025.~~

SECTION 3. 4. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect on ~~June 1, 2025.~~ on the date it is enacted.

CITY OF BALTIMORE

BRANDON SCOTT – MAYOR

 ZEKE COHEN - COUNCIL PRESIDENT



OFFICE OF COUNCIL SERVICES

NANCY MEAD – DIRECTOR

100 N. HOLIDAY STREET

BALTIMORE MD, 21202

HEARING NOTES

Bill: 25-0036

Title: Property Taxes – Baltimore City Payment in Lieu of Taxes Task Force

Committee: Budget & Appropriations

Chaired by: Danielle McCray

Hearing Date: 9/9/2025

Time (Beginning): 9:04 AM

Time (Ending): 9:13 AM

Location: Du Burns Council Chamber / Webex

Total Attendance: Approximately 40

Committee Members in Attendance:

Danielle McCray

Sharon Green Middleton

Paris Gray

Bill Synopsis in the file?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Attendance sheet in the file?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Agency reports read?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Hearing televised or audio-digitally recorded?	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A
Certification of advertising/posting notices in the file?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A
Evidence of notification to property owners?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A
Final vote taken at this hearing?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	<input type="checkbox"/> N/A
Motioned by:			
Final Vote:			

Major Speakers

(This is not an attendance record.)

- Hilary Ruley, Chief Solicitor, Law Department
 - KC Kelleher, Director of Communications, Office of the Comptroller
 - Ty'lor Schnella, Deputy Director, Mayor's Office of Government Relations
 - Phylicia Porter, Councilwoman (District 10)
-

Major Issues Discussed

1. Chairwoman McCray opened the hearing on Bill 25-0036 (PILOT) and welcomed councilmembers (including Council President Cohen, VP Middleton, CM Gray, and CM Ramos), staff, and agencies.
 - For the purpose of establishing the Baltimore City Payment in Lieu of Taxes Task Force; providing for the membership, staffing, compensation, and procedures of the Task Force; establishing the duties of the Task Force; requiring a certain annual report; defining certain terms; and generally relating to the Baltimore City Payment in Lieu of Taxes Task Force. The Bill was Introduced on March 10, 2025
2. Hearing began with Agency Reports:
 - Law Department - Hilary Ruley, Chief Solicitor reported a favorable report with the Law Department's amendment. Clarified that the amendment is to ensure form and legal sufficiency – it removes the Law Department as a “member body” since they reported that to be a conflict – however the Law Department would still attend meetings of the Task Force.
 - Mayor's Office of Government Relations - Ty'lor Schnella, Deputy Director shared two reprints, but no updated official amendments. Both reprints are not aligned. In addition, MOGR believes the sponsor had more amendments to discuss.
 - One reprint dated 9/9/25 from DLR to show the Bill as amended with amendments proposed by Councilwoman Porter, Law Department, and the Comptroller
 - Another unofficial reprint dated 9/4/25 to show the amendments proposed by MOGR, Law Department, and the Comptroller.
 - Office of the Comptroller - KC Kelleher, Director of Communications, reported that an updated favorable report with one amendment was shared ahead of the hearing. The Comptroller has revised the original amendments and rescinded all but one amendment that would have the Task Force submit their report to the Board of Estimates.
 - Councilwoman Porter – acknowledged the unofficial reprints, and reported that were some agreed upon amendments, and few that have not been included that relates to the 1) Economic assessments of the institutions in relation to their footprints and 2) the Special Effective Date. Also noted that stakeholder engagement that the office completed with the unions, advocacy groups, and hospital administrations.
3. Chairwoman McCray recessed the hearing without a vote.

Further Study

Was further study requested?

☐ Yes ☒ No

If yes, describe.

Committee Vote: N/A

Chair: Yea
Vice Chair: Yea
Member: Yea
Member: Yea
Member: Yea

Paroma Nandi
Date: 9/9/2025

Cc: Bill File