

May 11, 2025

Eric Lewitus

Ednor Gardens, Baltimore City

TESTIMONY ON Council Bill 25-0036  
Baltimore City Payment in Lieu of Taxes Task Force

**TO:** Chair McCray, Vice Chair Schleifer, and Members of the Budget & Appropriations Committee

**FROM:** Eric Lewitus

I am a resident of District 14 and submitting this testimony in support of Council Bill 25-0036- Baltimore City Payment in Lieu of Taxes Task Force.

**Why does the PILOT Task Force need to be created now?** The PILOT agreement was first negotiated in 2016. The terms were decided between the Mayor's office and 14 anchor institutions. There was no transparency, not even with the City Council, and no community input. The outcome was a \$6 million per year contribution: 1.57% of their collective operating income. The PILOT agreement is up for renegotiation in 2026 and we want a different process. The central demand of the WUFU campaign is to create a Fair Share PILOT Task Force. The Task Force would set uniform standards for determining what each institution would contribute, recommend legislative changes to provide more equitable partnerships between the city and these institutions, and provide not only community representation at the table but public reports so that we can make sure our interests are being represented properly.

**Why should anchor institutions increase their PILOT contributions?** Anchor institutions use \$47 million worth of city services per year. That's \$41 million more than they contribute through the current PILOT. While these anchor institutions are intended to make up this difference through community benefits expenditure, they fall short of doing so: their community benefits expenses are less than 6% of their operating costs; and only one-third of community benefits expenditures reach the areas of need the institutions themselves identified as the targets of those benefits. Therefore, WUFU is asking that they bridge this gap in city service usage directly rather than lay that burden on the public. \$47 million is:

- 12% of the anchor institutions' collective annual operative costs
- 40% of the taxes they would pay yearly were they not exempt

- twice the compensation paid to their executives annually (that's 14 executives versus half a million Baltimoreans)

**This is feasible.** In the past 15 years, cities along the eastern corridor - including New Haven, Boston, and Providence — have renegotiated PILOT agreements with resident wealthy, tax-exempt institutions. Those cities currently earn between 2-10 times as much revenue from their PILOT agreements as Baltimore does today. And their anchor institutions continue to thrive, not in spite of but because of the strengthened relationship with the city stemming from those renegotiations.

**We are all suffering** at the hands of the federal administration and these anchor institutions are no exception. That is exactly why we are asking that they increase their PILOT contribution. We are inviting them to work with us to keep Baltimore a livable, lovable city. We benefit from these anchor institutions as they benefit from all of us. We are asking that they recognize that we are in this together.

I urge this committee to pass Council Bill #25-0036 without any weakening amendments.