

**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.