



COMMUNITY DEVELOPMENT NETWORK OF MARYLAND

Testimony for FY2026 PILOT Budget Baltimore City Council May 12, 2025

Members of the Baltimore City Council

On behalf of the Community Development Network of Maryland (CDN), we write in full support of the *With Us For Us* (WUFU) Coalition and the passage of **Bill 25-0036**, which would establish a **Payment in Lieu of Taxes (PILOT) Task Force** with a fair, community-centered mandate.

CDN is a statewide member association of community-based nonprofits, affordable housing developers, and community development professionals. Our Baltimore City equitable network includes over 40 member organizations that have worked with city residents and agencies for decades to strengthen communities.. We are part of the *With Us For Us* (WUFU) coalition of advocates. As an organization committed to equity, inclusion, and sustainable community development across Baltimore, we believe this legislation is not only timely—it is essential. For far too long, the institutions with the greatest wealth and resources —our major hospitals and private universities—have not contributed proportionally to the public infrastructure they rely on.

Baltimore is home to **nearly one-fifth of all tax-exempt property in Maryland**, and property taxes fund more than **50% of our city's annual revenue**. With \$5 billion worth of untaxed property in the hands of just 14 nonprofit institutions, the result is a structural imbalance that unfairly burdens residents and small businesses, who must shoulder the costs of municipal services—while others benefit without contributing equitably.

According to Baltimore City's own Department of Finance, these institutions use approximately \$47.6 million worth of city services annually. Yet, they contribute only **\$6 million** through the current PILOT structure. That leaves a **\$41 million annual shortfall**—the equivalent of:

- **72 miles of road repairs**
- **480 teachers and librarians**
- **15,000 eviction preventions**

Baltimore simply cannot afford this gap.

While we recognize concerns about the timing—particularly amid shifts in federal funding and political threats to universities—we must emphasize that these institutions are not struggling. In fact, they are thriving:

- Johns Hopkins University's endowment grew by \$2.3 billion in just one year.
- The CEO of the University of Maryland Medical System earned more than 3x the total PILOT payment of their institution.

If Boston, Providence, and New Haven can renegotiate fair PILOT contributions—raising **tens to hundreds of millions** for community reinvestment—then Baltimore can and must do the same.

That's why we strongly support the *With Us For Us* framework:

- A balanced, transparent task force including labor, **community**, and institutional voices.
- A fair funding formula based on property value, assets, and city service use.
- Timely deadlines to ensure a new agreement is in place before the 2026 expiration of the current PILOT.

It is not radical to ask billion-dollar institutions with tax-exempt land and seven-figure executive salaries to contribute fairly to the communities they exist within. It is responsible governance—and a moral imperative.

We urge you to pass **Bill 25-0036 without weakening amendments** and set Baltimore on a path to equity, sustainability, and fiscal justice. As we prepare for what may be a deeply hostile federal climate under future administrations, we must take care of our own—and ensure our communities are not left to pay the price of institutional inaction.

We urge the City Council, Mayor, and Comptroller to do the same.

Submitted by,

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