

**CITY OF BALTIMORE  
COUNCIL BILL 16-0700  
(Resolution)**

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Introduced by: The Council President  
At the request of: The Administration (Baltimore Development Corporation)  
Introduced and read first time: July 18, 2016  
Assigned to: Taxation, Finance and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Baltimore Development Corporation, Planning Department, Board of Estimates

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A RESOLUTION ENTITLED

1 A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning

2 **Payment in Lieu of Taxes – Ward 07, Section 04, Block 1567, Lot 51A and**  
3 **Ward 07, Section 03, Block 1586, Lot 2**  
4 **“Eager Square”**

5 FOR the purpose of authorizing an economic development project to be known as “Eager  
6 Square”, in order that the Board of Estimates of Baltimore City (the “Board”) may enter into  
7 a Payment in Lieu of Taxes Agreement with Eager Place, LLC, a Maryland limited liability  
8 company, its successors or assigns (the “Developer”), for a project encompassing  
9 approximately (i) 246 residential market rate apartments and townhomes; (ii) 3,485 square  
10 feet of street retail; (iii) 152 on-site parking spaces; and (iv) related improvements/amenities;  
11 providing for a special effective date; and generally relating to payments in lieu of taxes for  
12 the Eager Square development.

13 BY authority of  
14 Article – Tax-Property  
15 Section 7-504.3  
16 Annotated Code of Maryland  
17 (As enacted by Chapter 573, Acts of 2013)

18 **Recitals**

19 The Eager Square Project (the “Project”) is proposed to include approximately (i)  
20 246 residential market rate apartments and townhomes; (ii) 3,485 square feet of  
21 street retail; (iii) 152 on-site parking spaces; and (iv) related  
22 improvements/amenities to be constructed on parcels of land known as Ward 07,  
23 Section 04, Block 1567, Lot 51A and Ward 07, Section 03, Block 1586, Lot 2,  
24 generally bounding on the 1900 block of East Eager Street between North Wolfe  
25 Street and North Washington Street in the East Baltimore Development Initiative  
26 Master Plan Area.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

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1 Section 7-504.3 of the State Tax-Property Article, as enacted by Chapter 573 Acts  
2 of 2013, authorizes the Board, subject to certain findings by the Board and to the  
3 enactment of an authorizing Resolution of the Mayor and City Council, to  
4 negotiate a payment in lieu of taxes (a “PILOT”) for Baltimore City real property  
5 taxes for major economic development projects that meet certain criteria.

6 It is understood that the PILOT Agreement will require compliance with (i) the  
7 Minority and Women’s Business Enterprises (MBE/WBE) Program in the  
8 Project; (ii) Employ Baltimore, the revised Executive Order issued by the Mayor  
9 of Baltimore, dated December 10, 2013; and (iii) the Local Hiring law, Ordinance  
10 13-142, enacted June 25, 2013.

11 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That  
12 subject to the conditions specified in this Resolution, the Project is authorized for purposes of  
13 allowing the Board to enter into a PILOT Agreement with Eager Place, LLC, its successors or  
14 assigns, for the Project, in accordance with § 7-504.3(a)(2)(ii) 6 of the Tax-Property Article of  
15 the Annotated Code of Maryland.

16 **SECTION 2. AND BE IT FURTHER RESOLVED,** That this authorization is subject to the  
17 condition that the Project not house or otherwise involve (i) gambling activities beyond that  
18 allowed by law as of January 1, 1999, or (ii) activities related to any game not authorized by the  
19 Maryland State Lottery.

20 **SECTION 3. AND BE IT FURTHER RESOLVED,** That this authorization is in the best interest of  
21 the City and will achieve significant public benefits and purposes, including the encouragement  
22 of the economic development of the City, including the use of resources and entrepreneurial  
23 talents of the private sector to develop the East Baltimore Development Initiative; the creation of  
24 job opportunities; and the general promotion and improvement of the City and its facilities in  
25 order to foster and maintain the City and its image as a positive environment for the growth of  
26 business and industry and the continuing well-being of its residents, thereby encouraging the  
27 health, welfare, and safety of the citizens of the City.

28 **SECTION 4. AND BE IT FURTHER RESOLVED,** That this authorization is subject to the  
29 following conditions:

30 (a) The PILOT Agreement for the Project shall be for a period of 15 years (the “PILOT  
31 Term”) after the effective date specified in the PILOT Agreement.

32 (b) The negotiated payment in lieu of taxes for the Project shall be:

33 (1) for each year of the PILOT Term, the amount of the Baltimore City real  
34 property taxes based on the existing assessments on the entire property  
35 comprising the Project, or applicable component, as of July 1, 2016 (the “Base  
36 Taxes”); plus

37 (2) for each year of the PILOT Term, a percentage of the Baltimore City real  
38 property taxes that would otherwise have resulted from the increased  
39 assessment and reassessment due to the construction of the Project or  
40 applicable components (the “Increased Taxes”), with the percentages to be as  
41 follows:

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1	Years 1 - 5	5% of the Increased Taxes
2	Year 6	15% of the Increased Taxes
3	Year 7	25% of the Increased Taxes
4	Year 8	35% of the Increased Taxes
5	Year 9	45% of the Increased Taxes
6	Year 10	55% of the Increased Taxes
7	Year 11	65% of the Increased Taxes
8	Year 12	75% of the Increased Taxes
9	Year 13	80% of the Increased Taxes
10	Year 14	85% of the Increased Taxes
11	Year 15	95% of the Increased Taxes

12       **SECTION 5. AND BE IT FURTHER RESOLVED,** That this Resolution takes effect when it is  
13 enacted.