

**CITY OF BALTIMORE**  
**COUNCIL BILL 23-0414**  
**(First Reader)**

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Introduced by: Councilmember Bullock, President Mosby, Councilmembers Ramos, Porter,  
Cohen, Torrence, Conway, Middleton, Stokes, Costello, Burnett

Introduced and read first time: August 21, 2023

Assigned to: Finance and Performance Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of  
Planning, Baltimore Development Corporation, City Administrator, Office of Equity and Civil  
Rights

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A RESOLUTION ENTITLED

1 A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning

2 **Property Tax Credit Reform – Work Group**

3 FOR the purpose of forming an inter-departmental work group, including broad representation  
4 from stakeholders outside Baltimore City government, to study and make recommendations  
5 for reforms to the City’s property tax credit system.

6 **Recitals**

7 Baltimore City currently offers a myriad of property tax credits to encourage real estate  
8 development of all kinds within the City’s geographic boundaries. Over time, it is unclear that  
9 the available property tax credits are the most efficient way to use City resources to encourage  
10 equitable, quality development. The Department of Finance, Bureau of the Budget and  
11 Management Research (“BBMR”) conducted its own study of the City’s tax credits which it  
12 published in August 2022. BBMR found that from Fiscal Year 2010 to Fiscal Year 2021, the  
13 cost of the City’s development tax credit programs grew rapidly from \$13.6 million to  
14 \$62.6 million. On a percentage basis, the tax credits grew from only 1.7% of gross property tax  
15 revenue to 6.8%. The key driver was the growing cost of the Brownfield, High Performance, and  
16 Enterprise Zone Tax Credits. That report concluded that even modest reforms to the City’s tax  
17 credits would yield savings for the City’s budget which could be leveraged for residential  
18 property owners and generally for City residents.

19 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That  
20 there will be formed an inter-departmental workgroup staffed by the City Council President’s  
21 Office. The Chair of the Finance and Performance Committee shall serve as the chair of this  
22 workgroup and the vice-chair shall be the Chair of the Ways and Means Committee. The  
23 workgroup shall solicit input from stakeholders outside of Baltimore City government as well.  
24 The workgroup will produce its own recommended policy changes for each of the existing tax  
25 credits available for property development in Baltimore City.

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

## **Council Bill 23-0414**

1       **SECTION 2. AND BE IT FURTHER ORDAINED,** That the inter-departmental representation shall  
2 include but not be limited to representatives from the Office of Equity and Civil Rights, the  
3 Department of Finance, the Department of Planning, the Baltimore Development Corporation,  
4 and the City Administrator's Office.

5       **SECTION 3. AND BE IT FURTHER ORDAINED,** That the chair of the workgroup shall present  
6 regular updates to the City Council as to their progress.

7       **SECTION 4. AND BE IT FURTHER ORDAINED,** That this resolution takes effect on the 30th day  
8 after the date it is enacted.