

**CITY OF BALTIMORE
COUNCIL BILL 24-0608
(First Reader)**

Introduced by: President Mosby
Introduced and read first time: October 21, 2024
Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Housing and Community Development, Housing Authority of Baltimore City, Department of Planning, Commission for Historical and Architectural Preservation, Board of Municipal and Zoning Appeals

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Real Property Tax – Affordable and Inclusionary Housing – Mandatory Reporting**

3 FOR the purpose of requiring the Departments of Housing and Community Development and
4 Planning to submit a joint report to the City Council prior to seeking the approval of the
5 Board of Estimates of an agreement between the City and an owner or owners of a qualifying
6 affordable or inclusionary housing development that provides for the payment to the City of a
7 negotiated amount in lieu of the payment of City real property taxes for a set term of years.

8 BY adding
9 Article 28 - Taxes
10 Section 9-6(c)(6)
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:

Baltimore City Code

Article 28. Taxes

Subtitle 9. Exemptions

18 **§ 9-6. Affordable and inclusionary housing.**

19 . . .

20 (c) *Exemption granted.*

21 A redevelopment project or new residential rental development project is exempt from
22 Baltimore City real property taxes if, in accordance with the rules and regulations adopted
23 under this section:

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

Council Bill 24-0608

- 1 (1) the owner or owner or the owners of the project have filed an application for the
2 exemption within the time period specified by the rules and regulations adopted
3 under this subtitle;
- 4 (2) the City determines that the project is a qualifying development meeting the
5 requirements of this section;
- 6 (3) the City determines that the exemption is necessary to offset the owner's or
7 owners' additional costs of providing affordable units at the qualifying
8 development
- 9 (4) the owner or owners of the qualifying development satisfy a financial review
10 administered by the City that includes:
- 11 (i) a detailed description of the project and the development budget for the
12 project, including the identification of all sources of debt and equity
13 financing;
- 14 (ii) a multiyear pro forma cash flow analysis of the project detailing all
15 incoming and outgoing cash flow including revenues, operating expenses,
16 debt service, taxes, capital expenditures, and any other cash outlays;
- 17 (iii) the projected return on investment for the owner or owners;
- 18 (iv) the amount of potential revenue that may be lost through the provision of
19 affordable housing; and
- 20 (v) any additional information specified in the rules and regulations adopted
21 under this section; [and]
- 22 (5) the owner or owners of the qualifying development and the City enter into an
23 agreement, approved by the Board of Estimates, that:
- 24 (i) provides that the owner or owners of the qualifying development must pay
25 to the City a negotiated amount in lieu of the payment of City real property
26 taxes;
- 27 (ii) specifies an amount that the owner or owners must pay to the City each
28 year in lieu of the payment of City real property taxes during the term of
29 the agreement that is not less than 75% of the annual property taxes that
30 would otherwise be due to the City for the qualifying development in the
31 initial year of the agreement; and
- 32 (iii) is limited to a term of not more than 10 [years.] YEARS; AND
- 33 (6) PRIOR TO SUBMISSION OF AN AGREEMENT TO THE BOARD OF ESTIMATES, THE
34 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE
35 DEPARTMENT OF PLANNING SUBMIT A JOINT REPORT TO THE CITY COUNCIL THAT
36 INCLUDES:

Council Bill 24-0608

1 (I) FOR PROJECTS INVOLVING CURRENTLY-OCCUPIED PROPERTIES:

2 (A) A PROPERTY INSPECTION REPORT OF THE QUALIFYING
3 DEVELOPMENT;

4 (B) A SECURITY PLAN;

5 (C) A HISTORY OF CALLS FOR PUBLIC SAFETY SERVICES IN THE 36
6 MONTHS PRECEDING THE PILOT REQUEST;

7
8 (D) DOCUMENTATION OF THE PLANNED ACCESSIBILITY IMPROVEMENTS
9 TO UNITS FOR RESIDENTS WITH DISABILITIES;

10 (E) A MAINTENANCE AND CAPITAL PROJECT PLAN; AND

11 (F) AN ANALYSIS OF ANY APPLICABLE SECTIONS OF THE ZONING CODE
12 THAT MAY IMPACT THE QUALIFYING DEVELOPMENT; AND

13 (II) FOR PROJECTS INVOLVING VACANT STRUCTURES OR NEW
14 CONSTRUCTION:

15 (A) AN ENVIRONMENTAL REPORT FOR THE PROPOSED SITE;

16 (B) A MAINTENANCE AND CAPITAL PROJECT PLAN; AND

17 (C) AN ANALYSIS OF ANY APPLICABLE SECTIONS OF THE ZONING
18 CODE THAT MAY IMPACT THE QUALIFYING DEVELOPMENT.

19 **SECTION 2. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
20 after the date it is enacted.