## **CITY OF BALTIMORE** RESOLUTION Council Bill 12-0066

Introduced by: The Council President

At the request of: The Administration (Baltimore Development Corporation)

Introduced and read first time: April 23, 2012

Assigned to: Taxation, Finance and Economic Development Committee

Committee Report: Favorable Council action: Adopted

Read second time: December 3, 2012

## A RESOLUTION OF THE MAYOR AND CITY COUNCIL CONCERNING

2	"Lexington Square"		
3	FOR the purpose of authorizing an economic development project to be known as "Lexington		
4	Square", in order that the Board of Estimates of Baltimore City (the "Board") may enter into		
5	a Payment in Lieu of Taxes Agreement with Lexington Square Partners, LLC, its successor		
6	or assigns (the "Developer"), for a project encompassing approximately (i) 296 residential		
7	market rate rental units and (ii) a structured parking facility containing approximately 650		
8 9	parking spaces and related improvements; generally relating to payments in lieu of taxes for the Lexington Square development; and providing for a special effective date.		
10	By authority of		
11	Article - Tax-Property		
12	Section 7-504.3		
13	Annotated Code of Maryland		
14	(As enacted by Chapter 643, Acts of 1999)		
15	Recitals		
16	The Lexington Square Project (the "Project") is proposed to include		
17	approximately 296 market rate rental units and a related structured parking facility		
18	containing approximately 650 parking spaces and related improvements to be		
19	constructed on parcels of land known as Ward 04, Section 10, Block 0620, Lots 4-		
20	51, generally bounded by West Fayette Street, North Howard Street, West		
21	Lexington Street, and Park Avenue, in the Market Center Urban Renewal Area.		
22	Section 7-504.3 of the State Tax-Property Article, as enacted by Chapter 643,		
23	Acts of 1999, authorizes the Board, subject to certain findings by the Board and to		
24	the enactment of an authorizing Resolution of the Mayor and City Council, to		
25	negotiate a payment in lieu of taxes (a "PILOT") for Baltimore City real property		
26	taxes for major economic development projects that meet certain criteria.		
27	It is understood that the PILOT Agreement will require compliance with the		

**EXPLANATION:** <u>Underlining</u> indicates matter added by amendment. Strike out indicates matter stricken by amendment.

Minority and Women's Business Enterprises (MBE/WBE) Program in the Project.

28

## Council Bill 12-0066

1 2 3 4 5	subject to the conditions specified in this allowing the Board to enter into a PILOT	Resolution, the Project is authorized for purposes of Agreement with Lexington Square Partners, LLC, its accordance with § 7-504.3(b)(3) of the Tax-Property and.		
6		SOLVED, That this authorization is subject to the		
7 8	condition that the Project not house or otherwise involve (i) gambling activities beyond that allowed by law as of January 1, 1999, or (ii) activities related to any game not authorized by the			
9	Maryland State Lottery.	(ii) activities related to any game not authorized by the		
10		<b>SOLVED</b> , That this authorization is in the best interest of		
11	the City and will achieve significant public benefits and purposes, including the encouragement			
12	of the economic development of the City, including the use of resources and entrepreneurial			
13	talents of the private sector to develop the Market Center Urban Renewal Area; the creation of			
14 15	job opportunities; the promotion of "24/7" downtown living; and the general promotion and			
16	improvement of the City and its facilities in order to foster and maintain the City and its image as a positive environment for the growth of business and industry and the continuing well-being of			
17	its residents, thereby encouraging the health, welfare, and safety of the citizens of the City.			
18 19	<b>SECTION 4. AND BE IT FURTHER RESOLVED</b> , That this authorization is subject to the following conditions:			
20 21	(a) The PILOT Agreement for the Project shall be for a period of 20 years (the "PILOT Term") after the effective date specified in the PILOT Agreement.			
22	(b) The negotiated payment in lieu of taxes for the Project shall be:			
23	(i) for each year of the PILOT Term, the amount of the Baltimore City real property			
24	taxes based on the existing assessments on the entire property comprising the			
25	Project, or applicable component, as of July 1, 2012 (the "Base Taxes"); plus			
26		Γ Term, a percentage of the Baltimore City real property		
27		e have resulted from the increased assessment and		
28		onstruction of the Project or applicable components (the		
29	"Increased Taxes"), with t	the percentages to be as follows:		
30	Years 1 - 15	5% of the Increased Taxes		
31	Year 16	20% of the Increased Taxes		
32	Year 17	35% of the Increased Taxes		
33	Year 18	50% of the Increased Taxes		
34	Year 19	65% of the Increased Taxes		
35	Year 20	80% of the Increased Taxes		

is enacted.

36

37

SECTION 5. AND BE IT FURTHER RESOLVED, That this Resolution takes effect on the date it

## Council Bill 12-0066

Certified as duly passed this day of,	20
	President, Baltimore City Council
Certified as duly delivered to Her Honor, the Mayor,	
this, 20	
_	
	Chief Clerk
Approved this day of, 20	
<del>-</del>	Mayor, Baltimore City