



Legislation Details (With Text)

File #: 07-0700 **Version:** 0 **Name:** Payments in Lieu of Taxes - Ward 03, Section 06, Block 1800, Lot #0001, "701 Aliceanna Street"

Type: Mayor and City Council Res. **Status:** Enacted

File created: 6/4/2007 **In control:** City Council

On agenda: **Final action:** 9/26/2007

Enactment date: **Enactment #:** 07-032

Title: Payments in Lieu of Taxes - Ward 03, Section 06, Block 1800, Lot #0001, "701 Aliceanna Street"

FOR the purpose of authorizing an economic development project to be known as "701 Aliceanna Street", in order that the Board of Estimates of Baltimore City (the "Board") may enter into a Payment in Lieu of Taxes Agreement with Harbor East Parcel D-Acquisition, LLC, its successors or assigns (the "Owner") covering a portion of the Owner's property, consisting of (i) office space consisting of approximately 500,000 rentable square feet, and (ii) a structured parking facility containing approximately 1,200 parking spaces and related improvements; generally relating to payments in lieu of taxes for the 701 Aliceanna Street development; and providing for a special effective date.

Sponsors: City Council President (Administration)

Indexes: Payments in Lieu of Taxes, PILOT

Code sections:

Attachments: 1. 07-0700 - 1st Reader.pdf, 2. 07-0700 - 3rd Reader.pdf

Date	Ver.	Action By	Action	Result
9/26/2007	0	Mayor	Signed by Mayor	
9/24/2007	0	City Council	Approved and Sent to the Mayor	
9/17/2007	0	City Council	Held for 1 meeting	
8/13/2007	0	Taxation and Finance Committee	Recommended Favorably with Amendment	
8/13/2007	0	City Council	Advanced to 3rd Rdr., Adopted Comm. Report	
6/13/2007	0	Taxation and Finance Committee	Advertising	
6/13/2007	0	Taxation and Finance Committee	Advertising	
6/11/2007	0	Taxation and Finance Committee	Scheduled for a Public Hearing	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/7/2007	0	The City Council	Referred for a Report	
6/4/2007	0	City Council	Assigned	

6/4/2007

0

City Council

Introduced

* WARNING: THIS IS AN UNOFFICIAL, INTRODUCTORY COPY OF THE BILL.
THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER COPY.
INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: The Council President

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

A RESOLUTION ENTITLED

A RESOLUTION OF THE MAYOR AND CITY COUNCIL concerning
Payments in Lieu of Taxes - Ward 03, Section 06, Block 1800, Lot #0001, "701 Aliceanna Street"

FOR the purpose of authorizing an economic development project to be known as "701 Aliceanna Street", in order that the Board of Estimates of Baltimore City (the "Board") may enter into a Payment in Lieu of Taxes Agreement with Harbor East Parcel D-Acquisition, LLC, its successors or assigns (the "Owner") covering a portion of the Owner's property, consisting of (i) office space consisting of approximately 500,000 rentable square feet, and (ii) a structured parking facility containing approximately 1,200 parking spaces and related improvements; generally relating to payments in lieu of taxes for the 701 Aliceanna Street development; and providing for a special effective date.

BY authority of

Article - Tax - Property

Section 7-504.3

Annotated Code of Maryland

Recitals

The Owner is the owner of Parcel D that is described on a Plat titled "Resubdivision of Parcels B, D, and P - Inner Harbor East II" recorded in the Land Records of Baltimore City in Plat Records F.M.C. No. 3718. The Owner intends to develop on Parcel D a mixed use development that will include a hotel, residential condominiums, office space, retail space, and a garage (the "Project"). The office portion of the Project will contain approximately 500,000 net rentable square feet (the "Office Space") in a single building (the "Office Building"), and the garage facility will contain approximately 1,200 parking spaces and related improvements (the "Garage").

Section 7-504.3 of the State Tax-Property Article, as enacted by Chapter 643, Acts of 1999, authorizes the Board, subject to certain findings by the Board and to the enactment of an authorizing Resolution of the Mayor and City Council, to negotiate a payment in lieu of taxes (a "PILOT") for major economic development projects that meet certain criteria.

It is understood that the PILOT Agreement will require compliance with the Minority and Women's Business Enterprises (MBE/WBE) Program in the Project.

SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE, That, subject to the conditions specified in this Resolution, the Project is authorized for purposes of allowing the Board to enter into a PILOT Agreement with Harbor East Parcel D-Acquisition. LLC, its successors or assigns, for the Office Space and the Garage, in accordance with § 7.504.3 (b)(3) of the Tax-Property Article of the Annotated Code of Maryland.

SECTION 2. AND BE IT FURTHER RESOLVED, That this authorization is subject to the 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 Maryland State Lottery, and is further contingent on the Owner entering a lease with a single commercial office tenant for a minimum of 300,000 square feet, which tenant previously leased office space in the City.

SECTION 3. AND BE IT FURTHER RESOLVED, That this authorization is in the best interest of the City and will achieve significant public benefits and purposes, (i) including the encouragement of the economic development of the City, including the use of resources and entrepreneurial talents of the private sector to develop the Inner Harbor East Urban Renewal Area, of which Parcel D is a part, (ii) the creation of job opportunities, and (iii) the general promotion and 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 its residents, thereby further encouraging the health, welfare, and safety of the citizens of the City.

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

(a) The PILOT Agreement for the Office Space shall be for a period of 15 years after the effective date specified in the PILOT Agreement.

(b) The PILOT Agreement for the Garage shall be for a period of 25 years after the effective date specified in the PILOT Agreement.

(c) The negotiated payment in lieu of taxes for the Office Space and the Garage shall include: (i) the amount of the existing taxes on the land comprising the Office Space and the Garage portions of Parcel D (as reasonably determined by the Owner and the State Department of Assessments based on a reasonable allocation method) as of the earlier of (A) July 1, 2008, or (B) July 1st of the tax year during which Parcel D is divided into separate tax parcels; plus (ii) 5% of the incremental taxes due resulting from the construction of the Office Building for the period of 15 years after the effective date as specified in the PILOT Agreement; plus (iii) 5% of the incremental taxes due resulting from the construction of the Garage improvements, for the period of 25 years after the effective date as specified in the PILOT Agreement.

(d) The PILOT shall only be for the Office Space and the Garage and shall not apply to any other part of the development on Parcel D.

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

dlr07-1351~intro/31May07
ccres/PILOT/nbr

dlr07-1351~intro/31May07
- 2 -
ccres/PILOT/nbr