



Legislation Details (With Text)

File #: 12-0066 **Version:** 0 **Name:** Payments in Lieu of Taxes - Ward 04, Section 10, Block 0620, Lots 4-51 - "Lexington Square"
Type: Mayor and City Council Res. **Status:** Enacted
File created: 4/23/2012 **In control:** City Council
On agenda: **Final action:** 12/11/2012
Enactment date: **Enactment #:** 12-10

Title: Payments in Lieu of Taxes - Ward 04, Section 10, Block 0620, Lots 4-51 - "Lexington Square"

FOR the purpose of authorizing an economic development project to be known as "Lexington Square", in order that the Board of Estimates of Baltimore City (the "Board") may enter into a Payment in Lieu of Taxes Agreement with Lexington Square Partners, LLC, its successors or assigns (the "Developer"), for a project encompassing approximately (i) 296 residential market rate rental units and (ii) a structured parking facility containing approximately 650 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.

Sponsors: City Council President (Administration)

Indexes: Lexington Square, PILOT

Code sections:

Attachments: 1. 12-0066 - 1st Reader.pdf, 2. Transportation - 12-0066.pdf, 3. Parking Authority - 12-0066.pdf, 4. Planning - 12-0066.pdf, 5. HCD - 12-0066.pdf, 6. Law - 12-0066.pdf, 7. Finance - 12-0066.pdf, 8. Finance - 12-0066.pdf, 9. BOE - 12-0066.pdf, 10. BDC - 12-0066.pdf, 11. HCD - 12-0066 - Inclusionary Housing Req.pdf, 12. 12-0066 - 3rd Reader.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|--|--|--------|
| 12/11/2012 | 0 | Mayor | Signed by Mayor | |
| 12/6/2012 | 0 | City Council | Approved and Sent to the Mayor | |
| 12/3/2012 | 0 | Taxation, Finance and Economic Development Committee | Recommended Favorably | |
| 12/3/2012 | 0 | City Council | Advanced to 3rd Rdr., Adopted Comm. Report | |
| 9/20/2012 | 0 | Taxation, Finance and Economic Development Committee | Scheduled for a Public Hearing | |
| 6/13/2012 | 0 | Taxation, Finance and Economic Development Committee | Advertising | |
| 6/13/2012 | 0 | Taxation, Finance and Economic Development Committee | Advertising | |
| 6/4/2012 | 0 | Taxation, Finance and Economic Development Committee | Scheduled for a Public Hearing | |
| 4/26/2012 | 0 | The City Council | Referred for a Report | |
| 4/26/2012 | 0 | The City Council | Referred for a Report | |
| 4/26/2012 | 0 | The City Council | Referred for a Report | |
| 4/26/2012 | 0 | The City Council | Referred for a Report | |
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| 4/26/2012 | 0 | The City Council | Referred for a Report |
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| 4/26/2012 | 0 | The City Council | Referred for a Report |
| 4/23/2012 | 0 | City Council | Assigned |
| 4/23/2012 | 0 | City Council | Introduced |

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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 04, Section 10, Block 0620, Lots 4-51 - "Lexington Square"

FOR the purpose of authorizing an economic development project to be known as "Lexington Square", in order that the Board of Estimates of Baltimore City (the "Board") may enter into a Payment in Lieu of Taxes Agreement with Lexington Square Partners, LLC, its successors or assigns (the "Developer"), for a project encompassing approximately (i) 296 residential market rate rental units and (ii) a structured parking facility containing approximately 650 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.

BY authority of
Article - Tax-Property
Section 7-504.3
Annotated Code of Maryland
(As enacted by Chapter 643, Acts of 1999)

Recitals

The Lexington Square Project (the "Project") is proposed to include approximately 296 market rate rental units and a related structured parking facility containing approximately 650 parking spaces and related improvements to be constructed on parcels of land known as Ward 04, Section 10, Block 0620, Lots 4-51, generally bounded by West Fayette Street, North Howard Street, West Lexington Street, and Park Avenue, in the Market Center Urban Renewal Area.

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 Baltimore City real property taxes 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 Lexington Square Partners, LLC, its successors or assigns, for the Project, 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.

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, 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 Market Center Urban Renewal Area; the creation of job opportunities; the promotion of "24/7" downtown living; and 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 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 Project shall be for a period of 20 years (the "PILOT Term") after the effective date specified in the PILOT Agreement.
- (b) The negotiated payment in lieu of taxes for the Project shall be:
 - (i) for each year of the PILOT Term, the amount of the Baltimore City real property taxes based on the existing assessments on the entire property comprising the Project, or applicable component, as of July 1, 2012 (the "Base Taxes"); plus
 - (ii) for each year of the PILOT Term, a percentage of the Baltimore City real property taxes that would otherwise have resulted from the increased assessment and reassessment due to the construction of the Project or applicable components (the "Increased Taxes"), with the percentages to be as follows:

| | |
|--------------|----------------------------|
| Years 1 - 15 | 5% of the Increased Taxes |
| Year 16 | 20% of the Increased Taxes |
| Year 17 | 35% of the Increased Taxes |
| Year 18 | 50% of the Increased Taxes |
| Year 19 | 65% of the Increased Taxes |
| Year 20 | 80% of the Increased Taxes |

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

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