



Legislation Details (With Text)

**File #:** 24-0608      **Version:** 0      **Name:** Real Property Tax - Affordable and Inclusionary Housing - Mandatory Reporting

**Type:** Ordinance      **Status:** Failed - End of Term

**File created:** 10/21/2024      **In control:** Ways and Means

**On agenda:**      **Final action:** 12/4/2024

**Enactment date:**      **Enactment #:**

**Title:** Real Property Tax - Affordable and Inclusionary Housing - Mandatory Reporting  
For the purpose of requiring the Departments of Housing and Community Development and Planning to submit a joint report to the City Council prior to seeking the approval of the Board of Estimates of an agreement between the City and an owner or owners of a qualifying affordable or inclusionary housing development that provides for the payment to the City of a negotiated amount in lieu of the payment of City real property taxes for a set term of years.

**Sponsors:** President Nicholas J. Mosby

**Indexes:** Affordable Housing, Inclusionary, Real Property, Tax

**Code sections:**

**Attachments:** 1. 24-0608~1st Reader, 2. Law 24-0608, 3. DHCD 24-0608 (1) (1), 4. CHAP - 24-0608 (1), 5. DOP - 24-0608 (1), 6. BMZA 24-0608 (1), 7. Finance 24-0608, 8. WM Hearing Notes 24-0608, 9. Final Bill Synopsis\_24-0608, 10. Voting Session\_November 18th Meeting Minutes

Date	Ver.	Action By	Action	Result
11/18/2024	0	Ways and Means		
11/13/2024	0	Ways and Means	Scheduled for Voting Session	
11/12/2024	0	Ways and Means		
10/24/2024	0	Baltimore City Council	Refer to Board of Municipal and Zoning Appeals	
10/24/2024	0	Baltimore City Council	Refer to Housing Authority of Baltimore City	
10/24/2024	0	Baltimore City Council	Refer to Dept. of Planning	
10/24/2024	0	Baltimore City Council	Refer to Commission for Historical & Architectural Preservation	
10/24/2024	0	Baltimore City Council	Refer to Dept. of Finance	
10/24/2024	0	Baltimore City Council	Refer to City Solicitor	
10/24/2024	0	Baltimore City Council	Refer to Dept. of Housing and Community Development	
10/21/2024	0	Baltimore City Council	Assigned	
10/21/2024	0	Baltimore City Council	Introduced	
10/21/2024	0	Ways and Means	Scheduled for a Public Hearing	

**Explanation:** Capitals indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

\* **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: President Mosby

### A Bill Entitled

An Ordinance concerning

#### **Real Property Tax - Affordable and Inclusionary Housing - Mandatory Reporting**

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

By adding

Article 28 - Taxes  
Section 9-6(c)(6)  
Baltimore City Code  
(Edition 2000)

**Section 1. Be it ordained by the Mayor and City Council of Baltimore,** That the Laws of Baltimore City read as follows:

### **Baltimore City Code**

#### **Article 28. Taxes**

#### **Subtitle 9. Exemptions**

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

...

#### **(c) Exemption granted.**

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

- (1) the owner or owner or the owners of the project have filed an application for the exemption within the time period specified by the rules and regulations adopted under this subtitle;
- (2) the City determines that the project is a qualifying development meeting the requirements of this section;
- (3) the City determines that the exemption is necessary to offset the owner's or owners' additional costs of providing affordable units at the qualifying development
- (4) the owner or owners of the qualifying development satisfy a financial review administered by the City that includes:
  - (i) a detailed description of the project and the development budget for the project, including the identification of all sources of debt and equity financing;

- (ii) a multiyear pro forma cash flow analysis of the project detailing all incoming and outgoing cash flow including revenues, operating expenses, debt service, taxes, capital expenditures, and any other cash outlays;
  - (iii) the projected return on investment for the owner or owners;
  - (iv) the amount of potential revenue that may be lost through the provision of affordable housing; and
  - (v) any additional information specified in the rules and regulations adopted under this section; [and]
- (5) the owner or owners of the qualifying development and the City enter into an agreement, approved by the Board of Estimates, that:
- (i) provides that the owner or owners of the qualifying development must pay to the City a negotiated amount in lieu of the payment of City real property taxes;
  - (ii) specifies an amount that the owner or owners must pay to the City each year in lieu of the payment of City real property taxes during the term of the agreement that is not less than 75% of the annual property taxes that would otherwise be due to the City for the qualifying development in the initial year of the agreement; and
  - (iii) is limited to a term of not more than 10 [years.] years; and
- (6) prior to submission of an agreement to the Board of Estimates, the Department of Housing and Community Development and the Department of Planning submit a joint report to the City Council that includes:
- (i) for projects involving currently-occupied properties:
    - (A) a property inspection report of the qualifying development;
    - (B) a security plan;
    - (C) a history of calls for public safety services in the 36 months preceding the PILOT request;
    - (D) documentation of the planned accessibility improvements to units for residents with disabilities;
    - (E) a maintenance and capital project plan; and
    - (F) an analysis of any applicable sections of the Zoning Code that may impact the qualifying development; and
  - (ii) for projects involving vacant structures or new construction:
    - (A) an environmental report for the proposed site;
    - (B) a maintenance and capital project plan; and

(C) an analysis of any applicable sections of the Zoning Code that may impact the qualifying development.

**Section 2. And be it further ordained,** That this Ordinance takes effect on the 30<sup>th</sup> day after the date it is enacted.