

Written Testimony in Support of Senate Bill 756
Baltimore City – Downtown RISE District – Payment in Lieu of Taxes
Submitted by Eva Hodson
On Behalf of Trademark Properties

Chair, Vice Chair, and Members of the Committee:

My name is Eva Hodson, and I am pleased to submit this written testimony on behalf of Trademark Properties in support of Senate Bill 756. Trademark Properties is a Baltimore-based real estate investment and management company focused on the acquisition, repositioning, and long-term stewardship of commercial properties in Baltimore City. Through patient capital and long-term ownership, the company is committed to supporting the revitalization and economic stability of downtown Baltimore.

Senate Bill 756 would provide Baltimore City with an important economic development tool by authorizing the City to enter payment-in-lieu-of-taxes, or PILOT, agreements for economic development projects within the Downtown RISE District. This type of public-private partnership mechanism is widely used across the country to help catalyze redevelopment in urban cores that are experiencing economic transition. The legislation recognizes a simple but important reality: revitalizing older downtown properties is often significantly more expensive and complex than constructing new buildings elsewhere, particularly when properties must be modernized to meet the expectations of today's tenants and residents.

Downtown Baltimore, like many urban centers across the country, is navigating structural changes in office demand, retail patterns, and investment flows following the pandemic. As a result, many buildings require significant capital investment to reposition them for new uses, attract tenants, and remain competitive with newer suburban or mixed-use developments. These investments can include modernization of building systems, reconfiguration of floor plans, improvements to public spaces, and other upgrades necessary to make older buildings viable in the current market.

Tools such as PILOT agreements can be critical in helping make these reinvestments feasible. By providing predictability in operating costs during the early years of redevelopment, PILOTs help close financing gaps and allow private capital to be deployed into projects that might otherwise be delayed or abandoned. When used appropriately, these agreements can accelerate redevelopment, stabilize underutilized properties, attract new businesses and residents, and ultimately strengthen the long-term tax base of the city.

Trademark Properties strongly supports the intent of SB 756 because it recognizes the need for targeted tools that encourage investment in downtown Baltimore. Companies like Trademark are actively working to stabilize and improve properties in the downtown core, often acquiring buildings that require substantial reinvestment in order to reposition them for long-term success. These investments are not short-term plays; they represent a long-term commitment to Baltimore's future.

In addition to its investment activity, Trademark Properties is deeply engaged in the broader downtown community. I serve on the board of the Market Center Community Development Corporation, an organization dedicated to supporting economic development, revitalization, and placemaking initiatives in downtown Baltimore. The work of organizations like this reflects the collaborative effort required to strengthen downtown and ensure that the area remains an active, vibrant center for business, culture, and residential life.

While Trademark strongly supports SB 756, we respectfully note that the bill appears primarily designed to encourage new development or redevelopment projects that have not yet begun. To the extent that the bill does not allow existing investments within the Downtown RISE District to apply for a PILOT agreement, we encourage the Committee to consider a modest amendment clarifying that such properties may also be eligible to apply.

This clarification is important because many property owners in downtown Baltimore have already committed significant capital to acquiring and repositioning properties in the district. These investments were made during a period of considerable uncertainty for downtown real estate markets, particularly for office properties. Early investors who stepped forward during this challenging time played an important role in stabilizing the market and preventing further deterioration of key downtown assets.

Allowing existing properties that have already undertaken or are undertaking major reinvestment to apply for a PILOT would ensure that these investors are not placed at a disadvantage relative to future development opportunities. It would also provide Baltimore City with greater flexibility to support projects that are already contributing to the stabilization and revitalization of the district.

Importantly, allowing existing investments to apply for a PILOT would not create an automatic tax benefit or reduce the City's oversight. Baltimore City would retain full discretion to evaluate each proposal, determine whether the incentive is justified, and negotiate appropriate terms. The City would remain responsible for ensuring that any agreement produces meaningful economic benefits and supports the broader goals of downtown revitalization.

Rather than expanding incentives indiscriminately, this amendment would simply ensure that the City has the flexibility to support reinvestment wherever it is most needed within the district—whether that involves a new redevelopment project or the repositioning of an existing property that is already undergoing substantial improvement.

Downtown Baltimore is at a critical juncture. The challenges facing urban office and commercial districts are real, but they also present an opportunity to rethink how these spaces are used and to attract new forms of investment and activity. Strategic tools like those provided in SB 756 can help catalyze that transformation by encouraging private capital to reinvest in existing buildings, activate street-level retail, attract new tenants and residents, and restore momentum in the city's core.

Private investment will play a central role in this process. Companies like Trademark Properties are committed to being long-term partners in the revitalization of downtown

Baltimore. Policies that provide flexibility and encourage reinvestment can help ensure that these efforts succeed.

For these reasons, Trademark Properties respectfully urges the Committee to issue a favorable report on Senate Bill 756. We also encourage the Committee to consider clarifying that existing investments within the Downtown RISE District may apply for a PILOT agreement where appropriate. Providing this flexibility will help ensure that the legislation supports both new development and the reinvestment that is already underway in downtown Baltimore.

Thank you for your consideration of this legislation and for your continued work to support the economic future of Baltimore City.

Please feel free to contact me through our government relations consultant in Annapolis, Tom Coale – tom@perryjacobson.com