

SB756_FAV_MHLA.pdf

Uploaded by: Amy Rohrer

Position: FAV

SB 756

Baltimore City - Economic Development Project in Downtown RISE District - Payment in Lieu of Taxes

Budget and Taxation Committee

March 3, 2026

Position: SUPPORT

*MHLA is the sole statewide organization dedicated to advocacy on behalf of Maryland's lodging industry. Our industry is a powerful economic engine - **765 hotels** support more than **115,000 jobs** statewide, generate **\$7.2 billion in wages and salaries**, contribute **\$2.4 billion in state and local tax revenue**, and drive **\$10.6 billion in guest spending** that strengthens communities across Maryland.*

On behalf of Maryland's hospitality industry, **MHLA urges support for Senate Bill 756.**

SB 756 provides Baltimore City with a critical economic development tool by authorizing payment-in-lieu-of-taxes (PILOT) agreements for qualifying projects in the Downtown RISE District. This legislation will **catalyze new investment** in hotels, mixed-use, residential, retail, and office developments **in the urban core—an area vital to Maryland's tourism economy and statewide competitiveness.**

We strongly support this bill because it **creates meaningful incentives for developers to revitalize downtown Baltimore.** Large-scale projects, especially hotels and mixed-use properties, require significant upfront capital and long investment horizons. A **predictable and flexible PILOT structure reduces early-stage financial barriers, making it more feasible for developers to advance projects that might otherwise stall.** These incentives are essential to attracting private capital and encouraging the rehabilitation of underused or aging properties.

Hotels serve as proven anchors of economic revitalization. **New or renovated hotels generate immediate construction jobs, long-term hospitality employment, increased visitor spending at local businesses, and more state and local tax revenue.** When developers invest in improvements, the surrounding neighborhood gains increased activity, safety, and economic momentum.

SB 756 offers a voluntary, negotiated PILOT framework that provides predictability for developers while ensuring the City continues to receive revenue. **By reducing upfront tax burdens during critical development and stabilization phases, this bill encourages investment that may otherwise not occur—especially as Baltimore City hotels remain in recovery post-pandemic.**

Importantly, **the bill maintains transparency with required reporting to the City Council and General Assembly,** ensuring accountability and measurable economic results. This balance of flexibility and oversight **makes SB 756 a responsible, forward-looking policy.**

Baltimore's downtown must remain competitive with peer cities that already use similar economic development incentives. Without comparable tools, Maryland risks losing major hospitality and mixed-use projects to other jurisdictions offering more favorable tax structures.

This legislation will stimulate private investment, incentivize revitalization and property improvements, create jobs, expand and strengthen the long-term tax base, and reinforce Baltimore’s position as a destination for tourism, conventions, and business.

For these reasons, **we urge the Committee to issue a favorable report for SB 756.**

For more information, please contact:

Amy Rohrer, President & CEO
Maryland Hotel Lodging Association
amy@MDLodging.org

SB0756-BT-FAV.pdf

Uploaded by: Brandon Scott

Position: FAV



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB0756/ HB1232

March 3, 2026

TO: Members of the Senate Budget & Taxation Committee

FROM: Brandon M. Scott, Mayor, City of Baltimore

RE: Senate Bill 756: Baltimore City – Economic Development Project in Downtown RISE District – Payment in Lieu of Taxes

POSITION: Favorable

Chair Guzzone, Vice Chair Rosapepe, and members of the Committee, I write to express my **support** for Senate Bill (SB) 756.

SB 756 would establish a set of parameters through which property owners could apply to enter into payment in lieu of taxes (PILOT) agreements with the City of Baltimore. The boundaries for eligible properties are set to exist within the Downtown RISE area which was outlined in last year's Downtown RISE master plan, which was developed at my request by members of my administration, with the support of Downtown Partnership, Governor Moore and his administration, and community members.¹

This legislation addresses an urgent and growing challenge in the heart of our city, as commercial real estate prices approach a steep cliff. In the most recent reassessment cycle, Downtown properties lost more than \$326 million in value, with a single building on Redwood Street losing 70% of its assessed value. In recent years, we've heard directly from developers who own vacant lots and properties, who say that, as it stands, it is not worth it for them to redevelop those spaces.

To be clear: when Downtown Baltimore loses nearly \$12 million a year in property tax revenue, that money doesn't just disappear from a "Downtown budget." It disappears from the same General Fund that pays for rec centers in Cherry Hill, trash pickup in Belair-Edison, and after-school programs in Park Heights.

SB 756 is the first piece of legislation produced as a result of the Downtown RISE master plan and will infuse the downtown area with investment at this pivotal moment. The Baltimore Development Corporation has produced an analysis that supports the use of PILOT agreements in

¹ <https://www.downtownbaltimore-rise.com/pdf/DowntownRiseMasterplan.pdf>

the downtown area as a mutually beneficial way to draw investment into the area without reducing overall revenue to the City.

PILOT agreements provide mutual benefit to the City and investors alike by allowing the City to negotiate the terms on high-dollar projects to ensure that only the minimal subsidy required for the development is granted, while at the same time recognizing the risk and investment required to make much-needed improvements for these projects. For each dollar of property taxes that Baltimore foregoes through a PILOT, the City stands to receive more than a dollar in return for these improved properties through income taxes, sales tax, hotel occupancy tax, and other revenue streams.

PILOT agreements have proven successful in cities across the country, and recent agreements in Baltimore have also provided a net economic benefit to the City. While this is an entirely Baltimore-driven effort, our city needs state-enabling authority to deploy PILOT agreements. This authority has been granted to other cities, including Pittsburgh and Philadelphia, and has been granted by the Maryland General Assembly on a smaller scale, with strong success.

Baltimore deserves the same ability to compete for investment and build the stronger, more vibrant Downtown we know is possible.

For these reasons, I respectfully request a **favorable** report on SB 756.

SB 756 - National Aquarium - Downtown RISE PILOT.p

Uploaded by: Jennifer Driban

Position: FAV



NATIONAL AQUARIUM®

Date: March 3, 2026

Bill: SB 756 - Baltimore City - Economic Development Project in Downtown RISE District - Payment in Lieu of Taxes

Position: Support

Chair Guzzone and Members of the Committee:

The National Aquarium respectfully requests a favorable report for SB 756 - Baltimore City - Economic Development Project in Downtown RISE District - Payment in Lieu of Taxes. This legislation would help provide a predictable, targeted incentive structure designed to stabilize property values and catalyze redevelopment in downtown Baltimore. It represents a key component of a broader strategy, aligned with the Downtown RISE Master Plan, to help downtown Baltimore reach its full potential, benefiting communities across the city and state.

Downtown Baltimore serves as Maryland's iconic front porch—welcoming national and international visitors and generating economic benefits statewide. Located in the heart of downtown, the National Aquarium welcomes 1.2 million guests annually, more than 70% of whom travel from outside Maryland, bringing new dollars into the state's economy. As the top paid attraction in the state, the National Aquarium generates \$430 million in annual economic activity, \$36 million in tax revenue, and supports 3,400 jobs statewide.

As businesses and properties in downtown Baltimore have closed, attracting visitors has become increasingly challenging. More than 90% of National Aquarium guests surveyed report that visiting the Aquarium is their primary reason for traveling to Baltimore. These guests expect a safe, welcoming atmosphere with nearby amenities to enjoy before and after their visit. Encouraging office-to-residential and mixed-use redevelopment will help create the atmosphere and amenities that enhance visitor experiences and extend their time downtown—ultimately increasing spending and supporting the broader economy.

More than 40 years after the initial renaissance of downtown Baltimore, we are at a critical inflection point shaped by aging infrastructure and post-pandemic market shifts. The continued success of anchor institutions like the National Aquarium depends on a vibrant, family-friendly downtown environment. While SB 756 will not address every challenge, it is an essential component of a comprehensive strategy to reinvest in and reimagine the future of downtown Baltimore. Without timely action, the decline in downtown property utilization will continue to undermine the city's economic trajectory. **We respectfully urge the Committee to issue a favorable report on SB 756.**

Contact:

Ryan Fredriksson

VP, Government Affairs

410-385-8276

rfredriksson@aqua.org

GBC Favorable - SB756 - PILOT.pdf

Uploaded by: Jennifer Vey

Position: FAV



POSITION STATEMENT

February 27, 2026

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: *Letter of Support – Senate Bill 756 – Baltimore City - Economic Development Project in Downtown RISE District - Payment in Lieu of Taxes*

Dear Chair Guzzone and Committee Members:

The Greater Baltimore Committee supports Senate Bill 756, authorizing a property tax exemption (Payment in Lieu of Taxes, or PILOT) for pivotal downtown Baltimore economic development projects.

As the leading voice for the private sector, GBC represents more than 300 partners working to advance a dynamic and inclusive regional economy. A thriving, investable downtown is essential to fulfilling that mission.

But downtown is at an inflection point—facing real fiscal risk and the potential for irreparable decline. Across 17 marquee downtown properties, the City has already experienced \$647.6 million in property value losses, resulting in \$11.8 million in annual property tax revenue reductions and nearly 1.7 million square feet of vacant or at-risk office space. The market continues to show signs of distress: foreclosures and auctions have become commonplace and, anecdotally, major institutional owners are signaling they may return properties to lenders rather than reinvest. Without intervention, Baltimore is projected to lose an additional \$5–10 million annually in property tax revenue over the next three years.

The economic significance of Downtown Baltimore is difficult to overstate. As of 2025, downtown accounts for one out of every 12 jobs in the city. Only one census tract in the entire Baltimore region surpasses the 33,665-job density of the downtown corridor, where approximately 50 percent of the workforce is concentrated in knowledge-economy sectors.

Even amid broader economic headwinds, downtown remains a vibrant, diverse place where people choose to live. But that demand, too, will falter without investment. Office-to-residential and mixed-use conversions are among the most complex and capital-intensive redevelopment efforts; high construction costs, financing constraints, and elevated risk profiles often require tools like PILOTs to achieve financial feasibility. And projects like the revitalization of Harborplace, critical to attracting residents and visitors and to generating economic activity downtown, can't advance without this and other public financing tools. We know this approach can succeed: In Harbor East, properties now contribute more than \$4 million annually in property taxes following the expiration of their PILOT agreements.

This program includes rigorous safeguards. PILOTs are time-limited, and the Baltimore Development Corporation must conduct comprehensive economic and fiscal impact analyses for each project.

Transparency is ensured through annual reporting to both the City Council and the General Assembly. Eligibility is strictly defined by clear criteria, ensuring the process is structured and not open-ended. To provide the necessary legal clarity and durability, the State needs to enable this authority.

As we navigate a shifting federal landscape and broader economic challenges, Maryland must prioritize growth-oriented policies that position the Baltimore region for sustained success. Accordingly, the Greater Baltimore Committee respectfully requests a favorable report on Senate Bill 756.

We appreciate your continued leadership and remain committed to strengthening Maryland's economic resilience and global competitiveness.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer S. Vey". The signature is fluid and cursive, with the first name "Jennifer" and the last name "Vey" being more prominent than the middle initial "S.".

Jennifer Vey
Chief Strategy Officer, EVP
Greater Baltimore Committee

SB0756 Budget and Tax - Favorable 022626.pdf

Uploaded by: Mac Campbell

Position: FAV

February 25, 2026

TO: Chairman Senator Guzzone and Committee Members
FROM: Mac Campbell, CVE, Executive Director, Baltimore Convention Center
RE: Senate Bill 0756 – Baltimore City – Downtown Payment in Lieu of Taxes District
POSITION: SUPPORT

Dear Chairman Guzzone, Vice Chair Rosapepe, and Members of the Delegation:

The Baltimore Convention Center supports Senate Bill 0756, authorizing a Payment in Lieu of Taxes (PILOT) agreement for qualifying economic development projects within the Downtown RISE District. This legislation provides a meaningful incentive to stimulate redevelopment and attract new private investment to the heart of our city.

Downtown vibrancy and convention center success are inseparable. When surrounding properties sit vacant and businesses close — including hotels and restaurants — the effects are felt immediately in our industry. Over the past decade, downtown has experienced a decline of more than \$647.6 million in property value, \$11.8 million in annual property tax revenue, and nearly two million square feet of vacant or at-risk office space. That last figure is especially consequential for meetings and conventions. Office workers and nearby businesses generate the foot traffic that sustains restaurants, retail, and attractions, while also creating the energy and vitality that planners look for when evaluating a host city. During that same period, downtown has lost critical hotel properties — more than 10 percent of its total key inventory — and hotel renovations have slowed significantly.

These assets are not optional; they are often determining factors in whether planners choose Baltimore. We sell “tomorrow” every day — responding to RFPs and hosting site visits for events scheduled as far out as 2041. Too often, what visitors see raises questions about the trajectory of our downtown rather than confidence in its future.

A strong convention center depends on a strong downtown. In the past year alone, the Baltimore Convention Center supported more than 1,700 jobs and generated over \$14 million in state tax revenue and more than \$5 million in city tax revenue, not including the millions more spent directly by visitors on hotels, dining, transportation, and entertainment throughout Baltimore.

At the same time, competition has intensified. Meeting planners are gravitating toward cities that have paired capital investment with effective financial incentive programs. Cities such as Pittsburgh and Nashville have leveraged these tools to accelerate surrounding development and infrastructure growth, making them increasingly competitive for large-scale events.

Without proactive steps to address downtown’s real estate challenges and catalyze new investment, we risk losing future business. Senate Bill 0756 offers a strategic mechanism to drive redevelopment, strengthen the downtown environment, and protect and grow Maryland’s tourism economy.

Sincerely,



Mac Campbell, CVE
Executive Director



SB756 Baltimore City - Economic Development Projec

Uploaded by: Senior VP Jim Hughes

Position: FAV

**SB 756 – Baltimore City – Economic Development Project in Downtown RISE
District – Payment in Lieu of Taxes**

February 27, 2026

Chair Washington and Members of the Baltimore City Senate Delegation:

Thank you for the opportunity to submit testimony on behalf of the University of Maryland, Baltimore (UMB) in support of SB 756, establishing a Payment in Lieu of Taxes (PILOT) mechanism for economic development projects located in Baltimore City's Downtown RISE District. As Maryland's public academic health university and a major anchor institution in Downtown and West Baltimore, UMB strongly supports this legislation and the larger strategy it advances to stabilize and revitalize the city's core.

According to the Baltimore Development Corporation (BDC), 17 major downtown properties have already lost \$647.6 million in value, eroding \$11.8 million in annual property tax revenue, with nearly 1.7 million square feet of office space sitting vacant or at risk. This crisis is not cyclical - BDC describes it as a fundamental market shift driven by nationwide changes in workplace behavior and long-term declines in demand for traditional Downtown office space. Without targeted intervention, Baltimore is projected to lose an additional \$5–10 million annually in property tax revenue over the next three years.

SB 756 and the Downtown RISE PILOT program offer a clear, evidence-based response to this challenge. As outlined by BDC, the PILOT framework provides the predictability necessary to catalyze conversions of obsolete office buildings into mixed-use and residential spaces, attract private capital, and stabilize the city's fragile tax base. Other cities - including Pittsburgh, Calgary, Detroit, and Philadelphia - have successfully used comparable incentives to reverse vacancy spirals and restore economic vitality to their downtown districts.

As an anchor institution that employs more than 8,000 individuals, educates over 7,000 students, and invests deeply in community partnerships throughout West

Baltimore, UMB has a direct stake in the health of the Downtown economy. A stable, vibrant, and growing Downtown is essential to our mission, our workforce, our students, and the residents we serve. For decades, UMB has worked closely with neighborhood partners, city leaders, and state officials to strengthen the Westside, the MLK corridor, and the broader Downtown ecosystem.

This legislation is especially timely given UMB's recently announced Vibrancy Initiative, a university-driven development strategy aimed at reactivating vacant parcels, expanding ground-floor commercial activity, supporting small businesses, and strengthening the corridors connecting Downtown and West Baltimore. Many of these projects will benefit directly from a healthier, more competitive real estate environment in the RISE District. By stabilizing surrounding properties, the Downtown RISE PILOT will improve feasibility for UMB-aligned development, attract complementary investment, and enhance the vibrancy and safety of areas where our students, employees, and community members walk, work, and interact daily. Revitalization of the RISE District strengthens the economic foundation for the entire Westside - an area where UMB has long partnered on redevelopment efforts, health initiatives, community engagement programs, and public safety improvements.

As BDC's analysis makes clear, the cost of inaction is substantial: declining assessments, shrinking tax revenues, and deterioration of the city's ability to deliver services across all neighborhoods. The PILOT program is carefully structured with accountability mechanisms, annual reporting, and project-specific fiscal analysis to ensure responsible and transparent implementation.

In short, SB 756 offers Baltimore the tools required to respond to a rapidly changing market, protect the city's long-term fiscal health, and ensure Downtown Baltimore remains a competitive and attractive place to live, work, invest, and study. As an anchor institution deeply invested in the future of the city, UMB is committed to supporting the success of the RISE District and stands ready to partner with the State, City, and BDC on implementation.

Thank you for your consideration and for your continued commitment to Baltimore's economic future. UMB respectfully urges a favorable report on SB 756.

SB756 Testimony.pdf

Uploaded by: Zyare Hill

Position: FAV

CORY V. MCCRAY
Legislative District 45
Baltimore City



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Budget and Taxation Committee
Capital Budget Subcommittee
Health and Human Services Subcommittee

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes On Senate Bill 0756

**Bill Title: – Economic Development Project in Downtown RISE District – Payment in Lieu of Taxes
Committee: Budget and Taxation Committee**

Hearing Date: March 3rd, 2026

Dear Chair and Honorable Members of the Committee,

I respectfully submit this testimony in strong support of Senate Bill 756, legislation that strengthens economic revitalization efforts in Downtown Baltimore City.

Senate Bill 756 authorizes Baltimore City to enter Payment in Lieu of Taxes (PILOT) agreements for qualifying economic development projects located within the Downtown RISE District. Eligible projects include newly constructed or rehabilitated commercial, multifamily residential, mixed-use, hotel, office, and retail developments.

The bill ensures accountability by requiring an economic analysis demonstrating the financial necessity of the tax exemption and mandating annual reporting on job creation, tax revenue generated, and other economic benefits. Projects must also meet defined application and financing milestones to qualify.

Providing a structured and transparent incentive tool, this legislation helps attract private investment, stimulate job growth, increase long-term tax revenues, and accelerate revitalization in key areas of downtown Baltimore. Strategic PILOT agreements can help address vacancies, encourage redevelopment, and strengthen the City's economic base.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Cory V. McCray'.

Cory V. McCray
45th District

SB 756 - Trademark.pdf

Uploaded by: Tom Coale

Position: FWA

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

HB 1232_SB 756_AFSCME3_UNF.pdf

Uploaded by: Denise Gilmore

Position: UNF



1410 Bush Street (Suite A)
Baltimore, MD 21230
Phone: 410-547-1515
Email: info@afscmemd.org

Patrick Moran – President

**HB 1232/SB 756 – Baltimore City Economic Development Project in Downtown
RISE District – Payment in Lieu of Taxes**

**Ways and Means Committee
Budget and Taxation Committee**

March 3, 2026

Position: UNFAVORABLE

AFSCME Maryland Council 3 represents 55,000 public servants across varying levels of government, including in the City of Baltimore and Baltimore City Public Schools. As introduced, this legislation would exempt an economic development project located in the Baltimore City Downtown RISE District from paying Baltimore City real property tax under certain circumstances, authorizing instead a payment in lieu of taxes (PILOT) agreement.

We support economic development downtown, as well as across Baltimore City and want to see thriving neighborhoods from Curtis Bay to Hamilton and everywhere in between.

As written, we have several concerns with this legislation:

1. Property taxes fund city services. These economic development projects, while they may be exempt from paying the full amount city property taxes, still rely on city services. This shifts the burden of paying for those services onto other Baltimore City residents. The ten-year assessment requirement should be significantly reduced, with yearly optional renewals to ensure taxpayers get the best deal and aren't locked into extended upside-down agreements where profitable enterprises take more out-city services than they are paying for them.
2. There are no labor standards in this legislation. Public tax dollars used to incentivize economic development should come with the premise that they will support good union jobs.

For these reasons we urge an unfavorable report. Thank you.

SB 756- Unfavorable.pdf

Uploaded by: Tracy Lingo

Position: UNF



SB 756- Baltimore City- Economic Development Project in Downtown RISE District- Payment
in Lieu of Taxes
Budget and Taxation
March 3, 2026
Unfavorable
Tracy Lingo, President, UNITE HERE Local 7

Chairman Guzzone and members of the Committee, thank you for the opportunity to submit testimony in opposition to Senate Bill 756. Our Union represents 3000 hospitality workers throughout Maryland. Our members work at the Baltimore Convention Center, the Hyatt Regency on Light Street, M&T Bank and Camden Yards stadiums, the Baltimore Hilton, the Baltimore Waterfront Marriott and the concessions program at BWI Thurgood Marshall Airport. Our members care deeply about development in downtown Baltimore and the state of our hospitality industry. We support smart, targeted, development that makes our city a walkable, vibrant hospitality hub. Our members are predominantly Baltimore residents who depend on the city services provided by our Public Employee Union siblings. Our members children, like my own children, go to Baltimore City Schools. We swim in Park and Recs pools and depend on DPW employees to pick up our trash, fix our roads and clear the snow so we can get to work.

Historically in the hospitality industry, PILOT projects, like the PILOT that allowed the Baltimore Waterfront Marriott to pay \$1 a year in lieu of property tax for twenty years, have decimated the city's tax revenue. This contributes to the need to charge higher property taxes to home owners and to reduced matching funds from the state for our schools. Like this proposed bill, those tax breaks to private developers were given without enforceable provisions to ensure that job creation promises were kept or that the jobs created were living wage jobs that would employ city residents. As a result, many of the jobs created in these publicly funded projects created low wage jobs. When city residents who worked at the Baltimore Marriott Waterfront took measures into their own hands to make sure that jobs would be good living wage, Union jobs, the city had to endure a multiyear, international, labor dispute when the Marriott chose to oppose workers efforts to exercise their right to organize a Union and later their efforts to bargain a fair contract.

We do not believe that future development should come at the expense of services for city residents, particularly without enforceable and transparent mechanisms to ensure that development benefits all Baltimore residents and does not reduce revenue for public services.

We ask you to oppose HB 1232 unless it is amended to include enforceable provisions around job creation, protections for tax payers' interests and mechanisms to ensure that it does not result in a net loss of revenue for the city.