

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2025, Legislative Day No. 13

Resolution No. 38-25

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Mr. Michael Ertel, Chairman  
By Request of County Executive

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By the County Council, August 4, 2025

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A RESOLUTION of the Baltimore County Council to authorize the County Executive or other authorized administrative official to enter into a written agreement on behalf of the County with Towson Owner, LLC (the “Owner”) for the payment of stipulated amounts in lieu of regular real property taxes in order to facilitate the development of a rental housing project to benefit eligible persons in Baltimore County.

WHEREAS, it is in the best interest of the citizens of Baltimore County to encourage and facilitate the development of family rental housing for eligible households; and

WHEREAS, the Owner has acquired a parcel of land located at 6906 Donachie Road, Baltimore, Baltimore County, Maryland 21239 (tax ID #s 0907411257, 0907411258, 0907411259, 0916602670, 0916602671, 0916602672, 0916602673, 0916602675, 0916602676, and 1600002424) (the “Property”), improved by a 828-unit rental housing development thereon, of which 267 units will be for households whose incomes do not exceed 80% of the median income for the Baltimore metropolitan area (“AMI”), 133 units will be for households whose incomes do not exceed 60% of AMI, and 14 units will be for households whose incomes do not exceed 30% of AMI (the “Project”); and

WHEREAS, the Owner intends to operate the Project pursuant to a Declaration of Covenants to be entered into between the Owner and the County and recorded among the Land

Records of Baltimore County (the “Declaration”); and

WHEREAS, Section 7-506.1, Tax Property Article of the Annotated Code of Maryland provides for a real property tax exemption under certain circumstances, provided that the County and the Owner enter into a written agreement for the payment of a negotiated amount in lieu of the applicable real property tax; now therefore

BE IT RESOLVED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND that, pursuant to said State statute, it is determined that the Property shall be exempt from real property taxes for the term specified herein; and

BE IT FURTHER RESOLVED, that the County Executive or other authorized administrative official is hereby authorized to enter into a written agreement (the “Agreement”) with the Owner on behalf of the County to make the following payments to the County in lieu of paying regular real property taxes:

(a) The Agreement shall be effective from July 1, 2025 (the “Effective Date”) and shall remain effective until the Termination Date (as defined below). The payments to be made by the Owner to the County provided herein with respect to the Property shall be in lieu of all ordinary Baltimore County real property taxes on real property under the Tax-Property Article of the Annotated Code of Maryland (2001 Replacement Volume), as amended. Such payments shall be made by the Owner and shall be accepted by the County until the earlier of:

(i) termination of the Declaration of Covenants prior to its stated expiration date in (vi) below, or

(ii) a change in the use of a portion of the Project for the provision of rental housing for low-income households and related facilities, or

(iii) failure of the Owner to comply in all other respects with the conditions of Section 7-506.1, *supra*, or

(iv) default by the Owner under the terms of this Agreement, or

(v) sale or refinance of the Property such that it would no longer be subject to the Declaration of Covenants, or

(vi) June 30, 2045 (the “Termination Date”).

Notwithstanding the foregoing, if the Owner is not otherwise in default under the terms hereof, the Owner may request an extension of the date set forth in (vi) above for an additional period of up to twenty (20) years (the “Extension Period”). Such request shall be made no earlier than July 1, 2043. The County reserves the right to agree to or reject the extension in its sole and absolute discretion. In the event the County agrees to the extension, the Termination Date shall be extended to the last day of the calendar year of the last year of the Extension Period. If the original term extends beyond June 30, 2045, however, the Extension Period would be reduced commensurately, so that in no event shall the Extension Period extend beyond June 30, 2065 (the “Extension Termination Date”).

(b) The Base Assessment Year for the Property during years 1 through 20 of this Agreement shall be deemed to be 2025. Commencing on the Effective Date, the Owner shall make annual payments (the “Tax Payment”) in arrears at the end of each calendar year. For the first year, the Tax Payment shall be Three Hundred Thirteen Thousand Three Hundred Seventy Dollars (\$313,370.00) based on the 2025 assessment.

(c) The Tax Payment shall increase by three percent (3%) annually during years 2 through 5. Beginning in year 6 through the Termination Date, the Tax Payment shall increase by four percent (4%) annually.

(d) Upon the Termination Date, this Agreement shall expire and the Owner shall thereafter pay all real property taxes in full when due; provided, however, if the Owner requests and the County consents to extend this Agreement, the Base Assessment Year shall be deemed to be 2045, and the tax payment for the first year of the Extension Period shall be twenty five percent (25%) of the ordinary Baltimore County real property taxes based on the 2045 assessment (the “Extension Tax Payment”). The Extension Tax Payment shall increase by three percent (3%) annually during years 2 through 5 of the Extension Period. Beginning in year 6 through the Extension Termination Date, the Extension Tax Payment shall increase by four percent (4%) annually. Upon the Extension Termination Date, this Agreement shall expire and the Owner shall thereafter pay all real property taxes in full when due.

(e) At no time shall the Owner be required to pay more than the full amount of taxes based on the Property’s then current assessment.

(f) (i) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above within the first five (5) years of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(ii) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the sixth (6th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for years 2 through 5 under this Agreement and the amount of full real estate taxes which would have

otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(iii) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the seventh (7th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for years 4 through 6 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(iv) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the eighth (8th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for years 6 and 7, under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(v) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the ninth (9th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for years 7 and 8, under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(vi) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the tenth (10th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for years

8 and 9, under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(vii) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the eleventh (11th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for year 10 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(viii) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the twelfth (12th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for year 11 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(iv) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the thirteenth (13th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for year 12 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(x) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the fourteenth (14th) year of this Agreement, the difference

between the amount of stipulated payments in lieu of taxes remitted to the County for year 13 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(xi) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in the fifteenth (15th) year of this Agreement, the difference between the amount of stipulated payments in lieu of taxes remitted to the County for year 14 under this Agreement and the amount of full real estate taxes which would have otherwise been paid based on the assessed value of the Property, shall be repaid, and this Agreement will terminate.

(xii) In the event of the occurrence of any of the events listed in items (i) through (v) of Paragraph (a) above in sixteenth (16th) year of this Agreement or beyond, no repayment shall be required; and

BE IT FURTHER RESOLVED, that this Resolution shall obligate the Owner to submit financial statements annually to the Baltimore County Office of Budget and Finance and the Department of Planning within ninety (90) days of the close of the Owner's fiscal year; and

BE IT FURTHER RESOLVED that this Resolution shall take effect from the date of its passage by the County Council.