

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

Resolution No. 39-25

Mr. Michael Ertel, Chairman
By Request of County Executive

By the County Council, August 4, 2025

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 Holiday Heights MD TC LP (the “Current 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 households in Baltimore County.

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

WHEREAS, the Current Owner owns a parcel of land located at 2926 Lakebrook Circle, Lansdowne, MD, Baltimore County (the “Property”), improved by three hundred three (303) units of rental housing thereon; 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 Current Owner enter into a written agreement for the payment of a negotiated amount in lieu of the applicable real property tax; and

WHEREAS, Circle Terrace Associates, Limited Partnership (the “Prior Owner”) and the County entered into a Payment In Lieu of Taxes Agreement dated July 1, 1990 (the “Original PILOT”); and

WHEREAS, the Current Owner plans to refinance the debt on the Property and the Current Owner and the County desire to enter into a new PILOT; 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 Current Owner on behalf of the County to make the following payments to the County in lieu of paying regular real property taxes:

(a) This Agreement shall be effective from July 1, 2025 (the “Effective Date”) and shall remain effective until the Termination Date (hereinafter defined). The payments to be made by the Current Owner to the County 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 Current Owner and shall be accepted by the County until the earlier of:

(i) a termination of the Declaration of Covenants prior to the expiration date in (vii) below,

(ii) a change in the use of the Project for the provision of rental housing for eligible households and related facilities,

(iii) sale or other transfer of the Property by the Current Owner without the prior written consent of the County,

(iv) failure of the Current Owner to comply in all other respects with the

conditions of Section 7-506.1, *supra*,

(v) default by the Current Owner under the terms of this Agreement,

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

(vii) June 30, 2035 (the "Termination Date").

(b) Commencing on the Effective Date, the Current Owner shall make annual payments (the "Tax Payment") in arrears at the end of each calendar year. The Tax Payment shall be made prior to payment of any debt service on the Property. For the first year, the Tax Payment shall be Three Hundred Dollars and No Cents (\$300.00) per unit.

(c) The Tax Payment shall increase by three percent (3%) annually, for years 2 through 5 of the PILOT (four percent (4%) if the Property is transferred or sold subject to the Declaration). In year 6, the Tax Payment shall increase to Four Hundred Dollars and No Cents (\$400.00) per unit, with an annual escalation of three percent (3%) (four percent (4%) if the Property is transferred or sold subject to the Declaration) for years 7 through 10 of the PILOT.

(d) Upon the Termination Date, the Agreement for stipulated payments in lieu of real property taxes shall expire, and the Current Owner shall thereafter pay all real property taxes in full when due.

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

(f) 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 upon

the occurrence of any of the events listed in items (i) through (vi) of Paragraph (a) above prior to the expiration date set forth in Paragraph (a)(vii); and

BE IT FURTHER RESOLVED, that this Resolution shall obligate the Current Owner to submit audited financial statements annually to the Baltimore County Office of Budget and Finance and the Baltimore County Department of Housing and Community Development within ninety (90) days of the close of the Current 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.