

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2025, Legislative Day No. 18

Resolution No. 56-25

Mr. Michael Ertel, Chair
By Request of County Executive

By the County Council, November 3, 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 LRO Apartments Four LLC (the “Future 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 Future Owner is acquiring a parcel of land located at 8712 Loch Raven Boulevard in Towson, Baltimore County (the “Property”), on which the Future Owner will construct and operate seventy-two (72) units of rental housing (the “Units”) thereon; and

WHEREAS, the Future Owner intends to operate the Property as rental housing for eligible residents (the “Project”) pursuant to a Declaration of Covenants to be entered into between the Future 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 Future 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 Future 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, 2026 (the “Effective Date”) and shall remain effective until the Termination Date (hereinafter defined). The payments to be made by the Future 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 Future Owner and shall be accepted by the County until the earlier of:

- (i) a termination of the Declaration prior to June 30, 2046,
- (ii) a change in the use of the Project for the provision of rental housing for eligible households and related facilities,
- (iii) a sale or other transfer of the Property by the Future Owner without the prior written consent of the County (said consent not to be unreasonably withheld),
- (iv) a failure of the Future Owner to comply in all other respects with the conditions of Section 7-506.1, *supra*,
- (v) a default by the Future Owner under the terms of this Agreement,
- (vi) a refinance of any loans related to the Property such that it would no longer be

subject to the Declaration, or

(vii) June 30, 2046 (the “Termination Date”).

(b) Commencing on the Effective Date, the Future 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.

(i) The Tax Payment shall increase by three percent (3%) annually for years 2-5 of the PILOT, provided, however, if the Property is transferred or sold subject to the Declaration of Covenants and this Agreement, the Tax Payment shall increase by four percent (4%) annually.

(ii) The Tax Payment for year 6 shall be Four Hundred Dollars and No Cents (\$400.00) per unit.

(iii) The Tax Payment shall increase by three percent (3%) annually for years 7-10 of the PILOT, provided, however, if the Property is transferred or sold subject to the Declaration of Covenants and this Agreement, the Tax Payment shall increase by four percent (4%) annually.

(iv) The Tax Payment for year 11 shall be Five Hundred Dollars and No Cents (\$500.00) per unit.

(v) The Tax Payment shall increase by three percent (3%) annually for years 12-15 of the PILOT, provided, however, if the Property is transferred or sold subject to the Declaration of Covenants and this Agreement, the Tax Payment shall increase by four percent (4%) annually.

(vi) The Tax Payment for year 16 shall be Six Hundred Dollars and No Cents (\$600.00) per unit.

(vii) The Tax Payment shall increase by three percent (3%) annually for years 17-20 of the PILOT, provided, however, if the Property is transferred or sold subject to the Declaration

of Covenants and this Agreement, the Tax Payment shall increase by four percent (4%) annually.

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

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

(e) 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) prior to the expiration date set forth in Paragraph (a)(vii); and

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