

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2010, Legislative Day No. 16  
Resolution No. 77-10

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Mr. John Olszewski, Sr., Chairman  
By Request of County Executive

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By the County Council, October 4, 2010

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A RESOLUTION to authorize the County Executive or other authorized administrative official to enter into a written agreement on behalf of the County with Randallstown LLLP, a Maryland limited liability limited partnership, (the “Future Owner”), for the payment of stipulated amounts in lieu of regular real property taxes in order to facilitate the development of an elderly housing project to benefit elderly persons in Baltimore County.

WHEREAS, it is in the best interest of the citizens of Baltimore County to encourage and facilitate the development of affordable housing for elderly persons whose incomes do not exceed 60% of area median income; and

WHEREAS, the Property (as defined below) is currently owned by Liberty Limited Partnership (the “Current Owner”) and is subject to an existing PILOT Agreement with Baltimore County executed pursuant to Baltimore County Council Resolution No. 73-93 adopted by the Baltimore County Council on September 20, 1993 (the “Existing PILOT Agreement”); and

WHEREAS, the Current Owner is in compliance with each of the terms and conditions of the Existing PILOT Agreement and the Future Owner shall assume and modify all obligations and duties of the Existing Owner and shall provide Baltimore County, Maryland with a full novation upon acquisition of the Property as a condition precedent to funding and assumption of the Existing PILOT Agreement; and

WHEREAS, the Future Owner will acquire a parcel of land located at 3530 Resource Drive in Randallstown, Baltimore County (the “Property”), and will renovate one hundred three (103) units of rental housing thereon (including one staff unit), for elderly persons whose incomes do not exceed 60% of the median income for the Baltimore metropolitan area; and

WHEREAS, the Future Owner will operate the Property for rental housing for elderly

residents pursuant to a Declaration of Covenants between the Owner and the County; 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 Baltimore 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, together with the Project developed thereon, 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) For the period from the execution of the Agreement and the Declaration of Covenants (the "Effective Date") until the earlier of (i) termination of the Declaration of Covenants, to be recorded among the Land Records of Baltimore County, (ii) a change in the use, or a sale or transfer of the Property by the Owner without the prior written consent of Baltimore County, or (iii) default by the Owner under the terms of the Agreement (the "Termination Date"), the Future Owner shall make annual payments in arrears at the end of each calendar year which equal, at a minimum, Three Hundred Dollars (\$300.00) per apartment unit per year (the "Single Tier Tax Payment").

(b) The Single Tier Tax Payment shall increase by two percent (2%) annually following the first full year of operation.

(c) Upon the Termination Date, the Agreement for stipulated payments in lieu of real property taxes shall expire, and the 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 Project's current assessment.

(e) Repayment shall be made to the County upon any change in use, sale or transfer of the Property without the prior written approval of the County, of the difference between the full real estate taxes which would have otherwise been paid based on the assessed value of the Property less

the amount of stipulated payments in lieu of taxes remitted to the County under the Agreement. Any payment under this provision shall be limited to the extent of available proceeds after repayment of all debt and other obligations which constitute liens on the Property; 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 Office of Community Conservation within ninety (90) days of the close of the Future Owner's fiscal year for purposes of monitoring any taxes due beyond the Single Tier Payment; and

BE IT FURTHER RESOLVED, that this Resolution shall take effect from the date of its approval.

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