

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND  
Legislative Session 2013, Legislative Day No. 5  
Resolution No. 12-13

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Mr. Tom Quirk, Chairman  
By Request of County Executive

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By the County Council, March 4, 2013

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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 Timbercroft Housing, LLC Housing Corporation (the “Owner”) for the payment of stipulated amounts in lieu of regular real property taxes in order to facilitate the development of a housing project to benefit low income households 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 households of low income; and

WHEREAS, the Owner has acquired and will renovate two hundred eighty four (284) rental units located at 67 Timber Grove Road, Owings Mills, Maryland 21117, for persons whose incomes do not exceed 60% of the median income for the Baltimore metropolitan area (the “Project”); and

WHEREAS, in order to maintain affordable rent levels and still be financially feasible, the Owner will obtain financing either directly through the Department of Housing and Community Development (the “Department”) of the State of Maryland or through the Department’s Community Development Administration (the “Administration”); 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 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 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 (the “Effective Date”) from the execution of the Agreement and the Regulatory Agreements entered into between (1) Larry Realty Co. and the Secretary of Housing and Urban Development dated April 22, 1970, and recorded among the Land Records of Baltimore County in Liber 5086, folio 139, as amended by a Use Agreement and Amendment to Regulatory Agreement between Larry Realty Limited Partnership and the Secretary of Housing and Urban Development dated May 9, 1995, and recorded among the Land Records of Baltimore County in Liber 11037, folio 294 and an Amendment to Existing Amended Regulatory Agreement between Larry Realty Limited Partnership and the Secretary of Housing and Urban Development dated May 9, 1995, and recorded among the Land Records of Baltimore County in Liber 11037, folio 315, and (2) Larry Realty Co. and the Secretary of Housing and Urban Development dated December 11, 1970, and recorded among the Land Records of Baltimore County in Liber 5150, folio 256, as amended by a Use

Agreement and Amendment to Regulatory Agreement between Larry Realty Limited Partnership and the Secretary of Housing and Urban Development dated May 9, 1995, and recorded among the Land Records of Baltimore County in Liber 11037, folio 323 and an Amendment to Existing Amended Regulatory Agreement between Larry Realty Limited Partnership and the Secretary of Housing and Urban Development dated May 9, 1995, and recorded among the Land Records of Baltimore County in Liber 11037, folio 344 (collectively, the “Regulatory Agreement”), until the earlier of (i) termination of the Regulatory Agreement, (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, (iii) refinancing of the Project such that it is no longer subject to the Regulatory Agreement, or (iv) default by the Owner under the terms of the Agreement (the “Termination Date”), the 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 “Tax Payment”).

(b) The Tax Payment shall increase by two percent (2%) annually; provided, however, if the Property is transferred or sold subject to the Regulatory 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 Owner shall thereafter pay all real property taxes in full when due.

(d) At no time shall the Owner be required to pay more than the full amount of taxes based on the Property's 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 Termination Date. 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. The provisions of paragraphs (b), (c) and (d) above shall not be affected by the making of one or more payments under this paragraph on account of any refinancing that does not result in the termination of the Regulatory Agreement, and shall remain in effect for the period set forth herein; and

BE IT FURTHER RESOLVED, that this Resolution shall obligate the Owner to submit audited 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 Project's fiscal year for purposes of administering the Agreement; and

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