

FINAL

AMENDED
March 5, 2018

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2018, Legislative Day No. 3

Bill No. 7-18

Introduced by Mr. Peroutka, Chairman
(by request of the County Executive)

By the County Council, February 5, 2018

Introduced and first read on February 5, 2018
Public Hearing set for and held on March 5, 2018
Bill AMENDED on March 5, 2018
Bill Expires May 11, 2018

By Order: JoAnne Gray, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Payment in Lieu of Taxes – Annapolis Solar Park

2
3 FOR the purpose of approving exemptions from County property taxes for certain property
4 located in ~~the City of~~ Annapolis in Anne Arundel County; authorizing the County
5 Executive to enter into a certain agreement for payment of a negotiated amount in lieu
6 of County property taxes; and providing for the time and terms under which the
7 payment in lieu of taxes and tax exemptions will take effect.

8
9 WHEREAS, Annapolis Solar Park, LLC leases certain property from the City of
10 Annapolis, at the City-owned and closed Annapolis Landfill property, located in
11 the vicinity of Interstate 97, Maryland Route 450, and Crownsville Road, in Anne
12 Arundel County, Maryland, and more fully described in the Land Lease Agreement
13 dated August 12, 2015 between the City of Annapolis and Annapolis Solar Park,
14 LLC, said Lease being an exhibit to the proposed Agreement between Anne
15 Arundel County and Annapolis Solar Park, LLC that is the subject of this Ordinance
16 and is incorporated herein by reference as if fully set forth, for the purposes of
17 design, construction, and operation of a solar photovoltaic generating facility (the
18 “Annapolis Solar Park”); and

19
20 WHEREAS, Anne Arundel County has entered into solar energy power purchase
21 agreements with Annapolis Solar Park, LLC to purchase power generated by the
22 Annapolis Solar Park as approved by Bill No. 9-17; and

23
24 WHEREAS, the County Council recognizes there is a public benefit to a solar
25 power-producing facility located in the County on property owned by the City of

1 Annapolis that provides electricity to the County through power purchase
2 agreements; and

3
4 WHEREAS, pursuant to § 6-102(e) of the Tax-Property Article of the State Code,
5 property owned by a governmental entity and leased to a third party in connection
6 with a business that is conducted for profit is subject to County real property tax;
7 and

8
9 WHEREAS, pursuant to § 7-501 of the Tax-Property Article of the State Code, the
10 County may exempt property owned by a governmental entity and leased to a third
11 party in connection with a business that is conducted for profit from County
12 property tax and may negotiate a payment in lieu of tax; and

13
14 WHEREAS, § 7-237(b) of the Tax-Property Article provides that 50% of the value
15 of machinery or equipment used to generate electricity for sale is subject to County
16 property tax; and

17
18 WHEREAS, § 7-514 of the Tax-Property Article provides that the County may
19 enter into an agreement with the owner of a facility for the generation of electricity
20 located in the County for a negotiated payment by the owner in lieu of taxes on the
21 facility; and

22
23 WHEREAS, the County Executive has negotiated a payment in lieu of County
24 property tax for the Annapolis Solar Park, including the machinery and equipment
25 that is part of the Annapolis Solar Park and is subject to taxation under § 7-237 of
26 the Tax-Property Article, as set forth in the proposed Agreement between the
27 County and Annapolis Solar Park, LLC, incorporated herein by reference as if fully
28 set forth (the "PILOT Agreement"); now, therefore,

29
30 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
31 That, in accordance with the Tax-Property Article, § 7-501, of the State Code, there is an
32 exemption from County property taxes for the Annapolis Solar Park, located at the City-
33 owned and closed Annapolis Landfill property, in the vicinity of Interstate 97, Maryland
34 Route 450, and Crownsville Road, Anne Arundel County, Maryland, and more fully
35 described in the Land Lease Agreement dated August 12, 2015 between the City of
36 Annapolis and Annapolis Solar Park, LLC, said Lease being an exhibit to the PILOT
37 Agreement, incorporated herein by reference as if fully set forth, being portions of Tax
38 Account Numbers 200004353300, 200090035291, and 200090045737 (the "Property"),
39 and the machinery and equipment that is part of the Annapolis Solar Park and is subject to
40 taxation under § 7-237 of the Tax-Property Article.

41
42 SECTION 2. *And be it further enacted,* That the County Executive is hereby authorized
43 to enter into the PILOT Agreement with Annapolis Solar Park, LLC, incorporated herein
44 by reference as if fully set forth, as the lessee of the Property, for a payment in lieu of
45 property taxes for the Property and for the machinery and equipment that is part of the
46 Annapolis Solar Park and is subject to taxation under § 7-237 of the Tax-Property Article.

1 SECTION 3. *And be it further enacted*, That copies of the executed PILOT Agreement
2 between Anne Arundel County and Annapolis Solar Park, LLC, shall be kept permanently
3 on file with the Administrative Officer to the County Council.
4

5 SECTION 4. *And be it further enacted*, That this Ordinance shall take effect 45 days
6 from the date it becomes law.

AMENDMENTS ADOPTED: March 5, 2018

READ AND PASSED this 5th day of March, 2018

By Order:



JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 6th day of March, 2018



JoAnne Gray
Administrative Officer

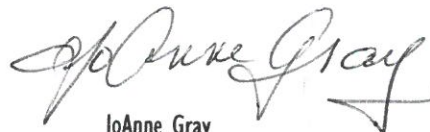
APPROVED AND ENACTED this 12th day of March, 2018



Steven R. Schuh
County Executive

EFFECTIVE DATE: April 26, 2018

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO.
7-18 . THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.



JoAnne Gray
Administrative Officer