

ANNE ARUNDEL COUNTY, MARYLAND
OFFICE OF THE BUDGET

BILL NUMBER: 103-20

INTRO. DATE: Nov. 16, 2020

FISCAL NOTE

**BILL: AN ORDINANCE CONCERNING: PAYMENT IN LIEU OF TAXES –
BROCK BRIDGE LANDING, JESSUP, MARYLAND**

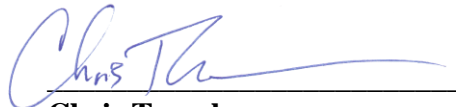
SUMMARY OF LEGISLATION

The purpose of this legislation is to authorize the County Executive to enter into a payment in lieu of taxes (PILOT) agreement in association with the development of a 38-unit family style townhouse apartment complex at 7902 Brock Bridge Road in Jessup, Maryland. The complex will provide rental housing for persons with limited incomes.

FISCAL IMPACT

The proposed 40-year PILOT agreement provides for a payment that totals \$15,200 for the first year, and increases by an annual adjustment factor of 4% for each successive year. The State Assessment Office estimates the property value to be \$3,311,976, under the assumption that the property will be approved as a Section 42 Low Income complex. Absent a PILOT agreement, this property would generate approximately \$30,933 in County property tax revenue annually. Under the proposed PILOT agreement, County revenue associated with the property is reduced by \$15,733.

In general, a PILOT agreement of this nature has no negative fiscal impact due to the County's property tax cap and the County's policy and practice of maximizing property tax revenue under the cap. The total amount of property tax collected by the County will not change, but the relative tax burden among all property tax payers will. Based on the estimated assessment and fiscal 2021 property tax rate, the relative tax burden that will be shifted under this PILOT agreement is about \$15,733 annually.


Chris Trumbauer
Acting Budget Officer

11/12/2020
Date

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