

FINAL

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2024, Legislative Day No. 16

Bill No. 69-24

Introduced by Ms. Pickard, Chair
(by request of the County Executive)

By the County Council, September 3, 2024

Introduced and first read on September 3, 2024
Public Hearing set for and held on October 7, 2024
Bill Expires December 7, 2024

By Order: Kaley Schultze, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Payment in Lieu of Taxes – The Villages at Marley Station,
2 Glen Burnie, Maryland – Second Amendment

3
4 FOR the purpose of authorizing the County Executive to enter into a certain second
5 amendment to the agreement for payment in lieu of County real property taxes for a
6 certain property located in Glen Burnie, Maryland.

7
8 WHEREAS, Anne Arundel County Council Bill No. 67-22, adopted on
9 July 25, 2022, approved the terms and conditions for payments in lieu of taxes
10 (“PILOT”) for property located at 7841 Bruton Drive, Glen Burnie (the
11 “Property”), and authorized the County Executive to enter into a PILOT Agreement
12 (the “Agreement”); and

13
14 WHEREAS, the parties entered into the Agreement on September 12, 2022; and

15
16 WHEREAS, Anne Arundel County Council Bill No. 17-23, adopted on
17 April 14, 2023, approved the terms and conditions for an amendment to the
18 Agreement (the “First Amendment”) and authorized the County Executive to enter
19 into the First Amendment; and

20
21 WHEREAS, the parties entered into the First Amendment on July 19, 2023; and

22
23 WHEREAS, it has been demonstrated that it has become necessary to amend the
24 terms of the Agreement, as amended by the First Amendment, to reduce the PILOT
25 payment amount and to make certain revisions pertaining to the required income
26 restrictions and timeline for meeting the same; now, therefore,

1 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
2 That the County Executive is hereby authorized to enter into the Second Amendment to
3 Agreement between Anne Arundel County and Fairfield Marley Station LP, the owner of
4 the Property, as more fully described in the Second Amendment to Agreement, a copy of
5 which is attached hereto as Exhibit A.

6
7 SECTION 2. *And be it further enacted,* That, all other terms and conditions of Bill Nos.
8 67-22 and 17-23, and the Agreement, as amended by the First Amendment, not specifically
9 changed in the Second Amendment to Agreement shall remain in full force and effect.

10
11 SECTION 3. *And be it further enacted,* That this Ordinance shall take effect 45 days
12 from the date it becomes law.

READ AND PASSED this 7th day of October, 2024

By Order:



Kaley Schultze
Administrative Officer

PRESENTED to the County Executive for his approval this 8th day of October, 2024



Kaley Schultze
Administrative Officer

APPROVED AND ENACTED this 15th day of October, 2024



Steuart Pittman
County Executive

EFFECTIVE DATE: November 29, 2024

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF
BILL NO. 69-24 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES
OF THE COUNTY COUNCIL.

A handwritten signature in black ink, appearing to read 'K Schultze', with a long horizontal line extending to the right.

Kaley Schultze
Administrative Officer

**SECOND AMENDMENT TO AGREEMENT BETWEEN
FAIRFIELD MARLEY STATION LP
AND ANNE ARUNDEL COUNTY, MARYLAND**

THIS SECOND AMENDMENT TO AGREEMENT, made this ____ day of _____, 2024, by and between Anne Arundel County, Maryland, a body corporate and politic (hereinafter referred to as the “County”), and Fairfield Marley Station LP, a limited partnership formed in the State of Delaware (hereinafter referred to as the “Owner”).

WHEREAS, pursuant to Anne Arundel County Council Bill No. 67-22, adopted on July 25, 2022, the County Council of Anne Arundel County, Maryland, approved the terms and conditions for payments in lieu of taxes for seven hundred and fifty-seven (757) units of rental housing, located at 7841 Bruton Drive, Glen Burnie, currently identified under the Tax Account Number 3000-2066-7800 (the “Property”), for the purpose of providing rental housing to low income households (the “Project”); and authorized the County Executive to enter into the payment in lieu of taxes Agreement (the “Agreement”);

WHEREAS, the parties entered into the Agreement on September 12, 2022;

WHEREAS, pursuant to Anne Arundel County Council Bill No. 17-23, adopted April 14, 2023, the County Council of Anne Arundel County, Maryland, approved the terms and conditions for payments in lieu of taxes for the Project, and authorized the County Executive to enter into an Amendment to Agreement (the “First Amendment”);

WHEREAS, the parties entered into the First Amendment on July 19, 2023;

WHEREAS, the Owner has demonstrated to the County that a second amendment to the Agreement is necessary; and

WHEREAS, pursuant to Anne Arundel County Council Bill No. _____, adopted _____, 2024, the County Council of Anne Arundel County, Maryland, approved the terms

and conditions for payments in lieu of taxes for the Project, and authorized the County Executive to enter into this Second Amendment to Agreement;

NOW, THEREFORE, THIS AGREEMENT, WITNESSETH: In consideration of the mutual covenants, terms, and agreements hereof and pursuant to the power and authority of § 7-506.1 of the Tax-Property Article of the Annotated Code of Maryland, it is agreed as follows:

1. Paragraph 1(b) of the Agreement, as amended by the First Amendment, shall be deleted in its entirety and replaced with the following: “(b) that, with Payment in Lieu of Taxes (“PILOT”), it will make at least five hundred eighty-four (584) units (including vacant units) available to households earning an average of 60% or below of the area median income as an aggregate group, with no single tenant earning over 80% of the area median income at the time of initial qualification after which any such tenant can earn up to 140% of the area median income; and, as of December 31, 2027, it will make at least seven hundred forty-five (745) units (including vacant units), available to households earning an average of 60% or below of the area median income as an aggregate group, with no single tenant earning over 80% of the area median income at the time of initial qualification after which any such tenant can earn up to 140% of the area median income.”

2. The following shall be added after the end of the first sentence and before the second sentence of Paragraph 2 of the Agreement: “Notwithstanding the foregoing, beginning *in Fiscal Year 2029 (July 1, 2028)*, the Property shall either (i) be exempt from ordinary County property taxes in its entirety if seven hundred forty-five (745) or more units (including vacant units) are made available to households satisfying the requirements of Paragraph 1(b); or (ii) have a partial exemption from ordinary County property taxes in proportion to (a) the number or units below seven hundred forty-five (745) units (including vacant units) made available to households

satisfying the requirements of Paragraph 1(b) and (b) 745. The taxes for the units not exempt under this paragraph shall be calculated as follows:

a. The full amount of County taxes for the Property that would be due based on the latest assessment by the State Department of Assessments and Taxation shall be divided by 745. The result shall be the “per-unit County tax amount” for each unit. The per-unit County tax amount shall become due and payable for the number of units not satisfying the requirements of Paragraph 1(a) and (b) and this paragraph as of July 1 of any given Fiscal Year and shall be due at the same time as the PILOT payment. The per-unit County tax rate payment shall be in addition to the payment in lieu of taxes due under the Agreement, the First Amendment or this Second Amendment.”

3. Paragraph 5 of the Agreement shall be deleted in its entirety and replaced with: “For *Fiscal Year 2023 (July 1, 2022 through June 30, 2023)*, the Owner’s annual payment in lieu of taxes shall be equal to \$218,120. For *Fiscal Year 2024 (July 1, 2023 through June 30, 2024)*, the Owner’s annual payment in lieu of taxes shall be equal to \$218,120 plus an adjustment factor of four percent (4%). For *Fiscal Year 2025 (July 1, 2024 through June 30, 2025)*, the annual payment in lieu of taxes shall be equal to \$50,000. For *Fiscal Year 2026 through Fiscal Year 2062*, the annual payment in lieu of taxes shall be equal to the previous fiscal year’s annual payments plus an annual adjustment factor of four percent (4%) per annum.”

4. In Paragraph 9 of the Agreement as amended by the First Amendment, “July 1, 2023” shall be replaced with “July 1, 2025.”

5. All other provisions of the Agreement as amended by the First Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the County has caused this Second Amendment to Agreement to be signed in its name by the County Executive, to be attested to by the Secretary of the County Executive, and to have the County Seal affixed hereto; and the Owner has caused this Agreement to be signed in its name by its General Partner, duly attested to by its Secretary.

ATTEST:

Fairfield Marley Station LP,
a Delaware limited partnership

By:FRH Marley Station LLC,
a Delaware limited liability company,
its General Partner

By:FRH GP LLC,
a Delaware limited liability company,
its Non-Member Manager

By:Fairfield Residential Holdings LLC,
a Delaware limited liability company,
its Manager

By:_____

Jenna Woods
Senior Vice President &
Corporate Secretary

ATTEST:

ANNE ARUNDEL COUNTY, MARYLAND

By: _____(Seal)

Christine M. Anderson
Chief Administrative Officer

APPROVED FOR FORM AND LEGAL SUFFICIENCY
ANNE ARUNDEL COUNTY, MARYLAND
GREGORY J. SWAIN, COUNTY ATTORNEY

By: _____
Office of Law

Date

APPROVED:

By: _____
Controller

Date