

**ANNE ARUNDEL COUNTY, MARYLAND
OFFICE OF THE BUDGET**

BILL NUMBER: 13 -24

INTRO. DATE: Feb. 20, 2024

FISCAL NOTE

**BILL: AN ORDINANCE CONCERNING: PAYMENT IN LIEU OF TAXES –
COLLEGE PARKWAY PLACE, ANNAPOLIS, MARYLAND**

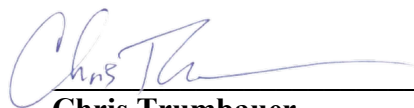
SUMMARY OF LEGISLATION

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 owner of a one hundred and seventy (170) units of existing rental housing, located at 570 Bellerive Drive, Annapolis, Maryland.

FISCAL IMPACT

This legislation proposes a new 40-year PILOT agreement for this property to provide a payment that totals \$83,809.95 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 is \$22,166,300. This property would generate approximately \$217,230 in County property tax revenue annually at the \$0.980 per \$100 assessment (current property tax rate). Therefore, under the proposed PILOT agreement, County revenue associated with the property is reduced by \$133,419.

In general, a PILOT agreement of this nature has no negative fiscal impact to overall County revenue, due to the County's policy and practice of maximizing property tax revenue in line with the County's property tax revenue 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 shift to offset the decreased revenue due to this PILOT. Based on the estimated assessment and fiscal 2024 property tax rate, the relative tax burden that will be shifted under this PILOT agreement is about \$133,419 annually.



Chris Trumbauer
Budget Officer

2/15/2024

Date

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cc: Billie Penley, Controller