ANNE ARUNDEL COUNTY, MARYLAND OFFICE OF THE BUDGET

BILL NUMBER: 95-25

INTRO. DATE: Dec. 1, 2025

FISCAL NOTE

BILL: PAYMENT IN LIEU OF TAXES – LITTLE PATUXENT FAMILY, GAMBRILLS, MARYLAND

SUMMARY OF LEGISLATION

This bill authorizes the County Executive to enter into a Payment in lieu of Taxes (PILOT) agreement in association with property in Gambrills owned by Little Patuxent Family LLC.

FISCAL IMPACT

<u>Operating Budget – Personal Services</u>: No effect. The Office of Finance can manage the PILOT agreement with existing staff and resources.

Operating Budget – Other Operating Costs: No effect.

Capital Budget: No effect.

Revenues: The proposed agreement provides for a PILOT for a property at 1072 Maryland Route 3 South in Gambrills. The owner proposes to construct 33 units of rental housing for lower-income households. In fiscal year 2026, the County property tax on this property is \$6,346. Under the proposed PILOT agreement, County revenue associated with the property is set at \$10,234 for fiscal year 2027.

Without the PILOT, Arundel Community Development Services, Inc. (ACDS) estimates that the property, once developed, would pay approximately \$35,365 per year in County taxes based on an estimated property value of \$3,619,757. The requested PILOT of \$10,234 therefore reduces estimated tax revenue by approximately \$25,131 per year.

<u>Indirect and future fiscal effects:</u> The proposed PILOT agreement includes four percent annual increases in the amount of the PILOT. The agreement remains in effect 40 years after the initial payment, or fiscal year 2067, whichever is later.

11/20/2025

Date

Chris Trumbauer Budget Officer

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cc: Billie Penley, Controller