



ANNE ARUNDEL COUNTY GOVERNMENT RELATIONS OFFICE

Legislative and Fiscal Summary of Administration Legislation

To: Members, Anne Arundel County Council

From: Ethan Hunt, Director of Government Affairs /s/

Date: **March 16, 2026**

Subject: Bill No. 21-26 – Payment in Lieu of Taxes - Odenton Junction 4

This summary was prepared by the Anne Arundel County Government Relations Office for use by members of the Anne Arundel County Council during consideration of Bill No. 21-26.

Summary

This legislation, introduced at the request of the Administration on behalf of Arundel Community Development Services, Inc. (ACDS), approves an agreement that provides Odenton Junction 4, an affordable rental housing project for families, an exemption from County real property taxes in order to address the need for affordable housing in Anne Arundel County, and requires a payment in lieu of the taxes (“PILOT”). Odenton Junction 4 a 72-unit, new construction, multifamily project located at 1457 Hale Street in Odenton.

The 72-unit community will consist of an elevator served building as well as townhouses and will include a mix of one-, two, and three-bedroom units for households at or below 30%, 60%, and 80% Area Median Income (AMI). Odenton Junction 4 is part of the larger Odenton Junction community, totaling 122 units. Financing for Odenton Junction 4 will utilize 4% LIHTC, DHCD tax exempt bonds, DHCD Rental Housing Works funds, deferred developer fee, and ACDS loan funds. The development team consists of Osprey Property Company, LLC.

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The owner will be responsible for the payment in lieu of real property tax in exchange for providing housing for low-income households over a forty (40) year period. Under the proposed PILOT agreement, County revenue associated with the property is set at \$9,841 for fiscal year 2027, and 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.

Note: This Legislative and Fiscal Summary provides a synopsis of the legislation as introduced. It does not address subsequent amendments to the legislation.

Section 7-506.1 of the Tax-Property Article of the Annotated Code of Maryland permits a County to grant an exemption from real property taxes and permits the owner and the governing body of a county to agree for the owner to pay a negotiated amount in lieu of the applicable county or municipal corporation property tax. Section 1014 of the Anne Arundel County Charter provides that when state or Federal law confers a power or duty on the County by language that refers to "the local governing body" or by similar language, any action required of the County shall be taken by the County Executive and then referred to the County Council for confirmation. Legislation is necessary to effectuate the approval of this agreement. A copy of the agreement is included in the materials provided to the County Council as Exhibit A.

Purpose

The purpose of this legislation is to approve a PILOT agreement between the County and Odenton Junction 4, a 72-unit family apartment community which will provide housing to individuals and families with incomes ranging from 30 to 80 percent AMI, for a term of 40 years from the initial payment or until FY2067, whichever is later.

Fiscal Impact

Please see the Fiscal Note the Budget Office has prepared for an explanation of the fiscal impact of this Bill.

Additional Information

The Government Relations Office is available to answer any additional questions regarding this Bill. Specific questions should be directed to Kelly Kenney, Office of Law, or Honora Sutor, Chief Affordable Housing Officer, Arundel Community Development Services. Thank you.

cc: Honorable Steuart Pittman, County Executive
Christine Anderson, Chief Administrative Officer
Jenny Proebstle, Chief of Staff
Gregory Swain, County Attorney
Chris Trumbauer, Budget Officer
Erin Karpewicz, CEO Arundel Community Development Services