

THE EFFECTIVE DATE OF THIS RESOLUTION IS NOVEMBER 7, 2023

RESOLUTION NO. 23-30

Re: Overlook East Associates, LLC

A RESOLUTION to authorize Frederick County, Maryland (the "County") to enter into an agreement with Overlook East Associates, LLC, a Maryland limited liability company (the "Owner") whereby the Owner will pay a stipulated amount of money in lieu of regularly assessed property taxes in order to facilitate the development of income and age restricted rental housing for residents of Frederick County, Maryland.

WHEREAS, it is in the best interests of the County to encourage and facilitate the development of affordable rental housing for age restricted and low to moderate income residents of Frederick County, Maryland; and

WHEREAS, Owner proposes to develop certain property located at 423A, 423B, and 423 ½ East Patrick Street, Frederick, Maryland (the "Property"), and to construct thereon an apartment development consisting of 85 rental housing units to provide income-restricted rental housing units to individuals or families whose income is at or below 60% of the Area Median Income ("AMI") as calculated and established each Fiscal Year by the Secretary of the U.S. Department of Housing and Urban Development (the "Project"); and

WHEREAS, in order to maintain affordable levels of rents and still be financially feasible, the Project, which will obtain partial financing from the Community Development Administration ("CDA") of Maryland's Department of Housing & Community Development, will require additional financial assistance in the form of relief from the full payment of otherwise due Frederick County real property taxes; and

WHEREAS, Section 7-506.1, Tax-Property Article, of the Annotated Code of Maryland allows the County and Owner to enter into an agreement for the payment of a negotiated amount in lieu of Frederick County real property taxes (a "PILOT Agreement"); and

WHEREAS, it has been Frederick County's practice to recognize by Resolution the County's willingness to accept a mutually agreeable sum of money in lieu of otherwise due Frederick County real property taxes pursuant to a PILOT Agreement for a specific property and project, in addition to the execution of the PILOT Agreement itself; and

WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") and the CDA may require certain revisions to the PILOT Agreement as part of the loan approval process by these agencies.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF FREDERICK COUNTY, MARYLAND, that pursuant to the authority granted to the County by the Annotated Code of Maryland, Tax-Property Article, Section 7-506.1, the County Council has determined that the Property and Project to be developed thereon shall not be subject to the otherwise due full amount of Frederick County real property taxes if Owner enters into and thereafter complies

with all provisions of the PILOT Agreement, a copy of which is attached as Exhibit A, and incorporated herein by reference.

AND BE IT FURTHER RESOLVED, that the County Executive of Frederick County, Maryland is authorized and empowered to execute the PILOT Agreement attached as Exhibit A hereto (including any changes to the PILOT Agreement that may be required by HUD and CDA), and any and all documents required in connection therewith.

The undersigned certifies that this Resolution was approved and adopted on the 7th day of November, 2023.

COUNTY COUNCIL OF
FREDERICK COUNTY, MARYLAND

By: Brad W. Young
Brad W. Young, President *OK*