

# County Council of Howard County, Maryland

2025 Legislative Session

Legislative Day No. 14

## Resolution No. 184 -2025

Introduced by: The Chairperson at the request of the County Executive

Short Title: Payment in Lieu of Taxes Agreement – Orchard Club LLLP – Orchard Club Apartments

Title: A RESOLUTION approving the terms and conditions of a Payment in Lieu of Taxes Agreement and extension request by and between the Howard County, Maryland and Orchard Club, LLLP for an existing 196-unit housing community located at 6330 Orchard Club Drive, Elkridge, Maryland, which has served mixed income residents since 1991.

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Introduced and read first time \_\_\_\_\_, 2025.

By order \_\_\_\_\_  
Michelle Harrod, Administrator

Read for a second time at a public hearing on \_\_\_\_\_, 2025.

By order \_\_\_\_\_  
Michelle Harrod, Administrator

This Resolution was read the third time and was Adopted\_\_\_\_, Adopted with amendments\_\_\_\_, Failed\_\_\_\_, Withdrawn\_\_\_\_, by the County Council on \_\_\_\_\_, 2025.

Certified By \_\_\_\_\_  
Michelle Harrod, Administrator

Approved by the County Executive \_\_\_\_\_, 2025

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Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1           **WHEREAS**, Orchard Club Apartments (the “Project”) is an existing 196-unit housing  
2 community that has served low-income and moderate-income residents since 1991; and  
3

4           **WHEREAS**, on February 27, 1991, Orchard Club, LLLP, (formally Orchard Club Limited  
5 Partnership), entered into a Payment in lieu of Taxes (PILOT) agreement with Howard County  
6 and a 40-year Extended Use Agreement (EUA) with the Maryland Department of Housing and  
7 Community Development (DHCD); and  
8

9           **WHEREAS**, the PILOT and EUA require the Owner to offer for rent not less than 25% of  
10 the units in the Project to low-income households; and  
11

12           **WHEREAS**, under the PILOT Agreement, the Developer is required to make a minimum  
13 payment of 4% of gross rental income; and  
14

15           **WHEREAS**, the Company has operated the Development continuously since construction  
16 completion as a mixed income rental housing development, which includes 196 general occupancy  
17 units where 99 affordable dwelling units have been rented to households that earn at or below 80%  
18 of Area Median Income of the HUD Baltimore-Columbia-Towson, MD Metropolitan Statistical  
19 Area (“HUD Baltimore MSA”), of which 49 units are rented to Households of Low Income who  
20 earn at or below 50% of the HUD Baltimore MSA, and an additional 97 units are rented as Market  
21 Rate Dwelling Units; and  
22

23           **WHEREAS**, when the Project was refinanced in 2005, the loan to the County was paid off  
24 and the term of the PILOT agreement was extended for 20 years; and  
25

26           **WHEREAS**, the PILOT agreement is set to expire in November 2025 and the current EUA  
27 agreement with DHCD is set to expire in 2031; and  
28

29           **WHEREAS**, if the County agrees to the 15-year extension, the Owner will continue to  
30 lease 25% of the units to low income households earning up to 50% HUD Baltimore MSA income  
31 limits, to lease 25% of the units to moderate income households earning up to 80% HUD Baltimore

1 MSA income limits, and the Owner will request an extension of the EUA through 2040 to match  
2 the request for a PILOT extension; and  
3

4 **WHEREAS**, the Company has requested that the County permit the Company to continue  
5 to make payments in lieu of County real property taxes (the “PILOT”) pursuant to Section 7-506.1  
6 of the Tax-Property Article of the Annotated Code of Maryland and in accordance with the  
7 Payment in Lieu of Taxes Agreement, substantially in the form attached as Exhibit 1; and  
8

9 **WHEREAS**, the Company has demonstrated to the County that an agreement for a PILOT  
10 is necessary to continue to make the Development economically feasible; and  
11

12 **WHEREAS**, in order to induce the Company to provide affordable housing in Howard  
13 County, it is in the interest of the County to accept a PILOT subject to the terms and conditions  
14 of the Payment in Lieu of Taxes Agreement (the “Agreement”), substantially in the form  
15 attached to this Resolution as “Exhibit 1”.  
16

17 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,  
18 Maryland this \_\_\_\_ day of \_\_\_\_\_, 2025, that:

- 19 (1) In accordance with Section 7-506.1 of the Tax-Property Article of the Annotated Code of  
20 Maryland, the County shall abate all County real property taxes for the Development subject  
21 to the terms and conditions of the Payment in Lieu of Taxes Agreement (the “Agreement”)  
22 attached to this Resolution as “Exhibit 1”.
- 23 (2) The County Executive is hereby authorized to execute and deliver the Agreement in the name  
24 and on behalf of the County in substantially the forms attached.
- 25 (3) The County Executive, prior to execution and delivery of the Agreement, may make such  
26 changes or modifications to the Agreement as he deems appropriate in order to accomplish the  
27 purpose of the transactions authorized by this Resolution, provided that such changes or  
28 modifications shall be within the scope of the transactions authorized by this Resolution; and  
29 the execution of the Agreement by the County Executive shall be conclusive evidence of the  
30 approval by the County Executive of all changes or modifications to the Agreements, and the  
31 Agreement shall thereupon become binding upon the County in accordance with its terms.