

**AGREEMENT FOR
CONTRIBUTION IN LIEU OF DEVELOPING MODERATELY PRICED
DWELLING UNITS AGREEMENT**

AGREEMENT FOR CONTRIBUTION IN LIEU OF DEVELOPING MODERATELY PRICED DWELLING UNITS (this “Agreement”), is made as of the _____ day of _____, 20____, by and between ANNE ARUNDEL COUNTY, MARYLAND (the “County”) and _____ (“Owner”).

WHEREAS, on October 15, 2024, the County enacted Bill 72-24, the Housing Attainability Act of 2024, to regulate and require the development of moderately priced dwelling units (“MPDUs”) when any real property being developed for residential use would result in ten or more dwelling units; and

WHEREAS, the provisions of Bill 72-24 are codified in Articles 3, 13, 17, and 18 of the Anne Arundel County Code (2005, as amended) (the “County Code”); and

WHEREAS, the Owner owns, and is in the process of developing, certain property in Anne Arundel County, as more particularly described on Exhibit A, attached hereto and incorporated by reference herein (the “Property”), as a residential development, known or to be known as “_____” (the “Project”), which will include not less than ten (10) nor more than nineteen (19) dwelling units; and

WHEREAS, pursuant to § 17-12-105 of the County Code, in Exceptional Circumstances as defined in the Act, an owner who is required to provide MPDUs may make a contribution to the Housing Trust Special Revenue Fund in lieu of developing MPDUs, if authorized by the Planning and Zoning Officer; and

WHEREAS, the Planning and Zoning Officer has determined that Exceptional Circumstances exist in connection with the Property and the Project, and has agreed to accept a contribution lieu of developing MPDUs subject to the terms and conditions of this Agreement; and.

WHEREAS, pursuant to § 17-12-103 of the County Code, the number of MPDUs that would otherwise be required to be provided if Exceptional Circumstances did not exist would be ____ units (the “Required MPDUs”)

NOW, THEREFORE, pursuant to Article 17, Title 12 of the County Code, the parties agree as follows:

1. Amount of Contribution; Payment.

[Provisions to be used for homeownership projects]

(a) The Owner has provided the County with a market analysis prepared by a third party which estimates that the average sales price of the all the units in the Project will

be _____ Thousand Dollars (\$ _____) (the "Initial Average Sales Price"). The Act requires a contribution equal to two and half percent (2.5%) of the average sales price of all of the units in the project for each of the Required MPDUs, which amount is equal to _____ Thousand Dollars (\$ _____) (the "Initial Payment"). The Initial Payment shall be due upon execution of this Agreement and prior to the earlier of approval of the record plat or issuance of a grading permit.

(b) Upon completion of the Project and sale of all units, the Owner shall provide the County with final documentation evidencing the final average sales price of the units (the "Final Average Sales Price").

(i) If the Final Average Sales Price is higher than the Initial Average Sales Price, the Owner shall remit to the County the difference between the Initial Payment and two and half percent (2.5%) of the Final Average Sales Price.

(ii) If the Final Average Sales Price is lower than the Initial Average Sales Price, the County shall return to the Owner the difference between the Initial Payment and two and half percent (2.5%) of the Final Average Sales Price.

[Provisions to be used for rental projects]

(a) The Owner has provided the County with a rent analysis including its market rate rental rates for the Project and the rental rates that would be required under the Act for MPDUs, both projected for the 40 year control period required under the Act (the "Control Period"), and both including two percent (2%) increases each year. **[payment option 1:** The County has agreed to accept an annual payment from the Owner on or before December 31 of each year based on the actual rent differential between market rental rates and MPDU rental rates. For the first rental year, such payment shall be in the amount of _____ Thousand Dollars (\$ _____) and shall be due in advance with the execution of this Agreement and prior to the earlier of approval of the record plat or issuance of a grading permit. Thereafter, on or before December 31 of each year, Owner shall provide to the County with the actual market rate rents for the Project for that year along with the rental rates that would be required under Act for MPDUs, along with payment in the amount of the difference, subject to review and approval by the County.] **[payment option 2:** The County has agreed to accept a single payment equivalent to rental rates that would be required under the Act for MPDUs, both projected for the 40 year control period required under the Act (the "Control Period"), and both including two percent (2%) increases each year on a present value basis. The Owner and the County agree that the present value basis payment is _____ Thousand Dollars (\$ _____), which payment shall be made with the execution of this Agreement and prior to the earlier of approval of the record plat or issuance of a grading permit.

2. **Binding Agreement.** This Agreement, and the covenants required hereunder, shall be binding on the Owner and its successors and assigns.

3. **Survival.** The provisions of this Agreement shall survive execution and delivery of any deeds or leases and shall not be merged therein.

4. **Compliance.** Owner agrees to abide by and comply with all applicable laws regarding the subject matter of this Agreement, whether or not specifically referenced herein, including all the requirements for MPDUs as set forth in Bill 72-74 and the County Code, and agree to execute and deliver such additional documents as deemed necessary by the County to effectuate the intent and purpose of this Agreement.

5. **Notices.** Any notice required to be delivered under this Agreement shall be delivered to the parties by email and USPS mail according to the following contact information:

a. For Anne Arundel County:

Office of Law, 2660 Riva Road, 4th Floor, Annapolis, MD 21401

Law_All@aacounty.org

c. For Owner:

6. **Time.** Time is of the essence for this Agreement.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have signed, sealed and delivered this Agreement under seal as of the date below attested.

OWNER:

By: _____(SEAL)

Name:

Title:

State of _____, _____ County, ss:

I HEREBY CERTIFY, that on this ____ day of _____, 20____, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she has the full authority to execute and in fact executed, said Agreement for the purposes herein contained, and further acknowledged the foregoing Agreement, to be the act of said entity.

AS WITNESS: My hand and Notarial seal.

Notary Public

My commission expires: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

ANNE ARUNDEL COUNTY,
MARYLAND

Christine M. Anderson
Chief Administrative Officer

State of Maryland, Anne Arundel County, ss:

I HEREBY CERTIFY, that on this ___ day of _____, 20___, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Christine M. Anderson, Chief Administrative Officer for Anne Arundel County, Maryland, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged to me that she has the full authority to execute and in fact executed, said Agreement for the purposes herein contained, and further acknowledged the foregoing Agreement to be the act of said entity.

AS WITNESS: My hand and Notarial seal.

Notary Public

My commission expires: _____

APPROVED FOR FORM
AND LEGAL SUFFICIENCY:

Gregory J. Swain, County Attorney

By: _____
Anne Arundel County Office of Law
Date: _____

Exhibit A
Legal Description