



FREDERICK COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

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News Release

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One-Time Funds Create Opportunity for Homeowners' Tax Credit, Purchase of Oak Street Property

FREDERICK, Md. – Conservative budgeting, strong fiscal management and better-than-expected revenues has created a one-time opportunity to use fund balance for two initiatives to assist taxpayers and secure a bright future for Frederick County. County Council Vice President Michael Blue has proposed a one-time property tax credit to owner-occupied houses that are assessed at or below the County's median home value. County Executive Jan Gardner proposed seizing the opportunity to purchase a large commercial property on Oak Street in the City of Frederick to consolidate county services. Potential uses for the site include a Next Generation 9-1-1 call center, a library, a senior center, and a warehouse.

Tax Credit

The property tax credit proposed by Vice President Blue would return \$175 to each residential or dual-use property valued at \$328,512 or less. The refund generates twice the savings for homeowners than if the tax rate had been set at the constant yield amount, which for the average-price house would have meant a savings of only \$88. If approved by the County Council, checks will be mailed to all eligible homeowners. State law does not permit a one-time property tax credit to be issued to business properties.

“I am proud to introduce a resolution to use \$7.5 million to put back in the pockets of homeowners who need it most,” Vice President Blue said. “Frederick County has provided assistance to renters, and \$17 million in grants to businesses during the pandemic. This tax rebate will help homeowners and put money back into our local economy.”

Property Acquisition

Frederick County has submitted a letter of intent to purchase the property at 800 Oak Street. The County has been leasing a portion of the 209,184-square-foot building since April to conduct vaccination clinics. The Oak Street property includes 9.5 acres of vacant land that provides additional opportunities for expansion or for priorities such as affordable housing. Purchasing the 26-acre site will allow the County Government to consolidate its operations, improve efficiency, dispose of valuable surplus land, eliminate current costs, avoid future costs, and speed up delivery of other Capital Projects. These steps will offset a majority of the building's \$20 million purchase price, making the County's net cost approximately \$7.5 million. The County Executive has set a goal of incorporating energy efficiencies and alternative energy sources so that the building will be a net-zero energy user.

“These two proposals allow us to balance the needs of our community,” Executive Gardner said. “We can support taxpayers through a tax credit, and at the same time provide more efficient services to the people who live and work in Frederick County. At the end of the day, it's all about making life better for our community.”

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