

Resolution No.: 15-1429

Introduced: March 14, 2006

Adopted: May 2, 2006

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Resolution Increasing the FY 06 Monetary Cap on Payment in Lieu of Taxes (PILOT) Agreements

Background

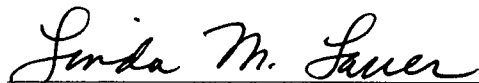
1. State law authorizes counties to negotiate agreements with rental property owners for a payment in lieu of taxes (PILOT). A PILOT is a negotiated payment that lowers the cost of real property and special area taxes in return for a property owners' commitment to provide affordable housing.
2. In 2002, the Council approved Bill 19-02 granting authority to the Director of Finance to enter into PILOT agreements as authorized by state law.
3. In 2003, the Council approved Executive Regulation 18-02 that established PILOT eligibility criteria. The monetary cap approved by the Council for FY06 is \$4,350,000.
4. The County Executive recommends increasing the FY06 monetary cap for PILOT agreements from \$4,350,000 to \$6,000,000.
5. The Planning, Housing, and Economic Development Committee met on April 26, 2006 and recommends \$5,650,000 based on the estimated value of all existing non-Housing Opportunities Commission (HOC) PILOTs and negotiated non-HOC PILOTs that would be effective in FY06.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY06 monetary cap for non-HOC PILOT agreements is increased from \$4,350,000 to \$5,650,000.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council