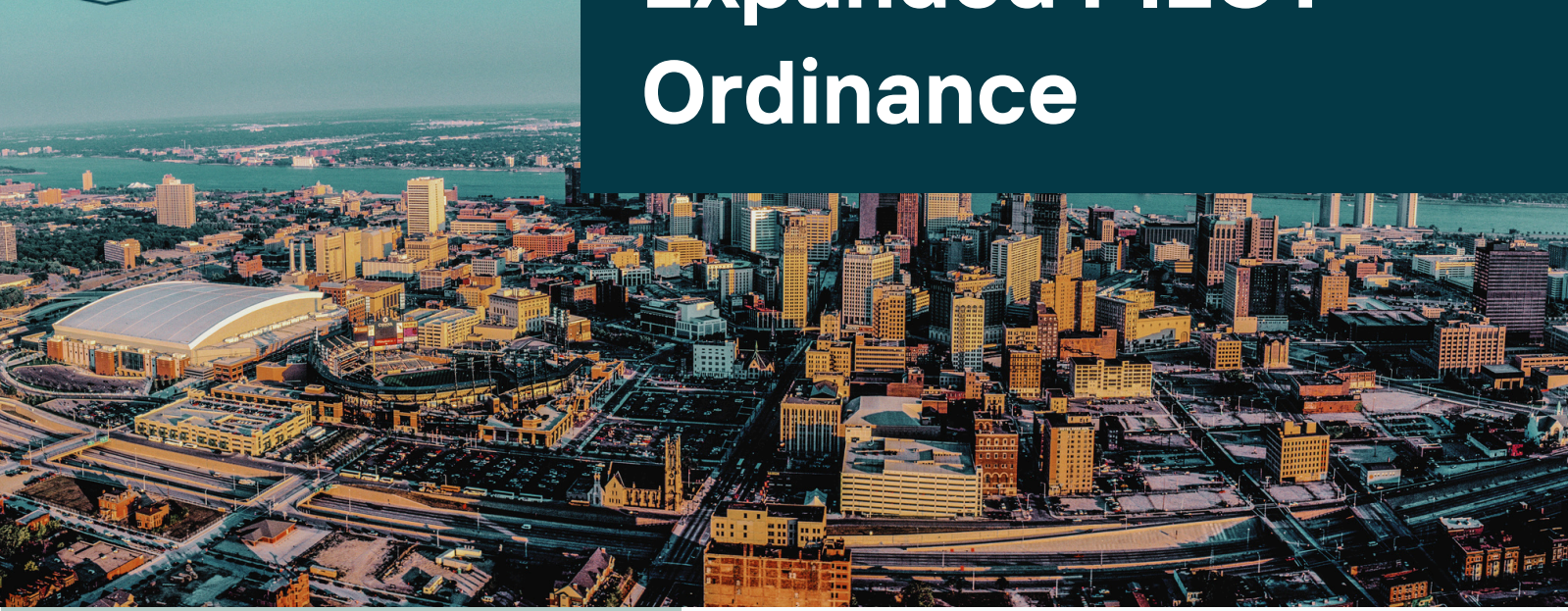




# Expanded PILOT Ordinance



## Program Basics:

Recently passed local ordinance allows for “payment in lieu of taxes” (PILOT) for housing developments for low- or moderate-income tenants. Key requirements include:

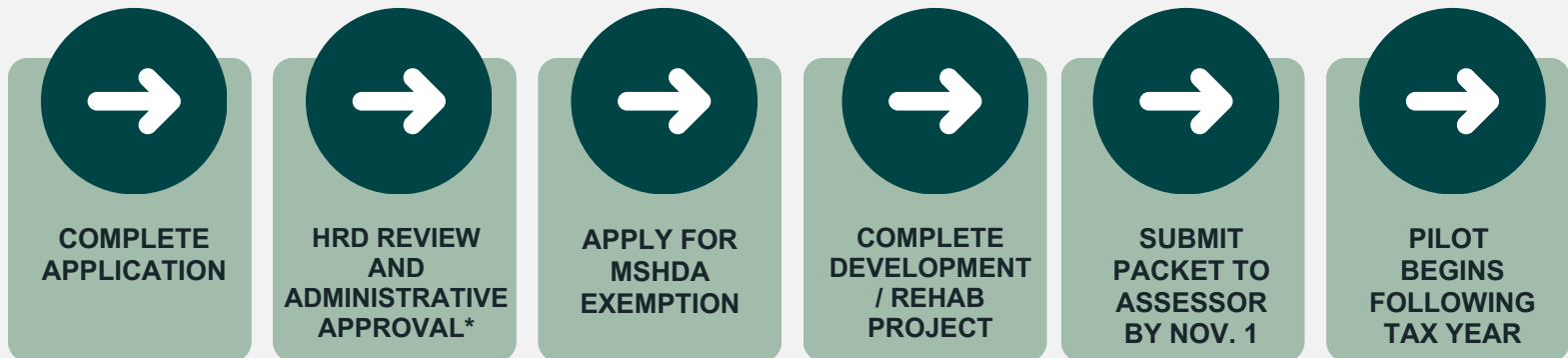
- Agree to lease units to tenants with qualifying income (average tenant income no greater than 120% AMI) and restrict rental amount for duration of the PILOT
- Meet investment thresholds of \$15,000/unit for vacant rehabilitation projects, or \$5,000/unit for occupied rehabilitation projects
- Comply with BSEED including Certificate of Compliance or Certificate of Occupancy
- Maintain “Good Standing” with the City

## PILOT Rate is Based on Affordability and Building Type

Annual service charge will be calculated as a percentage of rental income based on affordability and building type, per the table below.

Average Affordability	PILOT Rate	
	Standard	Long-Term Vacant Rehab
81-120% AMI	7.0-10.0%*	3.5%
61-80% AMI	4.0%	2.0%
≤ 60% AMI	1.0%	0.5%

## PILOT Process Overview



\*Standard Workforce Housing Projects (SWHPs) with average affordability between 81-120% AMI require City Council approval.