



## Hyattsville City Council Agenda Item Report

Meeting Date: October 2, 2017

Submitted by: Jim Chandler

Submitting Department: Community & Economic Development

Item Type: Planning & Development

Agenda Section: Background Information

### **SUBJECT**

Payment in Lieu of Taxes (PILOT) Request: Montgomery Housing Partnership

**HCC-78-FY18**

### **Recommendation:**

### **Sponsor(s):**

Executive Committee

### **Co-Sponsor(s):**

N/A

### **ATTACHMENTS**

[Memo - Scheduling Public Hearing - MHP.docx](#)

[Memo - MHP Affordable Housing Discussion - 8.1.2017.docx](#)

[MHP 15 Year Tax Credit Request.xls](#)

[PG County Council Agenda Summary.pdf](#)

[PM Pro Forma 6-9-17.pdf](#)

### **Summary Background:**

The City will consider a Payment in Lieu of Taxes (PILOT) request by Montgomery Housing Partnership (MHP) for the subject property, Parkview Manor Apartments, located at 5040 38th Avenue, Hyattsville, Maryland 20782.

MHP is proposing a renovation of the 53-unit affordable housing project and is requesting the City of Hyattsville consider approval of a 15-year tax credit term to not exceed \$225,000. MHP has requested a term of at least 15-years in order to coincide with the 15-year minimum term for affordability restrictions. It is MHP's intent to extend the affordability term for additional 25-years, for a total term of 40-years.

Based on the assumption detailed above and contained within the attached spreadsheet, Staff is projecting a cumulative tax revenue value of \$268,013 - \$342,787, which will generate a net cumulative value of \$43,013 - \$117,787, should the City Council elect to approve a 15-year tax credit term to not exceed \$225,000.

### **Next Steps:**

The City Attorney will prepare an enabling ordinance for the City Council's consideration.

**Fiscal Impact:**

The proposed PILOT is for 10-years at a value not to exceed \$225,000.

**City Administrator Comments:**

N/A

**Community Engagement:**

The City is required by State law to hold a public hearing on the project and the staff recommendations prior to introducing any ordinance regarding a Payment in Lieu of Taxes (PILOT) request.

**Strategic Goals:**

Goal 1 – Ensure Transparent and Accessible Governance

**Legal Review Required?**

Pending