

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2025 Legislative Session

Reference No.: CR-028-2025

Draft No.: 1

Committee: COW

Date: April 15, 2025

Action: FAV

REPORT: Committee Vote: Favorable 10-0 (Council Members Burroughs, Blegay, Dernoga, Fisher, Hawkins, Harrison, Ivey, Olson, Oriadha and Watson)

The Prince George's County Council, sitting as the Committee of the Whole, convened on April 15, 2025, to consider **CR-28-2025**, a Resolution Concerning a Payment in Lieu of Taxes ("PILOT") Agreement for the **NEW CARROLLTON - AFFORDABLE - PHASE 1 PROJECT**, for the purpose of approving the terms and conditions of a Payments in Lieu of Taxes ("PILOT") Agreement between Prince George's County, Maryland (the "County") and New Carrollton.

During the meeting, DHCD Director Aspasia Xypolia described the legislation and the terms of the PILOT agreement, which include 100% tax waivers of 112 units of transit-oriented senior affordable housing for the next 40 years, with a 2% annual escalation per unit over that period. This development is for seniors whose incomes are at or below seventy percent (70%) of the Area Median Income ("AMI").

The property value is approximately \$16,609,664. County real property tax that will be due on the Project is an estimated \$166,097 (\$1,483/unit) in the first year. The PILOT reduces the aggregate tax burden on the entire 112-unit Project by 71.34% of that amount, or approximately \$47,600, equivalent to a \$425 per unit tax burden on the 112 affordable units. Under the agreement, the County would forgo real property tax revenue of approximately \$118,497, or approximately \$1,058 per affordable unit, in year one. The projected cost with a 2% estimated average annual increase in the property tax assessment and a 40-year term is projected to be \$7,157,432.

On a motion of Chair Burroughs, seconded by Council Member Watson, the Prince George's County Council, sitting as the Committee of the Whole, voted 10-0 favorably on CR-028-2025.