

ANNE ARUNDEL AFFORDABLE
HOUSING COALITION



Anne Arundel Affordable Housing Coalition

HB 390 and SB 27

Affordable Housing Payment in Lieu of Taxes Expansion Act

Support with Amendment

The Anne Arundel Affordable Housing Coalition (AAAHC) strongly supports the proposed bill expanding the ability of local jurisdictions to approve Payment in Lieu of Taxes (PILOT) agreements. Additionally, AAAHC endorses an amendment reducing the required percentage of affordable units from 50% to 30%.

AAAHC is an advocacy organization representing over 50 entities involved in affordable housing development and nonprofit services for residents in Anne Arundel County. Our Board, composed of distinguished leaders and housing experts, believes this legislation will enhance the feasibility of affordable housing projects by making PILOT agreements more accessible, ultimately helping to preserve these developments.

Currently, PILOT eligibility is limited to new construction or substantial rehabilitation projects that obtain federal, state or local subsidies which income restricts all or a portion of such projects. The proposed bill expands eligibility to all types of projects that set aside a portion of units for households earning 60% or less of Area Median Income.

While the bill proposes at least 50% of units to be income-restricted, AAAHC supports the amendment lowering this threshold to at least 30% or over. This adjustment would likely encourage more market-rate projects without governmental assistance to participate, increasing and preserving the number of units that have rents affordable to lower income households.

At a time when creation and preservation of affordable housing is critically needed, this legislation represents a significant step forward. AAAHC urges its passage with the amendment.

Submitted by
Trudy McFall, Chair
On behalf of the Board of Directors