



Committee: Joint
Committee Review: At a future date
Staff: Ludeen McCartney-Green, Legislative Attorney
Purpose: To receive testimony – no vote expected
Keywords: #AffordableHousing#publichousingauthority
#PILOT

AGENDA ITEM #9
July 8, 2025
Public Hearing

SUBJECT

Bill 25-25, Taxation – Payments in Lieu of Taxes – Public Housing Authorities

Lead Sponsor: Councilmember Katz
Cosponsors: Councilmembers Friedson, Luedtke, Albornoz, and Sayles

EXPECTED ATTENDEES

Members of the Public

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

Receive public testimony

DESCRIPTION/ISSUE

Bill 25-25 would:

- (1) define housing authority;
- (2) expand the automatic payment in lieu of taxes for public housing authorities of qualifying housing developments;
- (3) modify the procedural method for executive regulations;
- (4) make technical and stylistic changes; and
- (5) generally amend the law governing a payment in lieu of real property taxes.

This report contains:

Staff Report	Pages 1-3
Bill 25-25	© 1
Racial Equity and Social Justice Impact Statement	© 5
Climate Assessment	© 9
Fiscal Impact Extension Request Memorandum	© 12

*The Economic Impact Statement was not available at the time of publication of this staff report. It can be found at the below address when available: [Racial Equity and Social Justice, Economic, and Climate Impact Statements - Office of Legislative Oversight- Montgomery County, Maryland \(montgomerycountymd.gov\)](https://montgomerycountymd.gov/RacialEquityandSocialJustice/EconomicandClimateImpactStatements-OfficeofLegislativeOversight-MontgomeryCountyMaryland)

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MEMORANDUM

July 3, 2025

TO: County Council

FROM: Ludeen McCartney-Green, Legislative Attorney

SUBJECT: Bill 25-25, Taxation – Payments in Lieu of Taxes – Public Housing Authorities

PURPOSE: Public Hearing – to receive testimony

Bill 25-25, Taxation – Payments in Lieu of Taxes – Public Housing Authorities, sponsored by Lead Sponsor Councilmember Katz and cosponsored by Councilmembers Friedson and Luedtke, was introduced on June 17, 2025. A public hearing is scheduled for July 8, 2025 at 1:30 PM. A joint Planning, Housing, and Parks (PHP) Committee and Government Operations and Fiscal Policy (GO) Committee worksession is tentatively scheduled for July 24, 2025 at 3:00 PM.

Bill 25-25 would:

- (1) define housing authority;
- (2) expand the automatic payment in lieu of taxes for public housing authorities of qualifying housing developments;
- (3) modify the procedural method for executive regulations;
- (4) make technical and stylistic changes; and
- (5) generally amend the law governing a payment in lieu of real property taxes.

PURPOSE

The purpose of Bill 25-25 is to increase the housing stock in the County by expanding the existing tax abatement program, payment in lieu of taxes (PILOT), for an affordable housing development owned or controlled by a public housing authority or an affiliated nonprofit entity of a public housing authority. A PILOT provides a negotiated agreement that allows the County to lower or exempt 100% of the costs of real property taxes in exchange for a property owner's commitment to provide affordable housing.

BACKGROUND

The authority for the County to grant a PILOT is expressly authorized under state law. The enabling authority for County PILOTs related to qualified affordable housing is found in Md. Code

Ann., Tax-Prop. § 7-506.1 (“Government subsidized housing outside Baltimore City”); Md. Code Ann., Tax-Prop. §7-215 (“Housing authorities”); and Md. Code Ann., HCD. §12-104 (“Tax-exempt status”).

In December 2021, the County Council passed Bill 26-21, Taxation – Payments in Lieu of Taxes – Affordable Housing - Amendments. Bill 26-21 amended County Code §52-24, and among other things, the bill established a “by-right” or “automatic” PILOT. A “by-right” or “automatic” PILOT means the entity has a legal right to the benefit as long as they meet certain predefined criteria. Bill 26-21 made it a requirement for the County to enter into a negotiated agreement with the developer and offer a Payment-in-Lieu-of-Taxes (PILOT) program, simply because before the legislation was enacted, the amount of the PILOT was discretionary and not always guaranteed by the Director of Finance.

There are 3 types of “by-right” PILOTs established under Bill 26-21, where the Director of Finance, in consultation with the Department of Housing and Community Affairs (DCHA), must offer a 100% PILOT for qualifying housing developments. The 3 PILOTs are: 1) owned or controlled by County’s **Housing Opportunities Commission (HOC)**; (2) owned or controlled **by a non-profit housing developer if at least 50% of the dwelling units** are built under government regulation or binding agreement that limit the rent charged for at least 15 years to an amount affordable to households earning less than 60% of the area median income; and (3) owned or controlled by a non-profit housing developer if all of the dwelling units are subject to a **Section 8 Project-Based Rental Assistance** contract.

Under County law, HOC is the sole public housing authority that is eligible for a 100% property tax abatement financing. The General Assembly recently passed [House Bill 1085](#) (Housing Authorities - Tax-Exempt Status – Modifications), effective June 1, 2025, which removed the specific carve-out for HOC under §12-104 of Housing and Community Development (HCD) Article, and expanded the ability for other local housing authorities and nonprofit entities created by a public housing authority to take advantage of the tax-exempt status. The enabling legislation would make the same financing tools available statewide and standardize a toolkit for all local housing authorities.

Bill 25-25 seeks to align with state law and expand the by-right PILOT for any eligible public housing authority in the County.

BILL SPECIFICS

As permitted under state law, Bill 25-25 would amend the County law by extending the eligibility for automatic 100% PILOT agreements, not only for HOC, but for any other public housing authority of the County, municipal, or an affiliated entity of that public housing authority that is an owner of a qualified housing development.

The bill defines “housing authority” as having the same meaning as stated in Md. HCD §12-101, which means, “a public corporation created as a housing authority under this Division II.” Division II refers to the housing authority of the County, municipal, or designated in the articles of organization.¹ Further, the bill also incorporates by meaning under HCD §12-204, as

¹ §12-201 of Housing and Community Development Article (“Authorities established”).

amended, a “housing authority entity” is a nonprofit or subsidiary owned or controlled by a housing authority that may also be eligible for a PILOT.

In addition, the bill modifies the procedural method for review of the executive regulations - from Method 1 to Method 2. Method 2 review allows the Council, after a 30-day public comment period, to review the regulations governing this program and decide whether to approve or reject them within 60 days.

Finally, Bill 25-25 makes technical and stylistic changes to comply with the Maryland Plain Language Drafting Manual.

SUMMARY OF IMPACT STATEMENTS

Racial Equity and Social Justice

As provided by the Office of Legislative Oversight (OLO), Bill 25-25 will have a positive impact on racial equity and social justice (RESJ) in the County. Expanding the By Right Payment in Lieu of Taxes (PILOT) to public housing authorities outside of the Housing Opportunities Commission (HOC) could incentivize the development of more affordable housing units. This would especially benefit Black and Latinx families who live in Rockville, since Rockville Housing Enterprises is currently the only other public housing authority in the County. (See, ©5).

Climate Assessment

The Office of Legislative Oversight (OLO) anticipates Bill 25-25 will likely have a small, positive impact on the County’s community climate resilience as it could lead to an increase in affordable housing stock in the County. (See, ©9).

<u>This packet contains:</u>	<u>Circle #</u>
Bill 25-25	1
Racial Equity and Social Justice Impact Statement	5
Climate Assessment	9
Fiscal Impact Extension Request Memorandum	12

*The Economic Impact Statement was not available at the time of publication of this staff report. It can be found at the below address when available: [Racial Equity and Social Justice, Economic, and Climate Impact Statements - Office of Legislative Oversight- Montgomery County, Maryland \(montgomerycountymd.gov\)](https://montgomerycountymd.gov/RESJ-EIS-CAS)

Bill No. 25-25
Concerning: Taxation – Payments in Lieu
of Taxes – Public Housing Authorities
Revised: 6/2/2025 Draft No. 2
Introduced: June 17, 2025
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Katz
Co-Sponsors: Councilmembers Friedson and Luedtke

AN ACT to:

- (1) define housing authority;
- (2) expand the automatic payment in lieu of taxes for public housing authorities of qualifying housing developments;
- (3) modify the method of review for executive regulations;
- (4) make technical and stylistic changes; and
- (5) generally amend the law governing a payment in lieu of real property taxes.

By amending

Montgomery County Code
Chapter 52, Taxation
Section 52-24

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

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

Sec. 1. Section 52-24 is amended as follows:

52-24. Payments in lieu of taxes for certain housing developments.

(a) *Definitions.* In this Section, the following words have the following meanings.

Area median income means the median household income for the Washington, DC metropolitan area as estimated by the U.S. Department of Housing and Urban Development, adjusted by household size based on the occupancy standard for the unit.

Authority means a public housing entity as defined under Section 12-101 of the Housing and Community Development Article of the Maryland Code, as amended.

Director means the Director of Finance or the Director's designee.

Housing authority entity has the same meaning as defined under Section 12-104 of the Housing and Community Development Article of the Maryland Code, as amended.

Payment in lieu of taxes means an authorized payment made by the owner of a qualifying housing development instead of paying the County real property tax, including a County real property tax levied under a special area taxing law, that would otherwise be due.

* * *

(b) When authorized by state law, the Director may agree to accept a negotiated payment in lieu of the real property tax that would otherwise be levied on a qualifying housing development. A qualifying housing development is any housing development of which the owner is expressly eligible under state law to make payments in lieu of taxes.

(c) When authorized by state law, the Director must offer a payment in lieu of taxes for a qualifying housing development:

- (1) owned or controlled by an authority or housing authority entity [the Housing Opportunities Commission] that exempts 100[%] percent of the real property tax that would otherwise be levied;
- (2) owned or controlled by a non-profit housing developer if at least 50[%] percent of the dwelling units located on the property receiving the payment in lieu of taxes are built under a government regulation or binding agreement with the County limiting the rent charged for the unit for at least 15 years to make the unit affordable to households earning 60[%] percent or less of the area median income. The offer must exempt 100[%] percent of the real property tax that would otherwise be levied for a period of at least 15 years, but no more than the number of years that rents charged for 50[%] percent of the dwelling units must remain restricted to households earning 60[%] percent or less of the area median income; [or]
- (3) owned or controlled by a non-profit housing developer if all of the dwelling units are subject to a Section 8 Project-Based Rental Assistance Payment contract. The offer must exempt 100[%] percent of the real property tax that would otherwise be levied as long as the Section 8 Project-Based Rental Assistance Payment contract is in effect[.]; or

* * *

- (e) Any payment accepted by the Director must conform to guidelines included in a regulation adopted by the Executive under method [(1)] (2). Before the Director accepts a payment in lieu of taxes, the Director must consult the Director of the Department of Housing and Community Affairs on whether:

(1) the subject of the payment is a qualifying housing development;

and

(2) the amount of the payment complies with applicable guidelines.

(f) The Executive, in each annual operating budget submitted to the Council, must calculate the amount of pending payments in lieu of taxes already approved under this Section, including payments for housing developments owned or [operated] controlled by an authority or housing authority entity [the Housing Opportunities Commission].

Sec. 2. Transition. Section 1 of this Act applies to a qualifying housing development owned or controlled by an authority or housing authority entity only if the affordable dwelling units in the development are subject to government regulation or a binding agreement with the County that limits the rent charged on or after this Act takes effect.

Racial Equity and Social Justice (RESJ)

Impact Statement

Office of Legislative Oversight

BILL 25-25: TAXATION – PAYMENTS IN LIEU OF TAXES – PUBLIC HOUSING AUTHORITIES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 25-25 will have a positive impact on racial equity and social justice (RESJ) in the County. Expanding the By Right Payment in Lieu of Taxes (PILOT) to public housing authorities outside of the Housing Opportunities Commission (HOC) could incentivize the development of more affordable housing units. This would especially benefit Black and Latinx families who live in Rockville, since Rockville Housing Enterprises is currently the only other public housing authority in the County.

PURPOSE OF RESJ IMPACT STATEMENTS

RESJ impact statements (RESJIS) evaluate the anticipated impact of legislation on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other People of Color (BIPOC) and communities with low incomes. RESJ is also a **goal** of eliminating racial and social inequities. Applying a RESJ lens is important to achieve RESJ.¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.²

PURPOSE OF BILL 25-25

The County’s Payment in Lieu of Taxes (PILOT) program aims “to support the construction and preservation of affordable multifamily rental housing” in the County.³ A PILOT lowers or completely abates County real property taxes on affordable rental housing projects for a given period. The By Right PILOT is one of three PILOT options offered by the County.⁴ The By Right PILOT offers a 100 percent property tax exemption for qualifying housing developments.⁵ Currently, HOC and non-profit housing developers can qualify for a By Right PILOT. Figure 1 provides more information on eligibility for the By Right PILOT.

Figure 1. Conditions to Qualify for By Right PILOT

Housing Developer	Conditions to Qualify
Public housing authority (HOC only)	At least 25 percent of the units in property are rented to households making up to 60 percent of the area median income (AMI) for at least 15 years. ⁶
Non-profit	At least 50 percent of the units in property are rented to households making up to 60 percent of the AMI for at least 15 years.
Non-profit	All dwelling units in property are subject to Section 8 Project-Based Rental Assistance Payment contract.

Source: [Introduction Staff Report for Bill 25-25](#)

As noted in Figure 1, HOC is the only public housing authority (PHA) in the County that can qualify for a By Right PILOT. Recent changes to state law now allow other PHAs and affiliated nonprofits to qualify for By Right PILOTs.⁷

RESJ Impact Statement

Bill 25-25

The purpose of Bill 25-25 is to update eligibility for the County's By Right PILOT to align with recent changes to state law. If enacted, Bill 25-25 would extend eligibility for the By Right PILOT to any PHA in the County. Further, nonprofit entities owned by a PHA could also qualify for the By Right PILOT. Additionally, the Bill would require the Department of Finance to develop Method (2) regulations to implement the By Right PILOT program.^{8,9}

The Council introduced Bill 25-25 on June 17, 2025.

This RESJIS builds on the RESJIS for Bill 18-24, Housing Policy – Standards and Procedures – Amendments,¹⁰ which OLO published in October 2024. Please refer to this RESJIS for background on housing affordability and racial equity.

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of Bill 25-25 on RESJ in the County, OLO recommends the consideration of two related questions:

- Who would primarily benefit or be burdened by this bill?
- What racial and social inequities could passage of this bill weaken or strengthen?

OLO identified the following groups who would be impacted by Bill 25-25:

- **PHAs other than HOC** would benefit from having access to the By Right PILOT. Currently, Rockville Housing Enterprises (RHE) is the only other PHA in the County.¹¹ If PHAs are established in other County municipalities, such as Gaithersburg or Takoma Park, they could also benefit from the PILOT in the future.

PHAs are public entities that do not operate for profit. Their primary purpose is to manage public housing programs for community members with low incomes.¹² As noted in Figure 1, for a PHA to receive a By Right PILOT, at least 25 percent of the units in a housing development must be affordable. By decreasing operating costs from property taxes, the PILOT could help RHE and future PHAs to develop more housing with affordable units. Of note, RHE owns 372 housing units across several properties in Rockville. Of these units, 317 (85 percent) are affordable.¹³ This suggests RHE would likely use the PILOT to develop housing where most units are affordable.

- **Community members who demand affordable housing** would benefit from more housing availability if the PILOT incentivizes PHAs to develop more housing with affordable units. As described in the RESJIS for Bill 18-24, historical and contemporary racial inequities drive increased demand in affordable housing among Black and Latinx families in the County.¹⁴ Racial inequities in housing worsen racial inequities in other areas of health and well-being for BIPOC.^{15,16}

In Rockville specifically, Black and Latinx families are most likely to demand affordable housing. As of 2025, 60 percent of the AMI for a family of four in the County is \$98,340.¹⁷ As noted in Table A (Appendix), the median incomes of Black and Latinx families who live in Rockville each fall below this threshold.

RESJ Impact Statement

Bill 25-25

- **Community members at large** would be burdened by 15 years of forgone property tax revenue from housing developed with a By Right PILOT. Property taxes are the largest source of tax revenue for the County government.¹⁸ The forgone revenue would undermine the County's ability to provide public goods and services, especially with the increased demand from community members who are moving into the new housing. The resource limitations could particularly harm BIPOC community members, especially as they continue to become a larger part of the population.

Conclusion. OLO anticipates Bill 25-25 will have a positive impact on RESJ in the County. Expanding the By Right PILOT to PHAs outside of HOC could incentivize the development of more affordable housing units. RHE is currently the only other PHA in the County. Thus, OLO anticipates this Bill would especially benefit Black and Latinx families who live in Rockville, since they are most likely to demand affordable housing. Given the importance of housing to multiple areas of health and well-being, the benefit of more affordable housing is likely to outweigh the burden of forgone property tax revenue to BIPOC.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.¹⁹ OLO anticipates Bill 25-25 will have a positive impact on RESJ in the County. As such, OLO does not offer recommended amendments.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

APPENDIX

Table A. Median Household Income by Race and Ethnicity, Rockville

Race or ethnicity ²⁰	Median Household Income
Rockville	\$122,384
Asian	\$114,773
Black	\$77,149
White	\$140,797
Latinx	\$94,506

Source: [Table S1903, 2023 American Community Survey 5-Year Estimates, Census Bureau](#)

¹ Definition of racial equity and social justice adopted from [Marlysa Gamblin et al., "Applying Racial Equity to U.S. Federal Nutrition Programs," Bread for the World](#) and [Racial Equity Tools](#).

² Ibid.

³ [Payment in Lieu of Taxes \(PILOT\), Department of Housing and Community Affairs.](#)

RESJ Impact Statement

Bill 25-25

⁴ Ibid.

⁵ [Introduction Staff Report for Bill 25-25, Montgomery County Council, Introduced June 17, 2025, pg. 2.](#)

⁶ Clarified by Council staff on June 24, 2025.

⁷ Introduction Staff Report for Bill 25-25, pg. 2.

⁸ Ibid, pgs. 3-4.

⁹ Under Method (2), the Council can approve or disapprove the proposed regulation by Council resolution. If the Council does not vote on the regulation within 60 days, it is automatically approved. Refer to [Montgomery County Code § 2A-15](#).

¹⁰ [RESJIS for Bill 18-24, Office of Legislative Oversight, October 3, 2024.](#)

¹¹ [Maryland Public Housing Authorities, Maryland Inclusive Housing.](#)

¹² [Public Housing, National Housing Law Project.](#)

¹³ [2023 Annual Report, Rockville Housing Enterprises, pgs. 6-8.](#)

¹⁴ Ibid.

¹⁵ ["Racial Inequities in Housing," Opportunity Starts at Home, 2020.](#)

¹⁶ [Housing and health, Local Housing Solutions.](#)

¹⁷ [2025 Rent and Income Limits, Department of Housing and Community Affairs.](#)

¹⁸ [FY25 Approved Taxes](#), Revenues, Montgomery County Operating Budget.

¹⁹ [Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council.](#)

²⁰ Race is inclusive of Latinx origin for data points presented in this RESJIS, unless otherwise noted. Estimates for Native American and Pacific Islander community members are not available for all data points in this RESJIS.

Climate Assessment

Office of Legislative Oversight

BILL 25-25: TAXATION – PAYMENTS IN LIEU OF TAXES – PUBLIC HOUSING AUTHORITIES

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 25-25 will likely have a small, positive impact on the County's community climate resilience as it could lead to an increase in affordable housing stock in the County.

BACKGROUND AND PURPOSE OF BILL 25-25

The County's Payment in Lieu of Taxes (PILOT) program aims "to support the construction and preservation of affordable multifamily rental housing" in the County.¹ A PILOT lowers or completely abates County real property taxes on affordable rental housing projects for a given period. The By Right PILOT is one of three PILOT options offered by the County.² This PILOT offers a 100 percent property tax exemption for qualifying housing developments.³ Currently, the Housing Opportunities Commission (HOC) and non-profit housing developers can qualify for a By Right PILOT. Figure 1 provides more information on eligibility for the PILOT.

Figure 1. Conditions to Qualify for By Right PILOT

Housing Developer	Conditions to Qualify
Public housing authority (HOC only)	At least 25 percent of the units in property are rented to households making up to 60 percent of the area median income (AMI) for at least 15 years. ⁴
Non-profit	At least 50 percent of the units in property are rented to households making up to 60 percent of the AMI for at least 15 years.
Non-profit	All dwelling units in property are subject to Section 8 Project-Based Rental Assistance Payment contract.

Source: [Introduction Staff Report for Bill 25-25](#)

As noted in Figure A, HOC is the only public housing authority (PHA) in the County that can qualify for a By Right PILOT. Recent changes to state law now allow other PHAs and affiliated nonprofits to qualify for this PILOT.⁵

The purpose of Bill 25-25 is to update eligibility for the County's By Right PILOT to align with recent changes to state law. If enacted, Bill 25-25 would extend eligibility for the PILOT to any PHA in the County. Further, other

nonprofit entities owned by a PHA could also qualify for the PILOT. Additionally, the Bill would require the Department of Finance to develop Method (2) regulations to implement the By Right PILOT program.^{6,7}

The Council introduced Bill 25-25 on June 17, 2025.

ANTICIPATED IMPACTS

The affordability of a community's housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks.⁸ It can do so in two ways:

- Increasing housing stability which can increase community resilience by building community ties and enabling residents to stay better connected during emergencies; and
- Alleviating cost-burdened households by providing more affordable housing options, which allows these households to have more cash on hand to weather shocks, such as extreme weather events.⁹

By expanding the by-right PILOT for all eligible PHAs in the County, it could increase the stock of affordable housing in the County, although it is not possible to anticipate how much affordable housing would be created by this Bill. Currently, there is only one PHA besides the HOC, which is Rockville Housing Enterprises (RHE) although more PHAs could be created in the future.¹⁰ Therefore, OLO anticipates Bill 25-25 could have a small positive impact on the County's community climate resilience.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts.¹¹ OLO does not offer recommendations or amendments as Bill 25-25 is likely to have little to no impact on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptive capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

¹ [Payment in Lieu of Taxes \(PILOT\), Department of Housing and Community Affairs.](#)

² Ibid.

³ [Introduction Staff Report for Bill 25-25, Montgomery County Council, Introduced June 17, 2025, pg. 2.](#)

⁴ Clarified by Council staff on June 24, 2025.

⁵ Introduction Staff Report for Bill 25-25, pg. 2.

⁶ Ibid, pgs. 3-4.

⁷ Under Method (2), the Council can approve or disapprove the proposed regulation by Council resolution. If the Council does not vote on the regulation within 60 days, it is automatically approved. Refer to [Montgomery County Code § 2A-15.](#)

⁸ [The Community Resilience Benchmarks](#), Alliance for National and Community Resilience, Accessed 6/24/2025.

⁹ ["Equitable Adaptation Legal and Policy Toolkit: Resilient Affordable Housing, Anti-Displacement, and Gentrification"](#), Georgetown University Climate Center, Accessed 6/24/2025.

¹⁰ Staff comment; [Rockville Housing Enterprises | Public Housing Agency](#)

¹¹ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022



OFFICE OF MANAGEMENT AND BUDGET

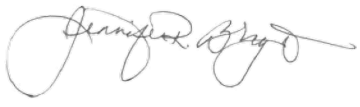
Marc Elrich
County Executive

Jennifer R. Bryant
Director

MEMORANDUM

July 2, 2025

TO: Kate Stewart, President
Montgomery County Council

FROM: Jennifer R. Bryant, Director
Office of Management and Budget 

SUBJECT: Extension Request: Fiscal Impact Statement for Bill 25-25, Taxation -
Payments in Lieu of Taxes - Public Housing Authorities

As required by Section 2-81A of the Montgomery County Code, we are informing you that the transmittal of the Fiscal Impact Statement for the above referenced legislation will be delayed because more time is needed to collect information and conduct a meaningful analysis on the Bill. We are requesting an extension and will transmit the Fiscal Impact Statement no later than July 21, 2025.

JRB:ac

cc: Cecily Thorne, Chief of Staff to the Council President, Montgomery County Council
Craig Howard, Executive Director, Montgomery County Council
Richard S. Madaleno, Chief Administrative Officer, Office of the County Executive
Tricia Swanson, Director of Strategic Partnerships, Office of the County Executive
Corey Orlosky, Manager, Office of Management and Budget
Anita Aryeetey, Senior Fiscal and Policy Analyst, Office of Management and Budget
Hamza Ahmed, Fiscal and Policy Analyst, Office of Management and Budget

Office of the Director

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