



Legislation Text

File #: 21-0973, **Version:** 2

Resolution Establishing a Council Subcommittee for the Purpose of Studying and Setting Parameters for a Payment In Lieu of Taxes (PILOT) Program for the City of Ann Arbor

Whereas, The City of Ann Arbor has anticipated annual property tax revenue receipts of \$124,407,514 (FY 2022) from all taxable landholders;

Whereas, Approximately 38% of the land area of The City of Ann Arbor is owned by non-taxable entities;

Whereas, A structural deficit exists in The City of Ann Arbor's budget, and the need for services exceeds our ability to pay for those services, as shown for example by repeated sanitary sewer overflows, the poor condition of our roads, a lack of affordable housing, and a struggle to fund needed mental health services;

Whereas, Some services and programs in the City of Ann Arbor have been set as priorities through community input, yet those services and programs generate no revenue; and

Whereas, It is fair to expect that anyone who uses City services, programs, and infrastructure play some part in paying for those services, programs, and infrastructure;

RESOLVED, That the City Council form a temporary taskforce to be known as the "City PILOT Taskforce," with the purpose of:

1. Educating the City Council about the success, structure, and methods of PILOT programs in other communities,
2. Working with the City Administrator and Assessor's Office to establish land value maps and identify all parcels in the City limits that are currently exempt from paying property taxes,
3. Generating a list of property owners of such properties, which will allow for proper notifications of any considered actions,
4. Analyzing and estimating, using whatever tools are necessary and available, the value of each parcel and the value of aggregated parcels under single ownership,
5. Establishing guidelines and rules for participation in a future PILOT program,
6. Creating list of community-centric benefits to count as PILOT credit,
7. Identifying financing and accounting options for receipt of funds for the purpose of such PILOT programs; and

8. Doing any other business that may be necessary to report back to the whole of Council on the potential for beginning a PILOT program:

RESOLVED, That the City Administrator is hereby directed to: 1) oversee such City PILOT Taskforce; and 2) appoint a sufficient number of qualified members who, in the City Administrator's reasonable discretion, are necessary to fulfill the purposes identified above; and

RESOLVED; That the City PILOT Taskforce deliver a preliminary report to the City Council, no later than March 31, 2022.

References:

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Sponsored by: Councilmembers Hayner, Nelson, and Ramlawi

As Amended and Approved by Ann Arbor City Council on June 7, 2021.