



## **Notice of Funding Availability**

**Payment in Lieu of Taxes (PILOT)**

**Development of Affordable Multi-family Rental Housing**

**Fiscal Year: 2026**

**Offered by: Charles County Commissioners**

**Release Date: 12/05/2025**

**Submission Deadline: 02/04/2026 by 4:30pm, EST**

County Commissioners of Charles County  
Notice of Funding Availability (NOFA) in support of  
Affordable Multi-family Rental Housing

**Introduction:**

The County Commissioners of Charles County are pleased to announce the FY2026 NOFA application for a Payment in Lieu of Taxes (PILOT) agreement to advance affordable housing development and housing preservation projects in designated priority funding areas of Charles County, MD. Each PILOT application received will be thoroughly reviewed by a project evaluation committee and scored via a competitive ranking process. The maximum available PILOT agreement amount in FY2026 is \$700,000.

PILOT agreements are one part of a comprehensive strategy for local governments to demonstrate their investment in, and support for affordable housing development in communities. Consideration for a PILOT agreement shall not preclude a developer from accessing other public or private financing options that enhance and sustain long-term affordability for residents. Developers are strongly encouraged to prepare a financing proposal that includes multiple sources of investments from public and private entities to assure community development that is responsive to local needs while delivering attractive, high quality housing options for residents.

The FY2026 PILOT is a voluntary incentive arrangement where a payment is made to Charles County Government in place of traditional property taxes during an established period of time. The PILOT Payment to be made by the Owner to the County shall be in lieu of the otherwise full amount of County real property taxes that would be due with respect to the Property annually in addition to any other County taxes and charges, including but not limited to applicable fire and rescue tax, State tax (which the County collects), sewer and water charges, system benefit charges, and building excise tax that the Owner is or may in the future be required to pay to County that is not already included in the County's real property tax and fees bill. The PILOT Payment is not in lieu of any other applicable municipal or state tax or charge of any kind unrelated to real property taxes for which the Owner shall continue to be responsible.

The FY2026 NOFA for an affordable, multi-family rental housing PILOT, enables the developer or owner to make an annual payment to Charles County Government at a reduced rate for a period of 20 years in exchange for providing affordable, quality rental units to low-income residents. The PILOT agreement(s) are negotiated and can be tailored to meet the specific needs of the local community and its residents.

### **Community Profile:**

Charles County is a growing, vibrant community steeped in tradition and history dating back to the earliest days of our nation. Located in proximity to both Washington, DC and Northern Virginia, it offers access and economic opportunity to talented professionals in a broad range of careers including government/public service, military, healthcare, industrial, private-sector businesses, and agriculture. Charles County was recently recognized as the most affluent majority-black county in the United States. Despite positive socioeconomic indicators such as high median income, many households in Charles County struggle to afford housing in the area. Recognizing the critical role that affordable housing plays in promoting safe, stable, economically strong and diverse communities, the Board of Charles County Commissioners are committed to meeting the housing needs of individuals and families who choose to make Charles County their home. Affordable housing developments supported by this NOFA aim to improve the quality of life for residents, while supporting increased workforce and economic development, reducing racial disparities, and improving housing stability and security within the County.

### **Eligible Uses of PILOT Funds:**

- Acquisition and stabilization of properties
- Architectural and engineering
- Environmental review, assessment, and testing
- Market and financial feasibility analysis
- Construction
- Carrying costs
- Financing and lender fees
- Legal fees associated with closing financing, and drafting legal documents directly associated with this development project
- Consultant fees directly associated with this project
- Project management personnel
- Infrastructure and utilities
- Demolition of previous structures at the development site
- Customary landscaping and beautification of the completed development site, including parking and accommodations for mixed-use buildings with ground floor retail/commercial space

### **FY2026 Application Process and Timeline:**

The County anticipates the following schedule for the FY2026 NOFA process:

- FY2026 Application will be released to interested parties on 12/05/2025.
- An optional pre-proposal conference will be held virtually on 01/07/2026 at 3pm EST. The purpose of the pre-proposal conference is to review the NOFA, application requirements,

evaluation and award process, and to answer questions pertaining directly to the NOFA requirements. To receive a meeting link please email [barclayd@charlescountymd.gov](mailto:barclayd@charlescountymd.gov) at your soonest convenience,

- **Applications must be received by the County Administrator's Office no later than 4:30pm EST on 02/04/2026. Applicants must submit one (1) complete electronic submission with all required attachments to [HousingPILOT@charlescountymd.gov](mailto:HousingPILOT@charlescountymd.gov).** Exceptions or time extensions will not be considered.
- Applications that are incomplete or fail to meet all required components will be disqualified and will not be forwarded by the County Administrator to the project evaluation committee.
- All qualified applications received by the County Administrator will be forwarded for review and ranking and by the PILOT Workgroup evaluation committee. The evaluation committee will determine top ranked proposals for recommendation to the County Commissioners within 30 days of receipt.
- The Department of Community Services will compile a summary report of the applications received and the overall ranking from the PILOT Workgroup evaluation committee.
- The PILOT Workgroup will present its recommendation(s) to the County Commissioners during a regularly scheduled public meeting no later than 03/03/2026.
- A public hearing will be scheduled no later than 3/17/2026. Following input from the public hearing, the County Commissioners will consider application(s) and make a final determination at a follow-up work session.
- After the public hearing, the County Commissioners will vote on the selected PILOT application no later than 03/31/2026. Following an affirmative vote, the County Commissioners will direct the County Attorney's Office to work with the applicant(s) to prepare a draft PILOT agreement.
- The draft PILOT agreement will be presented to the County Commissioners for final approval no later than 05/29/2026.
- Funding awards will be announced upon completion of a fully executed PILOT agreement.
- The applicant will be required to provide a copy of the fully executed PILOT agreement to the Planning & Growth Management (PGM) Department with all future plan submissions requiring approval.
- The applicant will be required to provide a copy of the fully executed PILOT agreement to the Department of Fiscal & Administrative Services in order to receive payment

Charles County Government at its sole discretion reserves the right to modify the above dates with reasonable notice to applicants.

**Required Documents:**

- Cover letter
- LIHTC form 202 with all worksheets, must be submitted in Excel format
- Detailed narrative of project description, and how it meets resident needs in Charles County

- Affirmation of Zoning Approval (e.g., an approved Site Development Plan, Zoning Officer Determination, Zoning Verification)
- Signed Application Checklist must accompany each application (see Appendix A)
- Signed Conflict of Interest/Risk Assessment form (see Appendix B)
- All documents on the checklist must be included at the time of application submission. No exceptions or extensions will be granted.

All documents submitted as part of this application are considered public records and may be made available to the public upon request, with exception of personal financial statements, private corporate financial statements, and other confidential or proprietary commercial information. The County reserves the right to post summary information about all submissions, including those selected for financial award.

**Project Evaluation Criteria:**

To qualify for consideration of a PILOT agreement, the applicant must submit a comprehensive narrative of their proposal that demonstrates readiness and alignment with affordable housing program goals and must meet all the County’s minimum criteria. The project evaluation committee will review and rank each eligible application with preferential ranking given to projects that exceed the minimum criteria below:

- (1) **Affordability of housing:** Projects should be planned and financed to assure long-term affordability for residents. A minimum of 80% of the total project’s housing units must be affordable to households earning 60% or less of the Area Median Income (AMI) for Charles County as defined in the most recent *Income Limits Schedule* produced by Maryland’s Department of Housing & Community Development (DHCD) and published in the *Multifamily Housing Development Document Library*. Rents charged for affordable units shall not exceed the Max Gross Rent calculation for Charles County adjusted for household size.
  - a. The affordability rating can be accomplished by providing 80% of all units at 60% AMI, or by providing a combination of rental prices comprising a range of AMI categories that do not have a weighted average exceeding 60% of AMI.
  - b. Projects proposing to use income averaging may include units with rent and household income limits up to 100% AMI, so long as the average of the income limitations do not have a weighted average.
- (2) **Location:** Projects must be located within the Priority Funding Area as verified by the Department of Planning & Growth Management (PGM), and on parcels with existing public water & sewer infrastructure. Proposed projects must be consistent with and conform to the Charles County Comprehensive Plan and other related planning and regulatory documents.
- (3) **Experience:** Project developers must demonstrate relevant experience with completing affordable/workforce housing projects that utilized financing from and/or construction of successful projects using Low Income Housing Tax Credits (LIHTC).

**Funding Priorities/Best Consideration:**

Beyond the three (3) minimum standards outlined above, applications will be ranked more competitively if they include, but are not limited to the provision of additional community amenities or benefits such as:

- Housing that targets special populations such as Charles County public service workforce, income-restricted households, veterans, seniors or persons with disabilities, individuals at risk of homelessness, etc.
- Term of affordability that meets or exceeds LIHTC requirements, such as affordability of at least some units at the 20% and 30% AMI range.
- Use of local contractors that are designated in the Charles County Minority and Women-Owned Business Enterprise Program (WMBE), or Charles County Small Local Business Enterprise Program (SLBE).
- Above-minimum support services to tenants of the housing development, or inclusion of attractive and accessible community amenities that enhance residents' quality of living.
- Housing that is transit-oriented or includes mixed-use development including extent of associated commercial development.
- Housing that exceeds the minimum accommodations for Americans with Disabilities (ADA) accessibility and/or includes universal design elements to accommodate persons with varying levels of ability.
- Housing that includes sustainable design, energy efficiency, &/or green design standards.
- On-site property management that is highly responsive to the needs of tenants.

**Additional Conditions:**

The County reserves the right to suspend, amend, or modify the provisions of this NOFA. The County additionally reserves the right to reject all proposals, to negotiate modification of proposals, or to award less than the full amount of the funding available, at its sole discretion.

## APPENDIX A: Application checklist

\_\_\_ **Application cover letter**, addressed to:

Ms. Deborah E. Hall, CPA, *Acting County Administrator*  
Charles County Government  
200 Baltimore Street  
La Plata, MD 20646

\_\_\_ **Development Team/Applicant information** (Full legal name and contact information for all members of the Development team or applicant entity)

\_\_\_ **DUNS number/Unique entity ID** of ownership entity submitting application

\_\_\_ **Completed LIHTC form 202 with all worksheets** (in Excel format)

\_\_\_ **Detailed description of project financing**, including other public or private sources designated for this development project

\_\_\_ **Detailed project narrative** including but not limited to: project name, project address, general description of project, narrative of market conditions, average range of affordability, physical description of project including unit mix, number of units by range of affordability, how the target population will be served by this project, type of construction, scope of work, parking and transit-oriented development description, calculation of utility allowances, total gross square footage, retail/commercial square footage (if applicable), supports/benefits or amenities offered, operation and location of property management, explanation of which County priorities are met, & any other pertinent information.

\_\_\_ **Demonstration of successful experience** in development of affordable housing

\_\_\_ **Affirmation of Zoning Approval** (documents to be submitted with application)

Printed name of applicant: \_\_\_\_\_

Signature of applicant: \_\_\_\_\_ Date: \_\_\_\_\_

## APPENDIX B: Conflict of Interest/Risk Assessment

By completing this form, the applicant certifies that it is ready to proceed in good faith, if selected for FY2026 PILOT funding from Charles County Government.

**Please initial each item and sign/date the form.**

**Financing:** Project demonstrates financial feasibility as a threshold criterion to be considered for funding. This includes, but is not limited to: evidence that funds are sufficient to complete the proposed project in a timely manner; estimated costs of construction are market reasonable and include contingencies sufficient to cover the scope of work; the ability to support any must-pay debt; loan-to-value ratio doesn't exceed 100% including all sources of debt.

**Conflict of Interest:** Initials certify that neither the principal identified in the application, nor any corporation or applicant acting with or on behalf of the principal has been subject to any of the following risk factors:

Pending judgements, legal actions, lawsuits, orders &/or orders of satisfaction

Conviction in or in a pending case for fraud, bribery, or larceny

Conviction or in a pending case for arson or insurance fraud

Adjudicated bankruptcy, voluntarily or involuntarily, within the past 10 years

Indicted for or convicted of any felony within the past 10 years

Unpaid taxes or liens

Declared in default of a loan or failed to complete a development project

Failed to complete, debarred, or currently in violation of any contract or agreement involving Charles County Government

**If unable to certify any items above, please provide a documented explanation.**

Printed name of applicant: \_\_\_\_\_

Signature of applicant: \_\_\_\_\_ Date: \_\_\_\_\_