



Housing and Revitalization  
Department

# Expanded PILOT Program

For more information and to access application, visit:  
[detroitmi.gov/PILOT](https://detroitmi.gov/PILOT)

## Program Basics:

Recently passed local ordinance allows for “payment in lieu of taxes” (PILOT) for housing developments for low- or moderate-income tenants. Key requirements include:

- Agree to lease units to tenants with qualifying income (tenant income no greater than 120% AMI) and restrict rent for duration of the PILOT
- Meet investment thresholds: \$15,000/unit for vacant rehabs; \$5,000/unit for occupied rehabs
- Comply with BSEED including Certificate of Compliance or Certificate of Occupancy
- Maintain “Good Standing” with the City

## PILOT Rate is Based on Affordability and Building Type

Annual service charge will be calculated as a percentage of rental income based on affordability and building type, per the table below.

Average Affordability	PILOT Rate	
	Standard	Long-Term Vacant Rehab
81-120% AMI	*	3.5%
61-80% AMI	4.0%	2.0%
≤ 60% AMI	1.0%	0.5%

## PILOT Process Overview



COMPLETE  
APPLICATION



HRD REVIEW  
AND  
ADMINISTRATIVE  
APPROVAL\*



APPLY FOR  
MSHDA  
EXEMPTION



COMPLETE  
DEVELOPMENT  
/ REHAB  
PROJECT



SUBMIT  
PACKET TO  
ASSESSOR  
BY NOV. 1



PILOT  
BEGINS  
FOLLOWING  
TAX YEAR

\*Standard Workforce Housing Projects (SWHPs) with average affordability between 81-120% AMI require underwriting and City Council approval.