

**POTOMAC WOODS SWIM CLUB, INC.
P.O. BOX 1251
ROCKVILLE, MARYLAND 20849-1251**

August 5, 2008

Rockville City Hall
111 Maryland Ave.
Rockville, MD 20850

Dear Mayor Hoffman, Council Members and City Managers:

We, the Board of Directors and members of the Potomac Woods Swim Club (PWSC), are writing to request fairness and relief from City of Rockville property taxes. Currently, the PWSC and Twinbrook Swimming Pool are the only nonprofit community pools that are assessed and billed for property taxes. All other community pools in the City of Rockville, such as the New Mark Commons, King Farm, and Rockshire pools, provide identical recreational outlets to their communities but are tax exempt because the pools are operated under the auspices of homeowners' associations. In an effort to keep PWSC affordable in our current economic environment, we are requesting equal treatment with respect to property taxation by the City of Rockville.

In 2006 the General Assembly of the State of Maryland and the Governor unanimously authorized local governing bodies, such as Montgomery County and the City of Rockville, to grant a tax credit against property tax imposed on swim club property used exclusively for providing a recreational outlet for the community (<http://mlis.state.md.us/2006rs/billfile/SB0982.htm>). The Montgomery County Council passed such a tax credit for all nonprofit swim clubs in the county (Montgomery County Code, Chapter 52, Article I, Section 52-18P). Potomac Woods Swim Club qualifies for this Montgomery County tax credit. In the relief method chosen by Montgomery County, the real estate of swimming pools continues to be assessed by the State of Maryland. However, an application for the tax credit is completed each year to verify that the pool is still owned and operated as a nonprofit organization and provides recreation to the community (<http://www.montgomerycountymd.gov/content/finance/CountyTaxes/InfoTaxes/swimclub.pdf>). Montgomery County then issues a credit for the amount of taxes billed. The County's credit covers the County general property tax and the special area taxes.

The City of Rockville has the authority to implement a similar tax credit. We are asking the City of Rockville to exercise their authority and provide a credit for this tax so all nonprofit community pools in the City of Rockville are treated equitably. This tax relief would be very helpful in keeping the dues of PWSC affordable for the Rockville community.

About the Potomac Woods Swim Club:

Potomac Woods Swim Club (PWSC) is a member-owned community pool. It was organized and built by early residents, and we have opened our gates each summer for more than forty years. The pool continues to be operated as a not-for-profit corporation.

Memberships at PWSC are open to everyone and not restricted by boundaries, ability to purchase homes in select neighborhoods, or other qualifications. The vast majority of our members reside within neighborhoods within close proximity to the pool, which have no mandatory home owners associations or requirements to pay for pool facilities. PWSC provides access to a safe, local swimming environment during the hot summer months. We also make our facility available to local Boy Scouts troops for their water badge testing.

PWSC is a nonprofit entity and our sparse budget is written to cover the basic maintenance and costs of opening the pool for the summer months. As you would expect with a facility our age, we are facing some significant maintenance expenses over the next several years. We are trying to keep our rates affordable for our families in this challenging economic environment.

We believe that PWSC, like other pools within the City, provides a valuable service to the community. Your assistance with tax relief, similar to the program initiated by Montgomery County, will contribute to our community and put it on fairer terms with other communities. We look forward to working with you on this issue. Please contact me if you have any questions.

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