

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2022 Legislative Session

Resolution No. CR-039-2022

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Hawkins, Turner, Franklin, Streeter, Glaros, Ivey,
Taveras, and Harrison

Co-Sponsors _____

Date of Introduction April 26, 2022

RESOLUTION

1 A RESOLUTION concerning

2 Payments in Lieu of Taxes (“PILOT”) Agreement for the Atworth College Park Metro
 3 Apartments project

4 For the purpose of approving the terms and conditions of a Payments in Lieu of Taxes
 5 (“PILOT”) Agreement between Prince George’s County, Maryland (the “County”) and GD CP
 6 Metro, LLC (the “Owner”).

7 WHEREAS, there is a significant need in the County for quality housing units for persons
 8 with limited income, particularly families; and

9 WHEREAS, the Owner proposes to acquire land from the Washington Metro Area Transit
 10 Authority (“WMATA”), via a ninety eight (98) year land lease, and construct four hundred fifty
 11 one (451) units of affordable mixed-use rental housing community for families, known as the
 12 Atworth College Park Metro Apartments project, located at 4201 River Road, College Park,
 13 Prince George’s County, Maryland, as more particularly described in Exhibit A, attached hereto
 14 and herein incorporated by reference (“Property”); and

15 WHEREAS, the Owner has requested that the County Council of Prince George’s County,
 16 Maryland, (the “County Council”) authorize the Owner to make payments in lieu of County real
 17 property taxes pursuant to Section 7-506.3 of the Tax-Property Article of the Annotated Code of
 18 Maryland, as amended; and

19 WHEREAS, Section 7-506.3 of the Tax-Property Article of the Annotated Code of
 20 Maryland, as amended, provides that in Prince George's County, real property may be exempt
 21 from county property tax if: (a)(2)(i) the real property is owned by a person engaged in

1 constructing or operating housing structures or projects; (a)(2)(ii) the real property is used for a
 2 housing structure or project that is constructed or substantially rehabilitated under a federal,
 3 State, or local government program that (a)(2)(ii)(1) is acquired, constructed, or rehabilitated
 4 under a federal, State, or local government program that (a)(2)(ii)(1)(A) funds construction or
 5 rehabilitation or insures the financing of construction or rehabilitation in whole or in part,
 6 including a housing investment trust, or (a)(2)(ii)(1)(B) provides interest subsidy, rent subsidy,
 7 or rent supplements; or (a)(2)(ii)(2) is acquired under the Right of First Refusal program under
 8 Subtitle 13, Division 14 of the Prince George's County Code; (a)(2)(iii) the owner and the
 9 governing body of Prince George's County agree that the owner shall pay a negotiated amount in
 10 lieu of the applicable county property tax; and (a)(2)(iv) the owner of the real property:
 11 (a)(2)(iv)(1)(A) agrees to continue to maintain the real property as rental housing for lower
 12 income persons under the requirements of the government programs described in paragraph
 13 (a)(2)(ii) of this subsection; and (a)(2)(iv)(1)(B) agrees to renew any annual contributions
 14 contract or other agreement for rental subsidy or supplement; or (a)(2)(iv)(2) enters into an
 15 agreement with the governing body of Prince George's County to allow the entire property or the
 16 portion of the property that was maintained for lower income persons to remain as housing for
 17 lower income persons for a term of at least 5 years; and

18 WHEREAS, the Owner has demonstrated to the County that an agreement for payments in
 19 lieu of County real property taxes is necessary to make the Project economically feasible, as
 20 described in Attachments "A-1," "A-2," and "A-3," attached hereto and made a part hereof; and

21 WHEREAS, in order to induce the Owner to provide housing for families with restricted
 22 incomes, it is in the interest of the County to accept payments in lieu of County real property
 23 taxes, subject to the terms and conditions of the PILOT Agreement (the "Agreement") set forth
 24 in Attachment B, attached hereto and made a part hereof; and

25 WHEREAS, the County Executive has recommended support of the acquisition and
 26 construction of the Project.

27 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
 28 County, Maryland, that in accordance with Section 7-506.3 of the Tax-Property Article of the
 29 Annotated Code of Maryland, as amended, the County shall accept payments in lieu of County
 30 real property taxes for the Project, subject to the Agreement attached to this Resolution.

31 BE IT FURTHER RESOLVED that the County Executive or the County Executive's

1 designee is hereby authorized to execute and deliver the Agreement in the name of and on behalf
2 of the County in substantially the same form attached hereto.

3 BE IT FURTHER RESOLVED that the County Executive, prior to the execution and
4 delivery of the Agreement, may make such changes or modifications to the Agreement as
5 deemed appropriate in order to accomplish the purpose of the transaction authorized by this
6 Resolution, provided that such changes or modifications shall be within the scope of the
7 transactions authorized by this Resolution; and the execution of the Agreement by the County
8 Executive or the County Executive’s designee shall be conclusive evidence of the approval of the
9 County Executive of all changes or modifications to the Agreement; and the Agreement shall
10 thereupon become binding upon the County in accordance with the terms and conditions therein.

11 BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of
12 its adoption.

Adopted this 5th day of July, 2022.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Calvin S. Hawkins, II
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Atworth College Park Metro Apartments
4201 River Road
College Park, MD 20740**

COUNCILMANIC DISTRICT 3

PROJECT DESCRIPTION: A four hundred fifty one (451) unit mixed-use apartment building that is being constructed next to the College Park Metro station. Ownership plans to restrict rents for all units at or below eighty percent (80%) of the Area Median Income (“AMI”) for ninety eight (98) years.

OWNER: GD CP Metro, LLC

DEVELOPER: Gilbane Development Company

CONTACT: Robert Gilbane, Jr.
Gilbane Development Company
(703) 312-7275
RVGilbane@GilbaneCo.com

NEIGHBORHOOD/LOCALITY: College Park, Prince George’s County, District 3

UNIT MIX: Efficiency/Studio: 29 units
One-bedroom: 261 units
Two-bedroom: 144 units
Three-bedrooms: 17 units

AFFORDABILITY: All four hundred fifty one (451) units will be reserved for households at or below eighteen (80%) of the AMI for ninety eight (98) years.

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Atworth College Park Metro Apartments
4201 River Road
College Park, MD 20740**

COUNCILMANIC DISTRICT 3**PROJECT DESCRIPTION:**

Gilbane Development Company (the “Developer”) is constructing the Atworth College Park Metro Apartments (the “Project”), a mixed-use apartment building on a site acquired from the Washington Metro Area Transit Authority (“WMATA”) via a ninety eight (98) year land lease. The site is located next to College Park Metro station and is also on the route of the Purple Line. Rent levels for all four hundred fifty one (451) rental units at this upcoming Project will be restricted to eighty percent (80%) of the Area Median Income (“AMI”) for ninety eight (98) years.

One hundred percent (100%) of units will be rent-restricted. This affordability is a requirement of the subordinate debt financing. In addition to the four hundred fifty one (451) residential units, the 5-story, wood-framed project will include a three hundred twenty four (324) space structured parking garage, and approximately five thousand (5,000) square feet of ground floor retail space. It will achieve a minimum sustainability designation of LEED Silver (or equal designation).

The Project will be the first mixed-use development in the College Park Transit District Development Area. It will provide much needed quality housing and retail options for the community, especially the adjacent Discovery District which serves as a burgeoning research park bringing together a diverse base of tenants that range from technology start-ups to Federal Agencies.

A loan from the Housing Investment Trust Fund (“HITF”) will support a portion of the public improvements the Developer is making to the larger site. The land between the existing parking lot and the Metro Station is presently an underutilized space primarily providing

stormwater management (the “Brooks Parcel”). On this site, the Developer plans to construct an approximate 1-acre public parklike area. At completion, this area will contain approximately 700 linear feet of bicycle and pedestrian trails and pathways. Several seating areas are also proposed for passive recreation. In addition to the installation of a bikeshare station, lighting improvements will be made to ensure a safe pedestrian environment and active setting. Public art installations will be installed featuring works by local artists. Signage and wayfinding improvements will encourage efficient travel to and from the neighboring Metro and Purple Line stations.

Additionally planned public benefits to be delivered in connection with the Project include the repair and enhancement of a pedestrian tunnel underneath the WMATA tracks with new lighting and façade improvements. Connectivity to the Metro will be improved via the replacement and extension of a sidewalk in the adjacent neighborhood. Environmental sustainability will be enhanced by the creation of multiple micro-bioretenion areas on site that will improve stormwater retention and treatment in the immediate area by over 100%.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

**Atworth College Park Metro Apartments
4201 River Road
College Park, MD 20740**

COUNCILMANIC DISTRICT 3

Sources	Amount	
M&T Bank & Santander private loan	\$76,785,000	54.70%
Private Subordinate debt	\$56,375,000	40.16%
Developer Equity	\$7,009,421	4.99%
PGC Housing Investment Trust Fund loan	\$200,000	0.14%
TOTAL	\$140,369,421	100.00%

Uses	Amount	
Construction or Rehabilitation Costs	\$92,005,785	65.55%
Fees Related to Construction or Rehabilitation	\$12,270,934	8.74%
Financing Fees and Charges	\$12,417,580	8.85%
Acquisition Costs	\$14,953,000	10.65%
Developer's Fee	\$4,812,748	3.43%
Guarantees and Reserves	\$3,909,374	2.79%
TOTAL	\$140,369,421	100.00%