

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2008 Legislative Session

Resolution No. CR-10-2008
Proposed by The Chairman (by request – County Executive)
Introduced by Council Member Dean
Co-Sponsors _____
Date of Introduction February 26, 2008

RESOLUTION

1 A RESOLUTION concerning

2 Jericho Senior Living Center

3 For the purpose of approving a \$1,000,000 HOME loan, the awarding of Low Income Housing
4 Tax Credits (“LIHTCs”) by the State of Maryland Community Development Administration
5 (“CDA”), and the amendment of the Prince George’s County “Annual Action Plan: FY 2007”
6 (FY 2007 Annual Action Plan) to include the Jericho Senior Living Center (the “Jericho
7 Project”).

8 WHEREAS, the Jericho Project is proposed as a 270-unit rental facility for independent
9 seniors, to be located on approximately five and one-half (5 ½) acres on the west side of
10 Brightseat Road and Arena Drive in Landover, Maryland; and

11 WHEREAS, forty percent (40%) or 110 of the units will be affordable and targeted to
12 households with incomes at or below sixty percent (60%) of the area median income; and sixty
13 percent (60%) or 160 of the units will be market rate with no income restrictions; and

14 WHEREAS, Jericho Baptist Church Ministries (the “Church”) is the developer of the
15 Jericho Project and has hired Bozzuto Development Services, LLC and Potomac Real Estate
16 Management Company, LLC to assist with the development of the Jericho Project; and

17 WHEREAS, the Church has capitalized Jericho Center of Hope, Inc. (“Center of Hope”)
18 with a demand note in the maximum amount of \$4,000,000 pursuant to which Center of Hope
19 can obtain funds from the Church in the event Center of Hope is required to make payments
20 guaranteed in connection with the financing of the Jericho Project; and

21 WHEREAS, the Church is providing a portion of the financing of the Project through loans,
22 deferral of its development fee and leasehold interest assignor financing, all as more particularly

1 described on Attachment B; and

2 WHEREAS, Jericho Senior Living, LLC, a Maryland limited liability company, is the
3 owner of the Jericho Project; and

4 WHEREAS, the current budgeted cost of the Jericho Project is \$52,809,699; and

5 WHEREAS, financing includes a construction loan from National City Bank, equity from
6 the sale of LIHTCs awarded by CDA, a HOME loan from Prince George's County, a loan from
7 the leasehold interest assignor, Church Holdings, LLC, loans from the Church and a WSSC
8 waiver of systems development charges, all in the amounts set forth in Attachment B; and

9 WHEREAS, the FY 2007 Annual Action Plan approved by CR-31-2006 and adopted on
10 June 20, 2006 included a description of the Rental Housing Rehabilitation and Development
11 Program activity and funding for the activity; and

12 WHEREAS, pursuant to Section 15A-105(a)(2), the Annual Action Plan must also include
13 the estimated cost for each project in the subject program year, the total cost for each project
14 proposed in the subject program year, the total cost for completion and must identify all of the
15 funds to be used for the project; and

16 WHEREAS, the approved FY 2007 Annual Action Plan did not include the Jericho Project;
17 and

18 WHEREAS, in accordance with Section 4-213 of the Housing and Community
19 Development Article of the Annotated Code of Maryland, as amended, and the regulations and
20 procedures promulgated thereunder, projects financed by CDA must be supported by the
21 government of the locality in which the project is situated; and

22 WHEREAS, the County Executive endorses the Jericho Project and recommends approval
23 for financing the Jericho Project substantially as described on Attachment B.

24 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
25 County, Maryland, a HOME loan for the Jericho Project in the amount of One Million Dollars
26 (\$1,000,000), is hereby approved.

27 BE IT FURTHER RESOLVED that this Resolution shall constitute the approval of the
28 County Council of the award of LIHTCs by CDA.

29 BE IT FURTHER RESOLVED that the Prince George's County "Annual Action Plan:
30 FY2007" is hereby amended to include the Jericho Project, including the current projected cost,
31 the financing and the description of the Jericho Project set forth in Attachment A and

1 Attachment B.

2 BE IT FURTHER RESOLVED that a copy of this Resolution be sent to the Secretary of the
3 Department of Housing and Community Development of the State of Maryland.

Adopted this 25th day of March , 2008.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Samuel H. Dean
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Jack B. Johnson
County Executive

ATTACHMENT A

PROJECT INFORMATION SHEET

Jericho Senior Living Center
1000 Brightseat Road
Landover, Maryland 20785

COUNCILMANIC DISTRICT 5

PROPERTY DESCRIPTION:

The Jericho Senior Living Center project (the “Jericho Project”) is proposed as a 270-unit rental facility for independent seniors, to be located on approximately five and one-half (5 ½) acres on the west side of Brightseat Road and Arena Drive in Landover, Maryland. Forty percent (40%) or 110 of the units will be affordable, targeted to households with incomes at or below sixty percent (60%) of the area median income. Three (3) of the 110 affordable units will be targeted to households with incomes at or below fifty (50%) of the area median income. Sixty percent (60%) or 160 of the units will be market rate, with no household income limits.

YEAR BUILT:

New construction

OWNER:

Jericho Senior Living, LLC

MANAGER:

Bozzuto Management Company will be the management agent for the Jericho Project upon completion.

DEVELOPER:

Jericho Baptist Church Ministries (the “Church”)

OWNER’S CONTACT:

Jericho Senior Living, LLC
c/o Apostle Betty Peebles
Jericho Baptist Church Ministries
8501 Jericho City Drive
Landover, Maryland 20785

FINANCING:

\$29,249,700 construction loan from National City Bank; \$13,297,670 LIHTC equity; \$3,582,000 loan from Church Holdings, LLC (leasehold interest assignor financing); \$1,000,000 deferred developer fee; \$950,000 loan from the Church; \$3,180,609 loan from the Church; \$549,720 WSSC waiver of systems development charges; \$1,000,000 HOME Funds loan.

NEIGHBORHOOD/LOCALITY:

The Jericho Project will be located in the Landover area of Prince George's County, on the west side of Brightseat Road, one-third of a mile south of the intersection of Bishop Peebles Drive. The site is part of the 82-acre campus owned by the Church. The Jericho Project will be built on approximately 5.5 acres, bounded: to the north by the Church facility, to the south by the Thomas G. Pullen K-8 Creative and Performing Arts Focus School, to the west by undeveloped land owned by the Church and to the east by a one-story industrial office park.

SECURITY SERVICES:

The Jericho Project will be staffed with a 24-hour concierge service and a 24-hour on call service manager. Additionally, a physical building security system will be installed which will include both an emergency call system and building perimeter system. The emergency call system will consist of an emergency pull cord installed in each apartment unit for residents to use in the case of an actual emergency. Should a resident experience an emergency, they will pull the cord, which will immediately dispatch emergency services. Emergency services personnel will be able to determine from which unit such a call originates by use of an enunciator panel at the building entrance.

In addition to the emergency call system, the Jericho Project will have a complete perimeter building security system. A key

fob will be required to enter the facility. Visitors will be required to call either a resident or the management office from an exterior call box in order to gain entry. Also, each perimeter door will be equipped with an alarm sounder which will notify the monitoring station if an exterior building door is left propped open or is forced open.

UNIT MIX:

- 1 bedroom/1 bath studio – 2
- 1 bedroom/1 bath – 59
- 2 bedroom/1 bath – 108
- 2 bedroom/2 bath – 73
- 2 bedroom/2 bath/den – 20
- 3 bedroom/2 bath – 7
- 3 bedroom/2 bath/den – 1

PROPOSED RENTS:

50% AMI Units (3)
\$659 - 1 bedroom/1 bath

60% AMI Units (107)
\$836 - 1 bedroom/1 bath
\$1,022 - 2 bedroom/1 bath
\$1,022 - 2 bedroom/2 bath

Market Units (160)
\$675 - 1 bedroom/1 bath studio
\$1,250 - 1 bedroom/1 bath
\$1,250 - 1 bedroom/1 bath/den
\$1,560 - 2 bedroom/1 bath
\$1,610 - 2 bedroom/2 bath
\$1,610 - 2 bedroom/2 bath/den
\$1,665 - 3 bedroom/2 bath
\$1,665 - 3 bedroom/2 bath /den

ATTACHMENT B

PROJECT FINANCING SUMMARY

Jericho Senior Living Center
 1000 Brightseat Road
 Landover, Maryland 20785

COUNCILMANIC DISTRICT 5

SOURCES OF FUNDS	AMOUNT	%
Construction loan from National City Bank	\$29,249,700	55.39%
9% Low Income Housing Tax Credits Equity	\$13,297,670	25.18%
Deferred Developer Fee by the Church	\$1,000,000	1.90%
Prince George's County HOME Funds Loan	\$1,000,000	1.89%
Church Loans (\$950,000 and \$3,180,609)	\$4,130,609	7.82%
Loan from Church Holdings, LLC (Leasehold interest assignor financing)	\$3,582,000	6.78%
WSSC Waiver of Systems Development Charges	\$549,720	1.04%
TOTAL SOURCES	\$52,809,699	100.00%
USES OF FUNDS	AMOUNT	%
Construction Costs	\$34,704,300	65.72%
Developer's Fee	\$2,500,000	4.73%
A&E and Other Construction Fees	\$4,393,485	8.32%
Acquisition of Leasehold Interest Costs	\$3,980,000	7.54%
Financing Fees & Costs	\$6,564,414	12.43%
Reserves (i.e., lease up, operating, and replacement reserves)	\$667,500	1.26%
TOTAL OF USES	\$52,809,699	100.00%