

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

Resolution No. CR-051-2022
Proposed by The Chair (by request – County Executive)
Introduced by Council Members Hawkins, Streeter, Taveras, Turner, Glaros, and Harrison
Co-Sponsors Council Member Medlock
Date of Introduction May 3, 2022

RESOLUTION

1 A RESOLUTION concerning

2 Payments in Lieu of Taxes (“PILOT”) Agreement for Willows at Upper Marlboro
3 For the purpose of approving the terms and conditions of a Payments in Lieu of Taxes
4 (“PILOT”) Agreement between Prince George’s County, Maryland (the “County”) and Willows
5 at Upper Marlboro, LLC (the “Owner”).

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

8 WHEREAS, the Owner proposes to acquire and construct sixty (60) units of multi-family
9 rental housing for mixed income families, especially those with low- and moderate-income,
10 known as Willows at Upper Marlboro, located at 15402 Marlboro Pike, Upper Marlboro, Prince
11 George’s County, Maryland, as more particularly described in Exhibit A, attached hereto and
12 herein incorporated by reference (“Property”); and

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

17 WHEREAS, Section 7-506.3 of the Tax-Property Article of the Annotated Code of
18 Maryland, as amended, provides that in Prince George's County, real property may be exempt
19 from county property tax if: (a)(2)(i) the real property is owned by a person engaged in
20 constructing or operating housing structures or projects; (a)(2)(ii) the real property is used for a
21 housing structure or project that is constructed or substantially rehabilitated under a federal,
22 State, or local government program that (a)(2)(ii)(1) is acquired, constructed, or rehabilitated

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

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

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

22 WHEREAS, the County Executive has recommended support of the acquisition and
23 construction of the Project.

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

28 BE IT FURTHER RESOLVED that the County Executive or the County Executive's
29 designee is hereby authorized to execute and deliver the Agreement in the name of and on behalf
30 of the County in substantially the same form attached hereto.

31 BE IT FURTHER RESOLVED that the County Executive, prior to the execution and

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

8 BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of
9 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

**Willows at Upper Marlboro
15402 Marlboro Pike
Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6

PROJECT DESCRIPTION: Willows at Upper Marlboro, LLC plans to acquire land and construct sixty (60) units of mixed-income garden-style apartment rental housing for families across three (3) buildings in Upper Marlboro, Prince George’s County. Fifty-one (51) units will be priced at various affordability levels up to eighty percent (80%) of the Area Median Income (“AMI”) and nine (9) units will be market rate.

OWNER: Willows at Upper Marlboro, LLC

DEVELOPERS: MBID of Delaware, LLC (d/b/a/ Ingerman)
Housing Initiative Partnership, Inc.

CONTACT: Brad Ingerman, President/CEO
MBID of Delaware, LLC (d/b/a/ Ingerman)
856-662-1730
bingerman@ingerman.com

NEIGHBORHOOD/LOCALITY: Upper Marlboro, Prince George’s County, District 6

UNIT MIX: One Bedroom: 13 units
Two Bedrooms: 29 units
Three Bedrooms: 18 units

PROPOSED RENTS: One-bedroom ranges from \$370 to \$1,444
Two-bedroom ranges from \$470 to \$1,710
Three-bedroom ranges from \$550 to \$2,010

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Willows at Upper Marlboro
15402 Marlboro Pike
Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6**PROJECT DESCRIPTION:**

Lead developer MBID of Delaware, LLC (d/b/a/ Ingerman) and Housing Initiative Partnership, Inc. (together, the “Development Team”) plan to acquire land and construct the Willows at Upper Marlboro project, a sixty (60) unit mixed-income rental community for families in Upper Marlboro Prince George’s County, Maryland (the “Willows Project”). Developments plans also call for the construction of a neighboring ninety (90) unit affordable rental community for seniors (the “Birchwood Project”). Through a “twinning” financial structure, the Willows Project and Birchwood Project will be separately financed, but simultaneously constructed by the Development Team. The total development cost of the Willows Project is expected to be approximately twenty four million, three hundred forty one thousand, three hundred forty three dollars (\$24,341,343) for this three-building garden style apartment community.

The sixty (60) unit Willows Project will be mixed-income. Fifty one (51) units will be priced at various affordability levels up to 80% of the Area Median Income (“AMI”) and nine (9) units will be market rate. Across the Project, there will be a unit mix of thirteen (13) one-bedroom units, twenty nine (29) two-bedroom units, and eighteen (18) three-bedroom units. One-bedroom rents will range from three hundred seventy dollars (\$370) to one thousand, four hundred forty four dollars (\$1,444); two-bedroom will range from four hundred seventy dollars (\$470) to one thousand, seven hundred ten dollars (\$1,710); and three-bedroom rents will range from five hundred fifty dollars (\$550) to two thousand, ten dollars (\$2,010).

Exterior features of the Willows Project will include walkways, seating areas, and parking. Walkways and seating areas will provide passive recreation to residents and a

connection to surrounding land uses. The grounds around the building will be appropriately lighted for resident safety and security. The Willows Project will feature many interior amenities including social spaces, a fitness center, a game rooms recreational space, and suite of management and maintenance offices. The site is sufficiently sized to accommodate all the social programs and will not require any unusual or significant maintenance. The Willows Project will also meet LEED certification standards for environmental sustainability.

The Willows Project is conveniently located proximate to a wide variety of commercial, retail, and public uses. Nearby amenities include a grocery store, pharmacy, bank, schools, medical care, parks, post office, library, and houses of worship. Prince George's County TheBus operates Route 53 with a stop approximately 0.2 miles from the site. The mixed-use and walkable Town of Upper Marlboro is located approximately one mile to the southwest, providing easy access to civic, educational, and recreational amenities.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

**Willows at Upper Marlboro
15402 Marlboro Pike
Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6

Sources	Amount	
Citi Mortgage	\$4,278,836	17.58%
Prince George's County HITF Loan	\$2,500,000	10.27%
Rental Housing Works	\$1,638,000	6.73%
Investor Equity - LIHTC	\$14,248,575	58.54%
Deferred Developer's Fee	\$1,435,932	5.90%
Developer Equity: Contribution to Social Services	\$240,000	0.99%
TOTAL	\$24,341,343	100%

Uses	Amount	
Construction or Rehabilitation Costs	\$13,063,505	53.67%
Fees Related to Construction or Rehabilitation	\$3,444,992	14.15%
Financing Fees and Charges	\$1,234,301	5.07%
Acquisition Costs	\$3,387,507	13.92%
Developer's Fee	\$2,500,000	10.27%
Syndication Related Costs	\$105,500	0.43%
Guarantees and Reserves	\$605,538	2.49%
TOTAL	\$24,341,343	100.00%