

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**

**2017 Legislative Session**

Resolution No. CR-49-2017

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Davis, Turner, Lehman, Glaros,  
Franklin, Taveras and Patterson

Date of Introduction June 13, 2017

**RESOLUTION**

1 A RESOLUTION concerning

2 Payments in Lieu of Taxes (“PILOT”) Agreement for Parkview Manor

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 MHP  
5 Parkview Manor, LLC (the “Owner”).

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

8 WHEREAS, the Owner, proposes to acquire fifty-three (53) units of multi-family rental  
9 housing known as Parkview Manor, located at 5034 38<sup>th</sup> Avenue in Hyattsville, Prince George’s  
10 County, Maryland, as more particularly described in Exhibit A that is attached hereto and herein  
11 incorporated by reference (“Property”), and

12 WHEREAS, the Owner proposes to renovate, own and operate all fifty-three (53) multi-  
13 family residential apartment units (“Renovations”) and related facilities of which will continue to  
14 be dedicated to providing housing for low to moderate income residents (the Property and its  
15 Renovations being collectively referred to as the “Project” herein); and

16 WHEREAS, the Owner has requested that the County Council of Prince George’s County,  
17 Maryland, (the “County Council”) authorize the Owner to make payments in lieu of County real  
18 property taxes pursuant to Section 7-506.1 of the Tax-Property Article of the Annotated Code of  
19 Maryland, as amended; and

20 WHEREAS, Section 7-506.1 of the Tax-Property Article of the Annotated Code of  
21 Maryland, as amended, provides that real property may be exempt from county and municipal  
22 corporation 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) funds construction or insures its financing in  
4 whole or in part, or (a)(2)(ii)(2) provides interest subsidy, rent subsidy, or rent supplements;  
5 (a)(2)(iii) the owner and the governing body of the county and, where applicable, the municipal  
6 corporation where the real property is located agree that the owner shall pay a negotiated amount  
7 in lieu of the applicable county or municipal corporation property tax; and (a)(2)(iv) the owner of  
8 the real property: (a)(2)(iv)(1)(A) agrees to continue to maintain the real property as rental  
9 housing for lower income persons under the requirements of the government programs described  
10 in paragraph (a)(2)(ii) of this subsection; and (a)(2)(iv)(1)(B) agrees to renew any annual  
11 contributions contract or other agreement for rental subsidy or supplement, or (a)(2)(iv)(2) enters  
12 into an agreement with the governing body of the county or municipal corporation to allow the  
13 entire property or the portion of the property which was maintained for lower income persons to  
14 remain as housing for lower income persons for a term of at least five (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 renovation 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 7-506.1 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 11<sup>th</sup> day of July , 2017.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Derrick Leon Davis  
Chairman

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

**ATTACHMENT A-1**

**PROJECT INFORMATION SHEET**

**Parkview Manor  
5034 38<sup>th</sup> Avenue  
Hyattsville, MD 20782**

**COUNCIL DISTRICT 2**

**PROJECT DESCRIPTION:**

The Parkview Manor project involves the acquisition and rehabilitation of fifty-three (53) apartment units. The apartment units are located in four (4) garden-style buildings. The apartment buildings are two (2) and three (3) floors.

**PROPOSED OWNER:**

MHP Parkview Manor, LLC

**DEVELOPER:**

Montgomery Housing Partnership, Inc.

**CONTACT:**

Stephanie Roodman, Senior Project Manager  
12200 Tech Road, Suite 250  
Silver Spring, MD 20904

**NEIGHBORHOOD/LOCALITY:**

The Parkview Manor project is located in Council District 2, 0.7 miles away from the West Hyattsville Metro Station in Hyattsville, 20782.

**UNIT MIX:**

The unit mix is: twenty-four (24) units with one bedroom and one bathroom; twenty-nine (29) units with two bedrooms and one bathroom.

**PROPOSED RENTS:**

\$486 - \$1,040 per month

**ATTACHMENT A-2****PROJECT INFORMATION SHEET**

**Parkview Manor  
5034 38<sup>th</sup> Avenue  
Hyattsville, MD 20782**

**COUNCIL DISTRICT 2****PROJECT DESCRIPTION:**

MHP Parkview Manor, LLC proposes to acquire and renovate the property known as Parkview Manor. Parkview Manor was constructed in 1960, and is composed of fifty-three (53) affordable apartment units with one (1) bathroom. It has a unit mix of twenty-four (24) units with one bedroom and twenty-nine (29) units with two bedrooms. The apartment units are located in four (4) garden-style two (2) and three (3) floor walk-up. It is a mixed-income, and somewhat walkable transit oriented community. The Project is located 0.7 miles from the West Hyattsville Metro Station and has several bus line stops in the vicinity. A variety of retail and services are within walking distance to the site, including four (4) grocery stores, a drug store, a retail mall, and a movie theater. There are also a number of public facilities in walking distance including a public pool, recreation center, nature center and library.

Parkview Manor is located in a stable, middle-income neighborhood and provides a valuable supply of low and very low-income housing in an underserved community. The unit mix is: six (6) units at 30% of Area Median Income (AMI); forty (40) units at 50% of AMI; and seven (7) units at 60% of AMI. The renovation will be financed under the Low Income Housing Tax Credit (LIHTC) Program and it is expected that this will extend the affordability period another forty (40) years.

The renovation will incorporate many sustainable features from the 2011 Enterprise Green Community Criteria. The scope of work includes the reconfiguration of unit kitchens including the replacement of the gas ranges and vented hoods, the installation of new cabinets with laminate countertops, and brand-new Energy Star refrigerators. High efficiency heat pumps with programmable thermostats and new energy-efficient lighting will be installed in all units. The bathrooms will also be replaced in their entirety, energy efficient windows will be fitted and vented exhaust fans will also be installed to create air flow thereby preventing mold growth.

Parkview Manor does not presently have any handicapped-accessible units or sensory-impaired units due to different standards at the time of building construction as the expense of this reconfiguration did not allow it to happen in a prior renovation. This renovation will create two (2) brand new handicapped accessible units with washer/dryers (one 1-bedroom unit and one 2-bedroom unit) and two (2) units for the sensory-impaired (one 1-bedroom unit and one 2-bedroom unit) for a total of four (4) units meeting the Uniform Federal Accessibility Standards (UFAS). The entrances to these handicapped units will be reconfigured allowing properly-graded ramps to be built.

Common area improvements include regarding portions of the courtyard to eliminate negative drainage and the replacement of the washer/dryers in the laundry rooms. An interconnected handicapped-accessible management office and community room with a shared bathroom will be constructed to better serve the residents. The community room will be utilized for support services organized by Montgomery Housing Partnership and with the engagement of the Project's tenants through the creation of a Resident Council comprised of its tenants. Programs include English as a second language (ESOL) classes, leadership training and support groups with an emphasis on single-parent headed households. Montgomery Housing Partnership will also provide financial literacy and money management classes with the assistance of volunteers from BB&T Bank.

## ATTACHMENT A-3

## PROJECT INFORMATION SHEET

**Parkview Manor**  
**5034 38<sup>th</sup> Avenue**  
**Hyattsville, MD 20782**

## COUNCIL DISTRICT 2

<i>Sources</i>	<i>Amount</i>	<i>Percentage</i>
Tax-exempt Bonds	\$2,700,000	25.48%
MD DHCD Rental Housing Works	\$2,000,000	18.88%
Federal Home Loan Bank AHP Funds	\$500,000	4.72%
Deferred Developer's Fee	\$589,888	5.57%
Seller's Note / Private Loan	\$967,000	9.13%
Limited Partner Equity -Tax Credit Sale	\$2,180,614	20.58%
State Energy Money	\$316,386	2.99%
Interim Income	\$10,000	0.09%
PG County HOME - Principal Only <i>(existing debt)</i>	\$596,500	5.63%
MD DHCD <i>(existing debt)</i>	\$500,000	4.72%
PG County LIFT - Principal Only <i>(existing debt)</i>	\$234,700	2.22%
<b>TOTAL SOURCES</b>	<b>\$10,595,088</b>	<b>100.00%</b>
<i>Uses</i>	<i>Amount</i>	<i>Percentage</i>
Construction or Rehabilitation Costs	\$3,937,696	37.17%
Fees Related to Construction or Rehabilitation	\$368,908	3.48%
Financing Fees and Charges	\$547,219	5.16%
Acquisition Costs	\$4,101,245	38.71%
Developer's Fee	\$1,073,252	10.13%
Syndication Related Costs	\$116,028	1.10%
Guarantees and Reserves	\$450,740	4.25%
<b>TOTAL USES</b>	<b>\$10,595,088</b>	<b>100.00%</b>