

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2023 Legislative Session

Resolution No. CR-035-2023
Proposed by The Chair – (by request – County Executive)
Introduced by Council Members Dernoga, Harrison, Ivey, Blegay, Olson and Oriadha
Co-Sponsors _____
Date of Introduction May 9, 2023

RESOLUTION

1 A RESOLUTION concerning

2 Housing Investment Trust Fund (“HITF”) for Housing and Community Development
3 For the purpose of committing and allocating the amount of three million dollars (\$3,000,000) in
4 Prince George’s County Housing Investment Trust Fund (“HITF”) Program funds to the Addison
5 Park project, an eligible activity, for gap financing of new affordable housing construction.

6 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
7 George’s County Code, the County Executive and the County Council of Prince George’s
8 County, Maryland adopted County Bill CB-021-2012, which set forth the County’s Housing
9 Investment Trust Fund Program; and

10 WHEREAS, the County established the Housing Investment Trust Fund, in order to
11 authorize a funding and program mechanism to address foreclosure related issues facing
12 residents in the County. The County sought to establish a Foreclosure Recovery Initiative Fund
13 to allow Prince George’s County to support private investments, attract new homebuyers, and
14 expand partnerships with the non-profit community by providing critically needed financial
15 assistance for housing rehabilitation projects, first time homebuyers, and foreclosure mediation
16 counseling agencies; and

17 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
18 George’s County Code, and adopted in County Bill CB-057-2017, the Housing Investment Trust
19 Fund Program was amended to include the provision of gap financing to support the
20 development of new construction, rehabilitation and preservation of workforce and affordable
21 housing, consistent with the adopted Prince George’s County Five-Year Consolidated Housing
22 and Community Development Plan. In addition to serving as a vehicle to address foreclosures

1 with the County, the purpose of the amendment was to enable the County to support the
2 development of new construction and preservation of existing workforce and affordable housing
3 which would allow Prince George’s County to provide Workforce Housing Gap Financing with
4 an emphasis on supporting the development of new construction, rehabilitation and preservation
5 of workforce and affordable housing while targeting households earning up to 120% of the area
6 median income (“AMI”); and

7 WHEREAS, the Addison Park project involves the land acquisition and new construction
8 of two hundred ninety three (293) units of new affordable multi-family rental housing for low-
9 income to moderate-income seniors, ages sixty two (62) years and older, known as Addison
10 Park, located at 216 Yolanda Avenue, Capitol Heights, Maryland 20743; and

11 WHEREAS, Attachments “A-1,” “A-2,” and “A-3,” describe the Addison Park project, the
12 associated costs and the source(s) of funding for the project, as attached hereto and made a part
13 hereof; and

14 WHEREAS, Attachment “B” describes a summary of the financial commitment and
15 allocation of three million dollars (\$3,000,000) in HITF Program funds to support the Addison
16 Park project, as attached hereto and made a part hereof; and

17 WHEREAS, the commitment and allocation of three million dollars (\$3,000,000) in HITF
18 Program funds will provide gap financing necessary to acquire and complete the Addison Park
19 project; and

20 WHEREAS, the County Executive recommends the County’s financial commitment to the
21 Addison Park project and an allocation of three million dollars (\$3,000,000) in HITF Program
22 funds to support this project.

23 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
24 County, Maryland, that the commitment and allocation of the Housing Investment Trust Fund for
25 Housing and Community Development to the Addison Park Project is hereby approved in the
26 amount of three million dollars (\$3,000,000), as more particularly described in Attachments “A-
27 1 – A-3,” and “B,” respectively, as attached hereto and made a part hereof.

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

Adopted this 20th day of June, 2023.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Thomas E. Dernoga
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Addison Park
216 Yolanda Avenue
Capitol Heights, Maryland 20743**

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION: A two hundred ninety three (293) unit affordable senior rental apartment community that will be constructed in two buildings on a 4.46 acre site in Capitol Heights, Maryland. All units will be affordable, and rents will be restricted for forty (40) years.

OWNER: Addison Park, L.P.

DEVELOPER: Atlantic Pacific Communities
Cober Johnson Romney

CONTACT: Scott Kriebel
Vice President
Atlantic Pacific Companies
305-357-4700
SKriebel@apcompanies.com

NEIGHBORHOOD/LOCALITY: Capitol Heights, Prince George’s County, District 7

UNIT MIX: A mix of one-bedroom and two-bedroom units

AFFORDABILITY: All units will be priced at levels affordable to households earning sixty percent (60%) or less of the Area Median Income for forty (40) years

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Addison Park
216 Yolanda Avenue
Capitol Heights, Maryland 20743**

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION:

The Addison Park project (the “Project”) is a proposed two hundred ninety three (293) unit transit-oriented senior affordable housing development to be located on two scattered sites at 216 Yolanda Avenue, Capitol Heights, Prince George’s County by a development team consisting of Atlantic Pacific Communities (“APC”) and Cober Johnson Romney (“CJR”) (together, the “Development Team”). The target population will be seniors ages sixty two (62) and older with household incomes that are sixty percent (60%) or less of the Area Median Income (“AMI”). This development is located just 0.25 miles from the Seat Pleasant - Addison Road Metro Station along the Blue Line, locating it within the Blue Line Transit Corridor, one of the County’s funding priorities. There have been multiple recent single-family and townhome developments within the greater community. This development will be a further step in the revitalization of the Blue Line Corridor neighborhood in Capitol Heights.

The Project will consist of a mix of one-bedroom and two-bedroom units between two 4-story panelized wood frame, elevator-served buildings. An approximate 4,000 square feet community service facility will be included for Mission of Love Charities (“MOLC”), which will utilize the space to provide educational programs for the neighborhood. This space will also be available for the Addison Park residents when not in use by MOLC. Planned amenities include community rooms, a courtyard, fitness center, and business center. The development team currently plans to partner with the non-profit Communities Together, Inc. (“CTI”) to create a resident services plan tailored for the needs of the seniors. Additionally, the MOLC community service facility will provide the space for some of the supportive services and the opportunity to partner with MOLC for any potential overlapping programming.

The affordable housing development is the main component of the Addison Park master-planned community which is envisioned to include 56 for-sale townhomes, buildout of a

community nonprofit education facility within an existing civic building on site, and a municipal office building for the City of Capitol Heights to be developed and built by a separate development team. Only the two affordable senior multifamily buildings were a subject of the application. The Development Team has worked closely with the Redevelopment Authority of Prince George's County ("RDA") through the predevelopment process, and they remain an engaged partner to affect the development of the site. The RDA will convey a portion of the land for the project through a purchase and sale agreement and will have consent rights to significant changes in the Master Development plan.

APC and CJR formed a partnership to complete this Project. APC is a Florida-based fourth-generation family-operated real estate firm that builds and operates high quality housing to serve every income level. CJR is a local, experienced, minority business enterprise ("MBE") real estate development and consulting firm with experience in public-private partnership management and experience serving as legal counsel. The Development Team previously worked together on The Woodlands at Reid Temple, an affordable senior rental community that was completed in mid-2021.

The total cost of acquisition and construction of the Project is anticipated to be approximately eighty three million, three hundred one thousand, seven hundred thirty-eight dollars (\$83,301,738). The Developer is applying for a Prince George's County Payment in lieu of Taxes ("PILOT"), for a period of at least forty (40) years, and a Housing Investment Trust Fund ("HITF") loan in the amount of three million dollars (\$3,000,000). Additional funding for the Project will be provided by the State of Maryland Department of Housing and Community Development.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

**Addison Park
216 Yolanda Avenue
Capitol Heights, Maryland 20743**

COUNCILMANIC DISTRICT 7

SOURCES	Amount	Percentage
Tax exempt bond financing	\$ 42,598,814	51.14%
CDA - Rental Housing Works	\$ 3,500,000	4.20%
PGC - Housing Investment Trust Fund	\$ 3,000,000	3.60%
LIHTC - investor equity	\$ 29,111,337	34.95%
Deferred developer's fee	\$ 5,091,587	6.11%
TOTAL	\$ 83,301,738	100.00%

USES	Amount	Percentage
Construction costs	\$ 61,849,824	74.25%
Fees related to construction or rehab	\$ 4,327,658	5.20%
Total financing fees and charges	\$ 5,776,062	6.93%
Acquisition costs	\$ 1,600,000	1.92%
Developer's fee	\$ 7,560,831	9.08%
Syndication related costs - legal	\$ 647,632	0.78%
Guarantees and reserves	\$ 1,539,731	1.85%
TOTAL	\$ 83,301,738	100.00%