

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2019 Legislative Session**

Resolution No. CR-57-2019

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Turner, Harrison, Anderson-Walker, Davis, Streeter,  
Glaros, Dernoga, Taveras, Hawkins and Franklin

Date of Introduction July 2, 2019

**RESOLUTION**

1 A RESOLUTION concerning

2           Payments in Lieu of Taxes (“PILOT”) Agreement for Glenarden Phase 2A

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

5 Residences at Glenarden Hills 2, LLC (the “Owner”).

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

8           WHEREAS, the Owner proposes to acquire and construct fifty-five (55) units of new multi-  
9 family rental housing for low-to-moderate income seniors known as Glenarden Phase 2A,  
10 located at 3171 Rolland Kenner Loop, Glenarden, Prince George’s County, Maryland  
11 (previously referred to as “4805 Hamlin Street, Glenarden, Prince George’s County, Maryland”),  
12 as more particularly described in Exhibit A, attached hereto and herein incorporated by reference  
13 (“Property”); and

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

18           WHEREAS, Section 7-506.1 of the Tax-Property Article of the Annotated Code of  
19 Maryland, as amended, provides that real property may be exempt from county and municipal  
20 corporation property tax if: (a)(2)(i) the real property is owned by a person engaged in  
21 constructing or operating housing structures or projects; (a)(2)(ii) the real property is used for a  
22 housing structure or project that is constructed or substantially rehabilitated under a federal,

1 State, or local government program that (a)(2)(ii)(1) funds construction or insures its financing in  
 2 whole or in part, or (a)(2)(ii)(2) provides interest subsidy, rent subsidy, or rent supplements;  
 3 (a)(2)(iii) the owner and the governing body of the county and, where applicable, the municipal  
 4 corporation where the real property is located agree that the owner shall pay a negotiated amount  
 5 in lieu of the applicable county or municipal corporation property tax; and (a)(2)(iv) the owner of  
 6 the real property: (a)(2)(iv)(1)(A) agrees to continue to maintain the real property as rental  
 7 housing for lower income persons under the requirements of the government programs described  
 8 in paragraph (a)(2)(ii) of this subsection; and (a)(2)(iv)(1)(B) agrees to renew any annual  
 9 contributions contract or other agreement for rental subsidy or supplement, or (a)(2)(iv)(2) enters  
 10 into an agreement with the governing body of the county or municipal corporation to allow the  
 11 entire property or the portion of the property which was maintained for lower income persons to  
 12 remain as housing for lower income persons for a term of at least five (5) years; and

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

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

20 WHEREAS, the County Executive has recommended support of the acquisition and  
 21 construction of the Project.

22 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's  
 23 County, Maryland, that in accordance with Section 7-506.1 of the Tax-Property Article of the  
 24 Annotated Code of Maryland, as amended, the County shall accept payments in lieu of County  
 25 real property taxes for the Project, subject to the Agreement attached to this Resolution.

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

29 BE IT FURTHER RESOLVED that the County Executive, prior to the execution and  
 30 delivery of the Agreement, may make such changes or modifications to the Agreement as  
 31 deemed appropriate in order to accomplish the purpose of the transaction authorized by this

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

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

Adopted this 23rd day of July, 2019.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Todd M. Turner  
Chair

ATTEST:

\_\_\_\_\_  
Donna J. Brown  
Acting Clerk of the Council

**ATTACHMENT A-1**

**PROJECT INFORMATION SHEET**

**Glenarden Phase 2A**  
**3171 Rolland Kenner Loop**  
**Glenarden, MD 20706**  
*Previously referred to as*  
4805 Hamlin Street  
Glenarden, MD 20706

**COUNCILMAN DISTRICT 5**

**PROJECT DESCRIPTION:** Land acquisition and new construction of fifty-five (55) apartments for seniors, ages sixty-two (62) years and older

**PROPOSED OWNER:** Glenarden Phase 2A LLC

**DEVELOPER(S):** Pennrose Holdings LLC  
B & W Solutions, Inc.  
SHABACH! Ministries, Inc.  
Redevelopment Authority of Prince George’s County

**CONTACT:** Ivy Dench-Carter, Regional V.P.  
Pennrose LLC  
575 South Charles Street, Baltimore, MD  
(443) 423-1624

**NEIGHBORHOOD/LOCALITY:** City of Glenarden, Maryland  
Prince George’s County  
District 5

**UNIT MIX:** Forty-seven (47) one-bedroom and eight (8) two-bedroom units

**AFFORDABILITY BAND:** One hundred percent (100%) at sixty percent (60%) of Area Median Income (AMI)

**PROPOSED RENTS:** Average one-bedroom – \$1,207 per month  
Average two-bedroom – \$1,395 per month

**ATTACHMENT A-2**

**PROJECT INFORMATION SHEET**

**Glenarden Phase 2A**  
**3171 Rolland Kenner Loop**  
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Glenarden, MD 20706

**COUNCILMANIC DISTRICT 5**

**PROJECT DESCRIPTION:**

The development team of Pennrose Holdings LLC, B & W Solutions, Inc., SHABACH! Ministries, Inc., and the Redevelopment Authority of Prince George's County have partnered together to establish Glenarden Phase 2A LLC, which allows for a co-development of fifty-five (55) units of new multi-family rental housing for low-to-moderate income seniors in the Glenarden/Lanham Community of Prince George's County, Maryland.

Located inside the capital beltway, Glenarden Phase 2A will offer senior residents a convenient location with transportation, healthcare, retail, in addition to other important neighborhood amenities. Commercial and retail centers along the major transportation routes of Landover Road and Central Avenue, and the Woodmere Retail Centre will provide a variety of shopping and food amenities. Additionally, two state-of-the-art medical facilities: 1) the Prince George's County Regional Medical Center; and 2) a Kaiser facility at New Carrollton, are under construction and will provide residents with several options for primary and specialized medical care in the very near future. Other neighborhood amenities include the University of Maryland University College in Largo and several houses of Worship in and around the senior residence.

The Glenarden Phase 2A will be a four-story, elevator-served building with high-quality brick and exterior architectural steel finishes. Of the fifty-five (55) units, there will be forty-seven (47) one-bedroom units and eight (8) two-bedroom units. Each unit will consist of spacious kitchens with dishwashers, sink disposals, microwaves, EnergyStar appliances, and large closets.

Amenities at the redeveloped Glenarden complex include a community center, pool and open green space laid out in a walkable, neighborhood scale environment. Within the senior

building, amenities include a multipurpose meeting room with a kitchen, an outdoor patio, lobby coffee bar, a café/library, fitness center and additional storage for residents. A management office will also be located onsite for the convenience and administration of this important community redevelopment asset.

The Glenarden Phase 2A project is the second half of a major senior citizen housing development project spearheaded by the Redevelopment Authority of Prince George's County, a co-developer and owner of the property. The units in Glenarden Phase 2A will be reserved for seniors, ages sixty-two (62) years and older, earning sixty percent (60%) of the Area Median Income (AMI), which translates into an income of approximately forty nine thousand, two hundred and sixty dollars (\$49,260) for a single senior renter. The rent for a one-bedroom apartment will be one thousand, two hundred and seven dollars (\$1,207), requiring an income not to exceed forty nine thousand, two hundred and sixty dollars (\$49,260). Additionally, the two-bedroom apartments will rent for one thousand, three hundred and ninety-five dollars (\$1,395), requiring an income not to exceed fifty six thousand, two hundred and eighty dollars (\$56,280).

In addition to providing much needed senior housing to low- to -moderate income seniors in Prince George's County and the City of Glenarden, the Glenarden 2A project will contribute many economic benefits including, but not limited to the creation of construction jobs, property management and maintenance jobs, when operational.

**ATTACHMENT A-3**

**PROJECT FINANCING ESTIMATE**

**Glenarden Phase 2A**  
**3171 Rolland Kenner Loop**  
**Glenarden, MD 20706**  
*Previously referred to as*  
 4805 Hamlin Street  
 Glenarden, MD 20706

**COUNCILMANIC DISTRICT 5**

SOURCES	AMOUNT	%
Tax Exempt Bonds	4,764,749.00	34.9%
MD CDA Rental Housing Works	2,500,000.00	17.9%
LIHTC (4%)	4,656,816.00	32.4%
Deferred Dev. Fee	460,633.00	3.2%
Prince George's County HOME Loan	750,000.00	5.3%
RDA Fund (Infrastructure)	1,099,456.00	7.7%
<b>TOTAL</b>	<b>14,231,654.00</b>	<b>100.0%</b>

USES	AMOUNT	%
Hard Construction cost	8,829,006.00	63.1%
A & E Construction Cost	1,487,108.00	9.7%
Acquisition	405,868.00	2.9%
Developer Fee	1,651,950.00	11.7%
Financing Fees	1,285,578.00	9.0%
Guarantees and Reserves	413,310.00	2.8%
Syndication Costs	158,834.00	0.7%
<b>TOTAL</b>	<b>14,231,654.00</b>	<b>100.0%</b>