

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2019 Legislative Session

Reference No.: CR-56-2019

Draft No.: 1

Committee: GOVERNMENT OPERATIONS AND FISCAL POLICY

Date: 7/11/19

Action: FAV

REPORT: Favorable 4-0: Council Members Davis, Dernoga, Anderson-Walker and Hawkins
Absent: Streeter

CR-56-2019 approves the terms and conditions of a Payment in Lieu of Taxes (PILOT) Agreement between Prince George's County, Maryland (the "County) and Suitland Senior, LLC (the "Owner").

The Owner proposes to acquire land and construct a development consisting of one hundred and thirty-seven (137) mixed-income apartments and related facilities for seniors, age sixty-two (62) and older. The project will be located at the Town Square at Suitland Federal Center. One hundred thirty-three (133) of the units will be reserved for low to moderate income seniors. And four (4) units will be market rate. The project will have one hundred twenty (120) one-bedroom units and seventeen (17) two-bedroom units.

Proposed rental rates range from \$1,025 to \$1,275 per month for a one-bedroom unit and from \$1,228 to \$1,575 per month for a two-bedroom unit.

Attachments A-1 to A-3 to the Resolution provide a description of the project along with the estimated financing.

Estella Alexander, Acting Director, Department of Housing and Community Development, provided an overview of the project and answered the Committee's questions.

The Office of Law reports CR-56-2019 to be in proper legislative form with no legal impediments to its adoption.

The Office of Audits and Investigations reports that the adoption of CR-56-2019 will result in additional tax revenue of \$1,800,682 over the next 15 years. It should also be noted that the adoption of this resolution will also have an adverse fiscal impact of \$1,563,004. This is based on the cumulative difference value of the annual PILOT payments and the County tax burden over the 15-year period.

The Committee also inquired about the affordability period for the subsidized units and was assured that the affordability period would be for at least 20 years with an extension of up to 40 years.

After discussion, the Government Operations and Fiscal Policy Committee voted CR-56-2019 out favorably 4-0.