

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2021 Legislative Session**

Resolution No. CR-083-2021  
Proposed by The Chair (by request --- County Executive)  
Introduced by Council Member Hawkins, Turner, Davis, Taveras, Franklin, Glaros, Harrison  
Co-Sponsors \_\_\_\_\_  
Date of Introduction September 14, 2021

**RESOLUTION**

1 A RESOLUTION concerning

2       Payments in Lieu of Taxes (“PILOT”) Agreement for Hill House at Beechfield  
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 KCG  
5 SSP Bowie Senior Living, Limited Partnership (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 one hundred fifty (150) units of  
9 apartments for low-income and moderate-income seniors, will be part of an eighty-three acre  
10 master planned mixed-income retirement community that is being constructed by multiple  
11 developers called Traditions at Beechfield, located at 12005 Traditions Boulevard, Bowie,  
12 Maryland 20720, as more particularly described in Exhibit A, attached hereto and herein  
13 incorporated by reference (“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 of the record  
16 hereof; and

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

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

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

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

30 BE IT FURTHER RESOLVED that the County Executive, prior to the execution and  
31 delivery of the Agreement, may make such changes or modifications to the Agreement as

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

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

Adopted this 19<sup>th</sup> day of October, 2021.

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**

**Hill House at Beechfield Project  
12005 Traditions Boulevard  
Bowie, MD 20720**

**COUNCILMANIC DISTRICT 6**

**PROJECT DESCRIPTION:** KCG SSP Bowie Senior Living, LP plans to acquire land and construct a one hundred fifty (150) unit affordable apartment community for seniors in Bowie, Prince George’s County, Maryland.

**PROPOSED OWNER:** KCG SSP Bowie Senior Living, LP

**DEVELOPERS:** KCG Development, Inc.  
Streetscape Partners

**CONTACT:** Stacy Kaplowitz  
Vice President - Development  
KCG Development, Inc.  
(202) 744-1479

**NEIGHBORHOOD/LOCALITY:** Bowie, Prince George’s County District 6

**UNIT MIX:** Eighty-nine (89) units will have one-bedroom and one-bathroom; twenty-five (25) units will have two-bedrooms and one-bathroom, and thirty-six (36) units will have two-bedrooms and two-bathrooms

**PROPOSED RENTS:** One-bedroom ranges from \$1,140 to \$1,313 to per month  
Two-bedroom ranges from \$1,361 to \$1,568 per month

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

**Hill House at Beechfield Project  
12005 Traditions Boulevard  
Bowie, MD 20720**

**COUNCILMANIC DISTRICT 6****PROJECT DESCRIPTION:**

KCG SSP Bowie Senior Living, LP plans to acquire land and construct a one hundred fifty (150) unit affordable apartment community for seniors in Bowie, Prince George's County, Maryland (hereinafter referred to as "Hill House") on a 4.4183-acre site. The total development cost of this senior rental project is expected to be Forty-four million, Eight thousand, three hundred twenty-four dollars (\$44,008,324.)

Hill House will be located near the intersection of Enterprise Road and Route 50. Located approximately six miles outside the Capital Beltway, Hill House's one hundred fifty (150) units will be part of an 83-acre master planned mixed-income retirement community that is being constructed by multiple developers called Traditions at Beechfield. When completed, Traditions at Beechfield will additionally feature seventy-four (74) single family attached villas, sixty (60) single family detached villas, one hundred eight (108) condominium units, and one hundred ninety-three (193) assisted living units.

Residents of the Hill House will have convenient access to major transportation corridors, well-regarded medical facilities, and retail amenities. Notable retail amenities include the Bowie Town Center which is located 7.0 miles from the site. The nearest bust stop is located 1.2 miles from the site and the New Carrollton Metro station is 6.6 miles away. There are medical offices 1.5 miles away and Doctors Community Hospital is located 4.3 miles from the site. There is also a Safeway grocery store 1.8 miles away.

Hill House is designed as a four-floor, elevator-served building. Of the one hundred fifty (150) units, eighty-nine (89) units will have one-bedroom and one-bathroom; twenty-five units (25) units will have two-bedrooms and one-bathroom; and thirty-six (36) units will have two-bedrooms and two-bathrooms. The monthly utility allowances are conservatively estimated at Sixty-nine dollars (\$69) for one-bedroom units, and Ninety dollars (\$90) for two-bedroom units.

Hill House will reserve two (2) units for households whose incomes are fifty percent (50%) of the Area Median Income (“AMI”), which translates into an income of Forty-five thousand, one hundred fifty dollars (\$45,150) for a household of one and Fifty-one thousand, Six hundred dollars (\$51,600) for a household of two, and rent of \$1,140 for the one-bedroom unit and \$1,361 for the two-bedroom unit. One hundred forty-eight (148) units will be reserved for households whose incomes are sixty percent (60%) of the AMI, which translates into incomes of Fifty-four thousand, One hundred eighty dollars (\$54,180) for households of one and Sixty-one thousand, Nine hundred twenty dollars (\$61,920) for households of two, and rents of \$1,313 for one-bedroom units and rents of \$1,568 for two-bedroom units.

Onsite amenities available to the residents include a light-filled community lounge, a state-of-the-art fitness center, and access to a large outdoor patio. The managing agent, Habitat America, will maintain an onsite management office and arrange supportive services and activities. Supportive services will include onsite medical services such as health screenings and vaccinations. Social events, such as communal meals and crafts and game nights, will be also organized. Computer classes will be provided and fitness classes, such as Zumba, will be held. Residents will also have access to shared amenities at the larger Traditions at Beechfield community that will include walking trails, a large community center, and a resort-style pool.

**ATTACHMENT A-3****PROJECT FINANCING ESTIMATE**

**Hill House at Beechfield Project  
12005 Traditions Boulevard  
Bowie, MD 20720**

**COUNCILMANIC DISTRICT 6**

<b>SOURCES</b>	<b>Amount</b>	<b>Percentage</b>
Citi Community Capital (Bond Loan)	\$21,500,000	48.85%
LIHTC Equity	\$17,387,111	39.51%
CDA Rental Housing Works Loan	\$2,500,000	5.68%
Deferred Developer Fee	\$1,621,213	3.68%
Prince George's County HOME Loan	\$1,000,000	2.28%
<b>SUM</b>	<b>\$44,008,324</b>	<b>100.00%</b>
<b>USES</b>	<b>Amount</b>	<b>Percentage</b>
Construction Costs	\$27,284,122	62.00%
Fees Related to Construction	\$3,740,575	8.50%
Financing Fees and Charges	\$3,332,500	7.57%
Acquisition Costs	\$4,000,000	9.09%
Developer's Fee	\$4,335,720	9.85%
Syndication Related Costs	\$212,257	0.48%
Guarantees and Reserves	\$1,103,150	2.51%
<b>SUM</b>	<b>\$44,008,324</b>	<b>100.00%</b>