

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2022 Legislative Session

Resolution No. CR-042-2022

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Hawkins, Streeter, Turner, Franklin, Ivey, Harrison,
Glaros, and Taveras

Co-Sponsors _____

Date of Introduction April 26, 2022

RESOLUTION

1 A RESOLUTION concerning

2 Housing Investment Trust Fund for Housing and Community Development

3 For the purpose of committing and allocating to the Sovren West Hyattsville Metro Apartments
 4 project, an eligible activity not originally funded, the amount of two hundred thousand dollars
 5 (\$200,000) in Housing Investment Trust Fund (“HITF”) Program funds for gap financing of new
 6 housing construction.

7 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
 8 George’s County Code, the County Executive and the County Council of Prince George’s
 9 County, Maryland adopted County Bill CB-21-2012, which set forth the County’s Housing
 10 Investment Trust Fund Program; and

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

18 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
 19 George’s County Code, and adopted in County Bill CB-57-2017, the Housing Investment Trust
 20 Fund Program was amended to include the provision of gap financing to support the
 21 development of new construction, rehabilitation and preservation of workforce and affordable

1 housing, consistent with the adopted Prince George's County Five-Year Consolidated *Housing*
2 and Community Development Plan. In addition to serving as a vehicle to address foreclosures
3 within the County, the purpose of the amendment was to enable the County to support the
4 development of new construction and preservation of existing workforce and affordable housing
5 which would allow Prince George's County to provide Workforce Housing Gap Financing with
6 an emphasis on supporting the development of new construction, rehabilitation and preservation
7 of workforce and affordable housing while targeting households earning up to 120% of the area
8 median income (AMI); and

9 WHEREAS, pursuant to Section 15A-107 of the Prince George's County Code, the County
10 Executive and the County Council of Prince George's County, Maryland adopted CR-047-2020,
11 which set forth the County's FY 2021-2025 Consolidated Plan, along with the County's FY
12 2021-2025 Citizen Participation Plan; and

13 WHEREAS, consistent with the County's 2021-2025 Citizen Participation Plan, the County
14 Council shall hold a public hearing for public input regarding the commitment of the Housing
15 Investment Trust Fund to an eligible project; and

16 WHEREAS, the Sovren West Hyattsville Metro Apartments project involves the land
17 acquisition from the Washington Metro Area Transit Authority ("WMATA") and new
18 construction of two hundred ninety three (293) units of mixed-use rental housing community for
19 mixed-income families, located at Little Branch Run, Hyattsville, Maryland 20740; and

20 WHEREAS, Attachments "A1-A3" describe the Sovren West Hyattsville Metro
21 Apartments project, the associated costs and the source(s) of funding for the project, as attached
22 hereto and made a part hereof; and

23 WHEREAS, the commitment and allocation of two hundred thousand dollars (\$200,000) in
24 HITF Program funds will provide gap financing necessary to complete the Sovren West
25 Hyattsville Metro Apartments project; and

26 WHEREAS, the County Executive recommends the County's financial commitment to the
27 Sovren West Hyattsville Metro Apartments project and an allocation of two hundred thousand
28 dollars (\$200,000) in HITF Program funds to support this project.

29 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
30 County, Maryland, that the commitment and allocation of the Housing Investment Trust Fund for
31 Housing and Community Development to the Sovren West Hyattsville Metro Apartments project

1 is hereby approved in the amount of two hundred thousand dollars (\$200,000), as described in
2 Attachments "A1 – A3," respectively, as attached hereto and made a part hereof.

3

Adopted this 5th day of July, 2022.

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

**Sovren West Hyattsville Metro Apartments
Little Branch Run
Hyattsville, MD 20782**

COUNCILMANIC DISTRICT 2

PROJECT DESCRIPTION: A two hundred ninety three (293) unit mixed income, mixed-use apartment building that will be constructed next to the West Hyattsville Metro station. Ownership plans to restrict rents for approximately half the units to levels affordable to households at or below eighty percent (80%) of the Area Median Income (“AMI”) for a period of ninety nine (99) years.

OWNER: WHPC Block 3, LLC

DEVELOPER: Gilbane Development Company

CONTACT: Robert Gilbane, Jr.
Gilbane Development Company
(703) 312-7275
RVGilbane@GilbaneCo.com

NEIGHBORHOOD/LOCALITY: Hyattsville, Prince George’s County, District 2

UNIT MIX: Efficiency/Studio: 1 unit
One-bedroom: 169 units
Two-bedroom: 119 units
Three-bedrooms: 4 units

AFFORDABILITY: One hundred forty-seven (147) units will be reserved for households at or below 80% of the AMI and will be affordable for ninety-nine (99) years. One hundred forty six (146) units will be priced at the market rate.

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Sovren West Hyattsville Metro Apartments
Little Branch Run
Hyattsville, MD 20782**

COUNCILMANIC DISTRICT 2**PROJECT DESCRIPTION:**

Gilbane Development Company (the “Developer”) plan to construct the Sovren West Hyattsville Metro Apartments (the “Project”), a mixed-income, mixed-use apartment building on a site that will be purchased from the Washington Metro Area Transit Authority (“WMATA”). The site is located next to West Hyattsville Metro station. Rent levels for one hundred forty-seven (147) rental units at this upcoming Project will be restricted to eighty percent (80%) of the Area Median Income (“AMI”) for ninety nine (99) years, and the remaining one hundred forty-six (146) units will be priced at the market rate.

Approximately fifty percent (50%) of units will be rent-restricted. This affordability is a requirement of the subordinate private debt financing. The 5-story, wood-framed project will include a two hundred ninety eight (298) space structured parking garage, approximately two thousand six hundred (2,600) square feet of ground floor retail space, and a public promenade with attractive landscaping, public amenities and art that connects the WMATA pedestrian tunnel to the rest of the development and nearby public trail system. The Project will achieve a minimum sustainability designation of LEED Silver (or equal designation).

A publicly accessible pedestrian promenade will be constructed alongside the Project – a loan from the County’s Housing Investment Trust Fund (“HITF”) will support a portion of these costs. The pedestrian promenade will be integrated with the Project’s layout to provide a safe, well-lit, attractive passage for pedestrians and bicyclists, benefitting not only those that live in the development but also those accessing the Metro from the Northwest Branch trail. To further activate this connection, the Developer plans to locate its retail component on the southern end of the proposed building, which is the entrance to the promenade when walking towards the Metro station. The promenade will be activated with attractive landscaping, hardscaping, lighting, seating, sculpture artwork, and opportunities for passive recreation. This pedestrian promenade

will tie into the existing WMATA sidewalk which extends along the east side of the Project. The Developer is working with Metro to widen and upgrade this existing pedestrian connection so that it is better able to accommodate the level of use and the bicyclists who currently use it and make it ADA compliant. In addition, although currently lit, existing light fixtures will be replaced to further improve both the functionality and aesthetics of the sidewalk

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

**Sovren West Hyattsville Metro Apartments
Little Branch Run
Hyattsville, MD 20782**

COUNCILMANIC DISTRICT 2

Sources	Amount	
Private mortgage - M&T Bank	\$57,970,000	59.87%
Subordinate private lender debt	\$16,060,000	16.59%
Developer Equity	\$22,589,115	23.33%
Housing Investment Trust Fund loan	\$200,000	0.21%
TOTAL	\$96,819,115	100.00%

Uses	Amount	
Construction or Rehabilitation Costs	\$65,549,000	67.70%
Fees Related to Construction or Rehabilitation	\$9,391,314	9.70%
Financing Fees and Charges	\$5,730,438	5.92%
Acquisition Costs	\$10,224,391	10.56%
Developer's Fee	\$3,281,315	3.39%
Guarantees and Reserves	\$2,642,657	2.73%
TOTAL	\$96,819,115	100.00%