

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2024 Legislative Session

Resolution No. CR-047-2024

Proposed by The Chair (by request - County Executive)

Introduced by Council Members Ivey, Hawkins, Harrison, Fisher, Watson and Blegay

Co-Sponsors _____

Date of Introduction May 28, 2024

RESOLUTION

1 A RESOLUTION concerning

2 The Cassidy Apartments Bond Inducement

3 For the purpose of approving the issuance and sale of revenue bonds by the Housing Authority of
 4 Prince George's County (the "Housing Authority"), the awarding of Low-Income Housing Tax
 5 Credits by the Community Development Administration ("CDA") of the State of Maryland to
 6 KCG SSP Capital Heights, LP (the "Owner"), for the acquisition and development of the
 7 Cassidy Apartments and paying certain other costs associated therewith (collectively, the
 8 "Project").

9 WHEREAS, pursuant to Sections 12-101, 17-102 and 17-107 of the Housing and
 10 Community Development Article of the Annotated Code of Maryland (the "Code"), as amended,
 11 with the approval of the County governing body, the Housing Authority has the power to make
 12 construction loans and long-term mortgage loans to produce housing, to purchase and to insure
 13 mortgages secured by housing, and to issue and sell bonds and notes to finance housing, housing
 14 rehabilitation and housing projects as it may determine necessary; and

15 WHEREAS, there is a significant need for quality affordable housing units in Prince
 16 George's County for persons with limited income; and

17 WHEREAS, the Owner desires to acquire real property and develop the Cassidy
 18 Apartments rental complex, which is sited on approximately 13.14 acres located along the east
 19 side of Karen Boulevard, just north of Walker Mill Road, in Capitol Heights, Prince George's
 20 County, MD, and will consist of a total of one hundred seventy-five (175) family units in three
 21 (3) four (4) story elevator serviced low-rise buildings; and

22 WHEREAS, KCG SSP Capital Heights, LP will be the developer of the Project; and

1 WHEREAS, the Owner has requested assistance in financing a portion of the costs of the
2 Project through the issuance of the one or more series of the Housing Authority's Multifamily
3 Housing Revenue Bonds or other evidence of tax-exempt indebtedness, in an aggregate principal
4 amount not to exceed forty-one million, five hundred thousand dollars (\$41,500,000)
5 (collectively, the "Bonds"); and

6 WHEREAS, it is anticipated that the Bonds will be issued as tax-exempt bonds and,
7 potentially, taxable bonds; and

8 WHEREAS, "Attachment A" describes The Cassidy project, the associated costs, the
9 source(s) of funding for the project, and the Project Information Sheet, as attached hereto and
10 made a part hereof; and

11 WHEREAS, "Attachment B" describes the Housing Authority adopted Resolution No.
12 LHA-1409 on March 25, 2024, which expresses the Housing Authority's intent to issue and sell
13 the Bonds, the proceeds of which will be loaned to the Owner used to finance a portion of the
14 costs of the Project, as attached hereto and made a part hereof; and

15 WHEREAS, the estimated cost of the Project is \$68,632,581; and

16 WHEREAS, the Owner has also requested approval of the award by CDA of approximately
17 \$23,289,846 of federal low-income housing tax credits ("LIHTCs"), the sale of which, along
18 with interim project income and deferred developer fees in the estimated amounts set forth in
19 Attachment A, will provide additional sources of financing; and

20 WHEREAS, the applicable law and regulations of Section 17-107 of the Housing and
21 Community Development Article of the Annotated Code of Maryland requires approval of the
22 Project and the Project financing by the County Council for Prince George's County; and

23 WHEREAS, the County Executive endorses the Project and recommends approval for
24 financing a portion of the costs of the Project, through the issuance of one or more series of the
25 Bonds, in an aggregate principal amount not to exceed forty-one million, five hundred thousand
26 dollars (\$41,500,000); and

27 WHEREAS, as required by Section 147(f) of the Internal Revenue Code, a Tax Equity
28 and Fiscal Responsibility Act of 1982 (TEFRA) public hearing has been held following
29 publication of notice of said hearing.

30 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
31 County, Maryland, that the issuance and sale by the Housing Authority of the Bonds, in one or

1 more series of tax-exempt or taxable bonds and in such aggregate principal amount per series as
2 shall be determined by the Chairman and the Executive Director of the Housing Authority to be
3 sufficient to accomplish the purposes hereof, provided that such Bonds shall be issued in an
4 aggregate principal amount not to exceed forty one million, five hundred thousand dollars
5 (\$41,500,000), and subject to any other conditions or requirements imposed by the County
6 Executive in order to assure decent, safe and sanitary housing for County residents, and the loan
7 of the proceeds of such Bonds to the Owner to assist in the financing of the acquisition and
8 rehabilitation of the Project as described herein, be and the same are hereby approved as required
9 in each case by the Code.

10 BE IT FURTHER RESOLVED that that this Resolution shall constitute the approval of the
11 County Council as required by Section 147(f) of the Internal Revenue Code of 1986, as
12 amended, for a portion of the costs of the Project to be financed with the proceeds of the Bonds.

13 BE IT FURTHER RESOLVED that this Resolution shall constitute any required support
14 and the approval of the County Council with respect to the award of LIHTCs by CDA.

15 BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to the
16 Secretary of the Department of Housing and Community Development of the State of Maryland.

Adopted this 16th day of July, 2024.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Jolene Ivey
Chair

ATTEST:

Donna J. Brown
Clerk of the Council