

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

Resolution No. CR-45-2019

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Turner, Ivey, Harrison, Davis, Turner, Streeter,
Glaros, Dernoga, Taveras

Date of Introduction June 4, 2019

RESOLUTION

1 A RESOLUTION concerning

2 Fiscal Year 2019 Annual Action Plan for Housing and Community Development

3 For the purpose of amending the Prince George’s County Fiscal Year (“FY”) 2019 Annual

4 Action Plan for Housing and Community Development by adding the Palmer Park Meadows

5 project, an eligible activity not originally funded or described in the FY 2019 Annual Action

6 Plan, and the reprogramming and reallocating of eight hundred thousand dollars (\$800,000) in

7 HOME Investment Partnerships (“HOME”) Program funds from the FY 2017, FY 2018, and FY

8 2019 Annual Action Plans to support the Palmer Park Meadows project.

9 WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) requires

10 jurisdictions that receive assistance under certain community planning and development

11 programs to submit a five-year consolidated plan and an annual action plan to the Secretary of

12 HUD that outlines ways to develop viable communities by providing decent housing, a suitable

13 living environment, and expanding economic opportunities principally for low- and moderate-

14 income persons; and

15 WHEREAS, each jurisdiction is required to adopt a citizen participation plan as part of its

16 five-year consolidated plan and annual action plans; and

17 WHEREAS, a citizen participation plan sets forth the jurisdiction’s policies and procedures

18 for citizen participation, and must provide for and encourage citizens to participate in the

19 development of the Assessment of Fair Housing, any revisions to the Assessment of Fair

20 Housing, the five-year consolidated plan, any substantial amendment to the consolidated plan,

21 and the performance report; and

22 WHEREAS, pursuant to Section 15A-107 of the Prince George’s County Code, the County

1 Executive and the County Council of Prince George’s County, Maryland adopted CR-8-2015,
2 which set forth the County’s FY 2016-2020 Consolidated Plan, along with the County’s FY
3 2016-2020 Citizen Participation Plan; and

4 WHEREAS, the County’s 2016-2020 Citizen Participation Plan requires the County to
5 submit to HUD, any amendments to the County’s five-year Consolidated Plan or Annual Action
6 Plan that constitutes a “substantial change;” and

7 WHEREAS, pursuant to the County’s 2016-2020 Citizen Participation Plan, the following
8 decisions constitute a “substantial change”: (1) a change in the allocation priorities or a change
9 in the method of distribution of funds; (2) the addition of an eligible activity not originally
10 funded or described in the Annual Action Plan; (3) a change in the location, description,
11 regulatory reference, national objective citation, or status of an activity originally described in
12 the Annual Action Plan; and (4) a change in the use of Community Development Block Grant
13 (CDBG), Program Income, or Emergency Shelter Grant (ESG) funds, exceeding at least
14 \$250,000, from one existing activity to another existing eligible activity in any category within
15 the applicable Program Year; and

16 WHEREAS, the County Council shall hold a public hearing for public input on any
17 revision or amendment to the Consolidated Plan and the Annual Action Plan, and approve the
18 amendment by resolution pursuant to Section 15A-106 of the County Code; and

19 WHEREAS, pursuant to Section 15A-105(a)(2) of the County Code, the FY 2019 Annual
20 Action Plan must be amended to include the estimated cost of projects, the total cost to bring
21 them to completion, and an identification of the sources of funds; and

22 WHEREAS, the Palmer Park Meadows project involves the land acquisition and new
23 construction of three (3) sets of townhomes for a total of nine (9) units to be sold to income
24 eligible households, located at 2002-2018 Palmer Park Road, Landover, MD 20746; and

25 WHEREAS, Attachments “A1-A3” describe the Palmer Park Meadows project, the
26 associated costs and the sources of funding for the project, as attached hereto and made part
27 hereof; and

28 WHEREAS, Attachment “B” includes a summary of the reprogramming and reallocating of
29 eight hundred thousand dollars (\$800,000) in HOME Program funds from the FY 2017, FY
30 2018, and FY 2019 Annual Action Plans to support the Palmer Park Meadows project, attached
31 hereto and made part hereof; and

1 WHEREAS, Attachment “C,” consists of the County’s FY 2019 Annual Action Plan, as
2 amended – Draft 2019-4, as modified on April 17, 2019, and attached hereto and made part
3 hereof; and

4 WHEREAS, the addition of the Palmer Park Meadows project constitutes a “substantial
5 change” to the County’s FY 2019 Annual Action Plan because it is an eligible activity not
6 originally funded or described in the FY 2019 Annual Action Plan; and

7 WHEREAS, the reprogramming and reallocation of eight hundred thousand dollars
8 (\$800,000) in HOME Program funds constitutes a “substantial change;” and

9 WHEREAS, the County Executive recommends the amendments to the FY 2019 Annual
10 Action Plan to include the addition of the Palmer Park Meadows project, and the reprogramming
11 and reallocation of eight hundred thousand dollars (\$800,000) in HOME funds to support this
12 project.

13 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George’s
14 County, Maryland, that the FY 2019 Annual Action Plan for Housing and Community
15 Development, is hereby amended to include the Palmer Park Meadows project, and to reflect the
16 reprogramming and reallocation of eight hundred thousand dollars (\$800,000) in HOME Program
17 funds, as described in Attachments “A1 – A3,” “B,” and “C.”

18 BE IT FURTHER RESOLVED that upon the adoption of this Resolution, it shall be
19 transmitted to the County Executive by the Clerk of the Council to submit the amended Annual
20 Action Plan to the United States Department of Housing and Urban Development.

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

**Palmer Park Meadows
2002-2018 Palmer Park Road
Landover, MD 20746**

COUNCILMANIC DISTRICT 5

PROJECT DESCRIPTION: Land acquisition and new construction of three (3) sets of townhomes for a total of nine (9) units to be sold to income eligible households

PROPOSED OWNER: Housing Initiative Partnership, Inc.
*Upon completion, the townhomes will be sold to income eligible households

DEVELOPER(S): Housing Initiative Partnership, Inc.

CONTACT: Stephanie Proestel, Deputy Director
Housing Initiative Partnership, Inc.
6525 Belcrest Road, Suite 555
Hyattsville, Maryland 20785
301-699-3870
sproestel@hiphomes.org

NEIGHBORHOOD/LOCALITY: Intersection of Barlowe and Palmer Park Road
Landover, Maryland
Prince George’s County
District 5

UNIT MIX: Three (3) sets of townhomes for a total of nine (9) three-bedroom townhome units

PROPOSED SALE PRICE: \$238,000
Not to exceed the HOME Homeownership Value Limits, as established and published annually by the United States Department of Housing and Urban Development (HUD).
The 2019 HOME Homeownership Value Limit is \$401,000, effective April 15, 2019.

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Palmer Park Meadows
2002-2018 Palmer Park Road
Landover, MD 20746**

COUNCILMANIC DISTRICT 5**PROJECT DESCRIPTION:**

Housing Initiative Partnership, Inc. (HIP) seeks to acquire land and construct a development consisting of three (3) sets of townhomes, for a total of nine (9) three-bedroom townhomes, located at 2002, 2004, 2006, 2008, 2010, 2012, 2014, 2016, 2018 Palmer Park Road, Landover, Maryland. The development will be known as Palmer Park Meadows. HIP purchased the nine (9) buildable lots from the Housing Authority of Prince George's County on March 31, 2016.

Located at the corner of Barlowe Road and Palmer Park Road, Palmer Park Meadows will offer a prime location adjacent to a shopping center, gas station, and senior community apartment, Victory House of Palmer Park. Additionally, diagonally across the street is a beautiful new recreational facility.

Although it is a highly visible parcel of land, prior to HIP's acquisition, Palmer Park Meadows was a vacant lot that was not contributing to the revitalization of the community. With this development, HIP will design and build high-quality three-bedroom townhomes with two and a half bathrooms boasting HIP's signature front porch and off-street parking. The homes will be designed to meet modern sensibilities with an open floor plan and flexible living spaces. The homes will feature market-rate amenities, such as granite countertops, stainless steel appliances, and hardwood floors. Furthermore, like all HIP homes, they will include a state-of-the-art green/energy efficiency features and will be built as close to net-zero ready standards as is financially feasible.

The townhomes at Palmer Park Meadows will be sold to households earning eighty percent (80%) of Area Median Income (AMI). The eighty percent (80%) income limits will be based on the "uncapped limits," as calculated by HUD for the Prince George's County jurisdiction. Homebuyers will be required to complete HIP's HUD-certified homebuyer education program. Additionally, priority will be given to households with Housing Choice Program vouchers

qualified to convert the vouchers to homeownership.

In 2011 Palmer Park was designated as one of the Transforming Neighborhood Initiative (TNI) areas, making it a revitalization priority in the County. Palmer Park Meadows will be the first new construction single-family residential community development in over thirty (30) years in the Palmer Park community. The homes will further anchor the center of the community and provide a new signal to the pool of potential homebuyers that Palmer Park is a desirable and convenient neighborhood for homeownership convenient to transportation, shopping, and a new community center.

ATTACHMENT A-3**PROJECT INFORMATION SHEET**

**Palmer Park Meadows
2002-2018 Palmer Park Road
Landover, MD 20746**

COUNCILMANIC DISTRICT 5

SOURCES	AMOUNT	%
Sales Price to Homebuyers	\$ 2,137,500.00	48.7%
HOME Funds ¹	\$ 1,700,000.00	38.7%
National Fair Housing Alliance	\$ 225,000.00	5.1%
National Capital Strategic Economic Development Fund	\$ 200,000.00	4.6%
Community Legacy	\$ 95,000.00	2.2%
Maryland Operating Grant	\$ 20,000.00	0.5%
PEPCO Energy Star Rebate	\$ 11,250.00	0.2%
TOTAL	\$ 4,388,750.00	100.00%

USES	AMOUNT	%
Acquisition	\$ 143,100.00	3.3%
Hard Costs – Construction/Site Work ²	\$ 3,478,608.25	79.2%
Soft Costs	\$ 451,821.32	10.3%
Carrying and Financing Costs	\$ 140,708.06	3.2%
Broker Commission	\$ 106,875.00	2.4%
Closing Costs	\$ 64,125.00	1.5%
Developer Fee ³	\$ 3,508.40	0.1%
TOTAL	\$ 4,388,750.00	100.00%

1. Palmer Park Meadows is an existing new construction HOME project previously approved through Council Resolution CR-045-2017 for the use of HOME Program funds in the amount of nine hundred thousand dollars (\$900,000). This request for an additional eight hundred thousand dollars (\$800,000) results in a total commitment of one million, seven hundred thousand dollars (\$1,700,000) in HOME Program funds.

2. Hard Costs line item includes: \$2,767,492.34 in construction costs, \$221,399.39 in profit and overhead, \$74,722.29 in payment and performance bonds, and \$138,245.00 in water and sewer utility work.

3. In order to balance out the additional request for HOME funds in the amount of \$800,000, the developer fee was reduced from \$225,000.00 to \$3,508.40.