





April 11, 2025

FISCAL AND POLICY NOTE

TO: Jennifer A. Jenkins
Council Administrator

Colette R. Gresham, Esq.
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Shalene Miller-Whye 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CR-031-2025 Park Place at Addison Road Metro Project HITF

CR-031-2025 (*Proposed by:* The Chair of the Council at the request of the County Executive)

Introduced by: Council Members Watson, Olson, Harrison, Ivey, Blegay, Hawkins, Dernoga, Oriadha and Fisher

Assigned to the Committee of the Whole

A RESOLUTION CONCERNING HOUSING INVESTMENT TRUST FUND (“HITF”) FOR HOUSING AND COMMUNITY DEVELOPMENT for or the purpose of committing and allocating the amount of one million, nine hundred thousand dollars (\$1,900,000) in Prince George’s County Housing Investment Trust Fund (“HITF”) Program funds to the Park Place at Addison Road Metro project, an eligible activity, for gap financing of new affordable rental housing construction.

Fiscal Summary

Direct Impact

Expenditures: \$1,900,000 in additional expenditures from the Housing Investment Trust Fund (HITF).

Revenue: No revenue impact likely.

Indirect Impact

Potentially favorable.

Legislative Summary:

CR-031-2025¹, proposed by the Council Chair at the request of the County Executive, was introduced by Council Members Watson, Olson, Harrison, Ivey, Blegay, Hawkins, Dernoga, Oriadha, and Fisher and referred to the Committee of the Whole. CR-031-2025 would provide The Park Place at Addison Road Metro Project with an additional \$1,900,000 from the HITF for gap financing. The project involves the new construction of units of 193 new affordable multi-family rental housing for low-income to moderate-income families.

Project Information

Developer: Banneker Ventures, LLC

Owner: 6301 Central Avenue, LLC

Description: A one hundred ninety-three (193) unit, newly constructed, six-story, elevator-serviced apartment building on a 3.70-acre site in Capitol Heights. The rents for one hundred percent (100%) of the units are restricted until February 17, 2122. There will be one hundred fifty four (154) units for households with incomes at or below sixty percent (60%) of the Area Median Income ("AMI"), no less than thirty two (32) units reserved for households with incomes at or below fifty percent (50%) of AMI, and seven (7) units for households with incomes at or below forty percent (40%) of the AMI.

Duration: At least 97 years

Background/Current Law:

The Housing Investment Trust Fund, a non-lapsing fund, was created through legislation, CB-021-2012², and further amended under CB-057-2017³, and is codified in Subtitle 10, Division 19 of the County Code. The purposes of the Fund are to:

¹ [CR-031-2025](#)

² [CB-021-2012](#)

³ [CB-057-2017](#)

1. Develop effective strategies to strengthen County neighborhoods impacted by foreclosures consistent with the County's Five-Year Consolidated Housing and Community Development Plan;
2. Provide for gap financing to enable the County to support the development of new construction and preservation of existing workforce and affordable housing;
3. Provide for housing counseling, rental, down payment, and closing costs assistance for eligible persons to retain or purchase vacant, abandoned, and foreclosed properties;
4. Acquire, rehabilitate, resell, or lease-purchase of vacant, abandoned, and foreclosed properties to eligible residents, not-for-profit organizations, and for-profit affordable housing providers;
5. Provide for land banking of vacant, abandoned, and foreclosed properties;
6. To otherwise reduce and minimize the occurrence of foreclosures by coordination and use of County, State, and Federal resources and program; and
7. To increase and preserve the supply of safe and affordable homeownership opportunities for the purpose of growing the County's tax base revenue.

The Fund may also assist, in the form of loans and grants, to finance programs to meet the goals stated above for the benefit of existing and potential homeowners or renters, not-for-profit organizations, and for-profit affordable housing providers.

The Fund is currently financed from a variety of sources, which may include:⁴

1. Current expense funds;
2. Contributions, donations, or appropriations by the United States, Maryland, or any other political jurisdiction, or private entity;
3. Interest income;
4. Fees or other charges levied on loan or grant recipients;
5. 20% of the recordation tax collected (of no less than \$10 million);⁵ and
6. Any other funds designated and provided by the County.

Resource Personnel:

- Aspasia Xypolia, Director, Department of Housing and Community Development (DHCD)
- Adedamola George, Esq., Chief Compliance and Program Manager, DHCD

Discussion/Policy Analysis

The Park Place at Addison Road Metro (the "Project") is to be located at 6301 Central Avenue in Capitol Heights, Maryland, and is a 193-unit transit-oriented. Under the proposed agreement, for at least a 97 year term, Banneker Ventures, LLC (the "Developer") will construct 154 units for households with incomes at or below 60% of the Area Median Income ("AMI") no less than 32

⁴ Code of Prince George's County, [Sec. 10-296. – Financing the Fund.](#)

⁵ The Recordation tax source was added under CB-004-2021 and took effect on June 30, 2022.

units reserved for households with incomes at or below 50% of AMI, and seven (7) units for households with incomes at or below forty percent 40% of the AMI. The project will consist of 16 studio units, 127 one-bedroom units, and 50 two-bedroom units within a six-story, elevator-serviced apartment building on a 3.70-acre site located adjacent to the Addison Road Metro Rail Station along the Blue Line, located within the Blue Line Transit Corridor, one of the County's development priority areas.

Units and Rents:

AMI	BR Size	BA	# of Units	Sq Ft	Contract Rent
40%	0	1	2	537	\$1,083
60%	0	1	14	537	\$1,409
40%	1	1	4	696	\$1,160
50%	1	1	17	696	\$1,450
60%	1	1	106	696	\$1,740
40%	2	1	1	958	\$1,392
50%	2	1	15	958	\$1,740
60%	2	1	24	958	\$2,088
60%	2	2	10	958	\$2,088
			Total 193		

The Project is expected to cost \$95,128,282. Sources include \$28,755,000 in tax-exempt bond financing in the amount of \$28,755,000, Amazon NV Investment Holdings in the amount of \$45,739,500, Maryland Rental Housing Works in the amount of \$3,500,000, MEEHA Funds for \$135,100, a deferred developer fee for \$2,634,627, reinvestment income in the amount of \$4,866,192, a sponsor loan for \$2,939,502, LIHTC Investor Equity in the amount of \$25,667,860 and HITF in the amount of \$5,400,000, which includes an approved amount of \$3,500,000 as established by CR-045-2023⁶.

Additional HITF funding was requested in the amount of \$1,900,000, as inflation and changing interest rates led to a gap in the project. The project costs saw an increase of \$9.8M, which led to additional dollars from various funding sources. This project is located along the Blue Line Corridor, which has been established as a critical investment area within a transit-oriented development area.

The project will receive approximately a \$15,328,805 subsidy from the County, which is 16.11% of the total project cost. This includes HITF, deferred tax revenue, and a public safety surcharge waiver, as demonstrated below. The terms of the PILOT agreement include 100% tax waivers of 193 units for the next 40 years, with a 2% annual escalation per unit over that period, as established by CR-044-2023.⁷ The waiver is for \$602,739, as established by CB-038-2024.⁸

⁶ [CR-045-2023](#)

⁷ [CR-044-2023](#)

⁸ [CR-038-2024](#)

Total aid received from the County:

PILOT Agreement:	\$9,326,066
Public Safety Surcharge Waiver	\$602,739
HITF	\$5,400,000

County Subsidy as a percentage of Total Cost: 16.11%

Projects Pipeline DHCD Has Provided Support Letters to Include in Maryland DHCD LIHTC Program:⁹

Project Name	Council District	Number of Units	Number of Affordable Units	HITF	Status
Flats at Glenridge	3	245	245	\$2,500,000	LIHTC Application
The Bedford	7	175	175	\$3,000,000	LIHTC Application
Residences at Silver Hill East (Rehab)	7	90	90	\$2,500,000	LIHTC Application
Residences at Silver Hill West (Rehab)	7	124	124	\$2,500,000	LIHTC Application
New Carrollton Phase III	5	102	102	\$2,500,000	LIHTC Application
Silver Hill 4%	7	150	150	\$3,000,000	LIHTC Application
Silver Hill 9%	7	50	50	\$2,800,000	LIHTC Application
Total		936	936	\$18,800,000	

Projects Progressing Towards Closing:¹⁰

Project Name	Council District	Number of Units	Number of Affordable Units	HITF
210 on the Park	7	158	123	\$3,000,000
Cottage City Towers	5	100	100	\$2,500,000
Addison Park Metro	7	293	293	\$3,000,000
Hamlet Woods	5	59	59	\$2,500,000
The Highlands	5	138	138	\$2,500,000
Total		748	713	\$13,500,000

Increasing the availability of affordable housing through the construction of new housing and the rehabilitation of existing housing is a stated objective of the Council and a key component of the Comprehensive Housing Strategy. As well as aligning the County's HITF and other development solicitations for public funding to support CHS goals and actions, especially in TOD areas.¹¹

⁹ Housing Investment Trust Fund Report CY 2024

¹⁰ Housing Investment Trust Fund Report CY 2024

¹¹ [Comprehensive Housing Strategy Report](#)

The Median Household income for the Washington-Arlington-Alexandria-DC-VA-MD-WV Metro Area region is \$121,469, and the average household size is 2.6.¹² The median household income in Prince George's County is \$98,027, and the average household size is 2.6¹³. Based on the Washington-Arlington-Alexandria-DC-VA-MD-WV Metro Area regional guidelines, this project includes 193 affordable housing units at 60% or less than AMI. When considering the AMI of the general DMV region, 60% is \$68,880 for a one-person household and \$78,720 for a two-person household.¹⁴

2025 Adjusted Home Income Limits								
Program	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% Limits	34,400	39,360	44,280	49,170	53,130	57,060	60,990	64,920
50% Limits	57,400	65,600	73,800	81,950	88,550	95,100	101,650	108,200
60% Limits	68,880	78,720	88,560	98,340	106,260	114,120	121,980	129,840
80% Limits	91,840	104,960	118,080	131,120	141,680	152,160	162,640	173,120

Washington-Arlington-Alexandria-DC-VA-MD-WV Metro Area Adjusted Home Income Limits

Fiscal Impact:

- *Direct Impact*

Adoption of CR-031-2025 would have an adverse impact of \$5,400,000 in expenditures from the HITF.

- *Indirect Impact*

Adoption of CR-031-2025 aligns with County Plan 2035¹⁵ goals and will focus on the initial goals set in place by the FY 2021-2025 Consolidated Plan to prioritize affordable housing, economic development, rental assistance, and homeowner's assistance.

- *Appropriated in the Current Fiscal Year*

Yes

Effective Date of Proposed Legislation:

The proposed Resolution shall be effective upon its adoption.

¹² [Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area - Profile data - Census Reporter](#)

¹³ [Prince George's County, MD - Profile data - Census Reporter](#)

¹⁴ [FY 2025 Multifamily Tax Subsidy Project Income Limits Documentation System -- Summary for Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area \(huduser.gov\)](#)

¹⁵ [Plan 2035](#)

If you require additional information, or have questions about this fiscal impact statement, please email me.