

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2016 Legislative Session

Resolution No. CR-86-2016

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Davis, Glaros, Franklin and Taveras

Co-Sponsors _____

Date of Introduction November 1, 2016

RESOLUTION

1 A RESOLUTION concerning

2 Payments in Lieu of Taxes (“PILOT”) Agreement for Park Tanglewood Apartments

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

5 Tanglewood Venture, LP (the “Owner”).

6 WHEREAS, there is a significant need in the County for quality housing units for persons
7 with limited income; and

8 WHEREAS, the Owner proposes to acquire and rehabilitate a certain parcel of improved
9 property and operate a rental housing project comprised of one hundred eighty (180) apartment
10 units and related facilities for low- to moderate-income families, known as Park Tanglewood
11 Apartments (hereinafter referred to as the “Project”); and

12 WHEREAS, the Project is located at 5309 Riverdale Road in Riverdale, Maryland; and

13 WHEREAS, the Owner has requested that the County Council of Prince George’s County,
14 Maryland, (the “County Council”) authorize the Owner to make payments in lieu of County real
15 property taxes pursuant to Section 7-506.1 of the Tax-Property Article of the Annotated Code of
16 Maryland, as amended; and

17 WHEREAS, Section 7-506.1 of the Tax-Property Article of the Annotated Code of
18 Maryland, as amended, provides that real property may be exempt from county and municipal
19 corporation property tax if: (a)(2)(i) the real property is owned by a person engaged in
20 constructing or operating housing structures or projects; (a)(2)(ii) the real property is used for a
21 housing structure or project that is constructed or substantially rehabilitated under a federal,
22 State, or local government program that (a)(2)(ii)(1) funds construction or insures its financing in

1 whole or in part, or (a)(2)(ii)(2) provides interest subsidy, rent subsidy, or rent supplements;
2 (a)(2)(iii) the owner and the governing body of the county and, where applicable, the municipal
3 corporation where the real property is located agree that the owner shall pay a negotiated amount
4 in lieu of the applicable county or municipal corporation property tax; and (a)(2)(iv) the owner of
5 the real property: (a)(2)(iv)(1)(A) agrees to continue to maintain the real property as rental
6 housing for lower income persons under the requirements of the government programs described
7 in paragraph (a)(2)(ii) of this subsection; and (a)(2)(iv)(1)(B) agrees to renew any annual
8 contributions contract or other agreement for rental subsidy or supplement, or (a)(2)(iv)(2) enters
9 into an agreement with the governing body of the county or municipal corporation to allow the
10 entire property or the portion of the property which was maintained for lower income persons to
11 remain as housing for lower income persons for a term of at least five (5) years; and

12 WHEREAS, the Owner has demonstrated to the County that an agreement for payments in
13 lieu of County real property taxes is necessary to make the Project economically feasible, as
14 described in Attachments A-1, A-2 and A-3, attached hereto and made a part hereof; and

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

19 WHEREAS, the County Executive has recommended support for the acquisition and
20 rehabilitation of the Project.

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

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

28 BE IT FURTHER RESOLVED that the County Executive, prior to the execution and
29 delivery of the Agreement, may make such changes or modifications to the Agreement as
30 deemed appropriate in order to accomplish the purpose of the transaction authorized by this
31 Resolution, provided that such changes or modifications shall be within the scope of the

1 transactions authorized by this Resolution; and the execution of the Agreement by the County
2 Executive or the County Executive’s designee shall be conclusive evidence of the approval of the
3 County Executive of all changes or modifications to the Agreement; and the Agreement shall
4 thereupon become binding upon the County in accordance with the terms and conditions therein.

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

Adopted this 15th day of November, 2016.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council