

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2022 Legislative Session

Reference No.:	CR-093-2022
Draft No.:	1
Committee:	Committee of the Whole
Date:	10/18/2022
Action:	FAV

REPORT: Favorable 11-0: Council Members: Hawkins, Burroughs, Dernoga, Franklin, Glaros, Harrison, Ivey, Medlock, Taveras, Turner, and Streeter.

The Prince George's County Council convened as the Committee of the Whole on October 18, 2022, to consider CR-093-2022. CR-093-2022 is a Resolution approving the terms and conditions of the Payments in Lieu of Taxes ("PILOT") Agreement between Prince George's County, Maryland (the "County") and 8100 - 15th Ave Owner, LLC (the "Owner") concerning the Villas at Langley project (the "Project"). The Owner proposes to renovate a five hundred ninety (590) unit garden-style apartment community, a portion which will provide housing for four hundred forty-three (443) low-income to moderate-income residents located at 8100 - 15th Avenue, Hyattsville, Maryland 20783.

The property is located near the Purple Line stations in Hyattsville and the Project's total development cost, including acquisition and rehabilitation is approximately one hundred eight million, one hundred eighty-four thousand, five hundred fifty-six dollars (\$108,184,556). The PILOT will require the Owner to make annual payments to the County for each tax year of twenty-four and ninety-two one-hundredths percent (24.92%) of the amount annually payable for Prince George's County Real Property Taxes based on the Maryland State Department of Assessments and Taxation's (SDAT) annual assessment. The PILOT agreement will remain in effect for ten (10) years. This Resolution, along with the terms and conditions of the PILOT Agreement, identified as ("Attachment B") in the legislation package, will supersede and replace Council Resolution CR-098-2021, approved and adopted by the Prince George's County Council on November 9, 2021.

During the Committee of the Whole, an overview and presentation were given by Jair Lynch, the developer.

The Office of Law reports CR-093-2022 to be in proper legislative form with no impediments to its adoption.

The Policy and Budget office reports that the adoption of CR-093-2022 will have an adverse fiscal impact in the form of forgone tax revenue. As described above, accepting the PILOT on the entire Project of

\$193,851 will result in a loss of approximately \$584,190 in the first year of the term. Factoring in the 2% estimated average annual 4 Draft Comprehensive Housing Strategy Report, the total aid received from the County includes:

PILOT Agreement:	\$6,396,721
Housing Investment Trust Fund Loan:	\$2,000,000
<u>Total Received:</u>	<u>\$8,396,721</u>
Total Estimated Project Cost:	\$108,184,556
The County Share of the Total Cost:	7.76%

The total impact is estimated at \$6,396,721.00 over the 10-year period that the PILOT agreement remains in effect.

After discussion, the Prince George's County Council, sitting as the Committee of the Whole reported CR-093-2022 out favorably, 11-0.