

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2025 Legislative Session

Resolution No. CR-035-2025
Proposed by The Chair (by request - County Executive)
Introduced by Council Members Harrison, Ivy, Fisher, Oriadha, Dernoga, Hawkins,
Olson, Watson and Blegay
Co-Sponsors _____
Date of Introduction March 18, 2025

RESOLUTION

1 A RESOLUTION concerning

2 Housing Investment Trust Fund (“HITF”) for Housing and Community Development
3 For the purpose of committing and allocating the amount of two million, five hundred thousand
4 dollars (\$2,500,000) in Prince George’s County Housing Investment Trust Fund (“HITF”)
5 Program funds to the Penn Place I project, an eligible activity, for gap financing of new
6 affordable rental housing construction.

7 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
8 George’s County Code, the County Executive and the County Council of Prince George’s
9 County, Maryland adopted County Bill CB-021-2012, which set forth the County’s Housing
10 Investment Trust Fund Program; and

11 WHEREAS, the County established the Housing Investment Trust Fund, in order to
12 authorize a funding and program mechanism to address foreclosure related issues facing
13 residents in the County. The County sought to establish a Foreclosure Recovery Initiative Fund
14 to allow Prince George’s County to support private investments, attract new homebuyers, and
15 expand partnerships with the non-profit community by providing critically needed financial
16 assistance for housing rehabilitation projects, first time homebuyers, and foreclosure mediation
17 counseling agencies; and

18 WHEREAS, pursuant to Sections 10-295, 10-297, 10-298 and 10-299 of the Prince
19 George’s County Code, and adopted in County Bill CB-057-2017, the Housing Investment Trust
20 Fund Program was amended to include the provision of gap financing to support the
21 development of new construction, rehabilitation and preservation of workforce and affordable

1 housing, consistent with the adopted Prince George's County Five-Year Consolidated Housing
2 and Community Development Plan. In addition to serving as a vehicle to address foreclosures
3 with the County, the purpose of the amendment was to enable the County to support the
4 development of new construction and preservation of existing workforce and affordable housing
5 which would allow Prince George's County to provide Workforce Housing Gap Financing with
6 an emphasis on supporting the development of new construction, rehabilitation and preservation
7 of workforce and affordable housing while targeting households earning up to 120% of the area
8 median income ("AMI"); and

9 WHEREAS, the Penn Place I project involves the new construction of one hundred sixty
10 eight (168) units of new affordable multi-family rental housing for low-income to moderate-
11 income families, known as the Penn Place I, located at 5501 Penn Crossing Drive, District
12 Heights, Maryland 20747; and

13 WHEREAS, Attachments "A-1," "A-2," and "A-3," describe the Penn Place I project, the
14 associated costs and the source(s) of funding for the project, as attached hereto and made a part
15 hereof; and

16 WHEREAS, Attachment "B" describes a summary of the financial commitment and
17 allocation of two million, five hundred thousand dollars (\$2,500,000) in HITF Program funds to
18 support the Penn Place I project, as attached hereto and made a part hereof; and

19 WHEREAS, the commitment and allocation of two million, five hundred thousand dollars
20 (\$2,500,000) in HITF Program funds will provide gap financing necessary to construct and
21 complete the Penn Place I project; and

22 WHEREAS, the County Executive recommends the County's financial commitment to the
23 Penn Place I project and an allocation of two million, five hundred thousand dollars (\$2,500,000)
24 in HITF Program funds to support this project.

25 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
26 County, Maryland, that the commitment and allocation of the Housing Investment Trust Fund for
27 Housing and Community Development to the Penn Place I project is hereby approved in the
28 amount of two million, five hundred thousand dollars (\$2,500,000), as more particularly
29 described in Attachments "A-1 – A-3," and "B," respectively, as attached hereto and made a part
30 hereof.

31 BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of

1 || its adoption.

Adopted this 29th day of April, 2025.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____

Edward P. Burroughs III
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1
PROJECT INFORMATION SHEET

**Penn Place I
5501 Penn Crossing Drive
District Heights, Maryland 20747**

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION:	A one hundred sixty eight (168) unit rental apartment community for families will be constructed in four elevator buildings on a 7.54-acre site in District Heights, Maryland. All units will be affordable, and rents will be restricted for forty (40) years.
OWNER:	Penn Place I Owner, LLC
DEVELOPERS:	Northern Real Estate Urban Ventures, LLC and Velocity Capital, LLC
CONTACT:	Brandon Bellamy Velocity Capital, LLC Principal 410-630-6935 bbellamy@velocity-llc.com
NEIGHBORHOOD/LOCALITY:	District Heights, Prince George's County, District 7
UNIT MIX:	A mix of one (1) bedroom, two (2) bedroom and three (3) bedroom units
AFFORDABILITY:	All units will be priced at levels affordable to households earning sixty percent (60%) or less of the Area Median Income (AMI) for forty (40) years. A minimum of up to forty three (43) units will be at fifty percent (50%) AMI and one hundred twenty five (125) units will be at sixty percent (60%) AMI.

ATTACHMENT A-2

PROJECT INFORMATION SHEET

**Penn Place I
5501 Penn Crossing Drive
District Heights, Maryland 20747**

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION:

The Project is a proposed one hundred sixty eight (168) unit transit-oriented family affordable housing development to be newly constructed on a 7.54-acre parcel, located at 5501 Penn Crossing Drive in District Heights. The target population will be families earning no more than sixty percent (60%) of the Area Median Income (“AMI”). Of the one hundred sixty eight (168) units, nine (9) will be set aside to meet Uniform Federal Accessibility Standards (UFAS) requirements, and four (4) will be built to accommodate sensory-impaired residents.

The Project is comprised of two (2) vacant parcels, located at the intersection of Pennsylvania Avenue, Silver Hill Road, and Marlboro Pike. The site is located approximately 2.2 miles south of the Capitol Heights Metro Station and 1.4 miles east of the Suitland Metro Station offering residents unparalleled access and mobility within the region.

The Project will consist of fifty six (56) one (1) bedroom units, seventy nine (79) two (2) bedroom units, and thirty three (33) three (3) bedroom units in four elevator-served buildings. Residents will have shared access to fitness and business centers located within Penn Place I and II, as well as a centrally located ten thousand square feet (10,000 sq. ft.) area with outdoor play equipment, several green areas with outdoor benches, and forest conservation areas.

The project is being led by Penn Place I Owner, LLC, a joint venture with Northern Real Estate Urban Ventures, LLC and Velocity Capital, LLC. The two (2) firms have over fifty (50) years of real estate development experience, with more than twenty five (25) of those years dedicated specifically to tax credit and affordable housing projects. The general contractor is CCG Residential, Inc. They have extensive experience with building multi-family, affordable housing, senior living, and mixed-use projects in the Mid-Atlantic region. The architect, Torti Gallas + Partners, has designed many communities under the Low-Income Housing Tax Credits (LIHTC) Program, HOPE VI Program, and Rental Assistance Demonstration Program. The

Management Agent, S.L. Nusbaum Realty Co., supervises over one thousand (1,000) team members who are responsible for over two hundred twenty five (225) apartment communities composed of over thirty thousand (30,000) units.

ATTACHMENT A-3
PROJECT FINANCING ESTIMATE
Penn Place I
5501 Penn Crossing Drive
District Heights, Maryland 20747
COUNCILMANIC DISTRICT 7

SOURCES	Amount	Percentage
Tax-exempt Bond Financing	\$ 31,727,536	40.61%
Maryland Rental Housing Works	\$ 3,500,000	4.48%
PGC HITF	\$ 2,500,000	3.20%
Seller Note	\$ 2,400,000	3.07%
Deferred Developer Fee	\$ 2,766,314	3.54%
Reinvestment Income	\$ 3,824,129	4.89%
LIHTC - Investor Equity	\$ 31,407,651	40.20%
TOTAL	\$ 78,125,630	100.00%

USES	Amount	Percentage
Construction Costs	\$ 45,074,189	57.69%
Fees Related to Construction	\$ 6,317,343	8.09%
Financing Fees and Charges	\$ 13,412,245	17.17%
Acquisition Cost	\$ 3,864,306	4.95%
Developer's Fee	\$ 7,235,840	9.26%
Syndication Costs	\$ 825,037	1.06%
Guarantees and Reserves	\$ 1,396,670	1.79%
TOTAL	\$ 78,125,630	100.00%