

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2017 Legislative Session

Resolution No. CR-36-2017

Proposed by The Chairman (by request – County Executive)

Introduced by Council Members Davis, Lehman, Harrison, Turner, Glaros,
Franklin, Taveras, Patterson and Toles

Date of Introduction May 16, 2017

RESOLUTION

1 A RESOLUTION concerning

2 PILOT Agreement for the New Carrollton Station Project

3 For the purpose of approving the terms and conditions of a negotiated Payment in Lieu of Taxes
4 (PILOT) Agreement between Prince George’s County, Maryland (County) and New Carrollton
5 Developer, LLC (Developer) for the New Carrollton Station Project (Project).

6 WHEREAS, there is a significant need to continue the expansion of the County’s
7 commercial tax base and support transit-oriented development projects; and

8 WHEREAS, the Developer is proposing to develop approximately over 515,000 square feet
9 of land located near New Carrollton Metro Station in Prince George’s County, Maryland, more
10 particularly identified by as a portion of the tax parcel account identifiers described in
11 Attachment A and shown on the map in Attachment B and made a part hereto; and

12 WHEREAS, 515,000 square feet of land as described in Attachments A and B, is currently
13 owned by the Washington Metropolitan Area Transit Authority (WMATA) and will be leased to
14 and controlled by Urban Atlantic Development, LLC, or one of its affiliates, subsidiaries or
15 related entities, pursuant to a 98-year lease and is located within a designated focus area as
16 defined by Section 7-516 of the Tax-Property Article of the Annotated Code of Maryland, as
17 amended (the Act); and

18 WHEREAS, Section 7-516 of the Act provides that the County may exempt or partially
19 exempt an economic development project within the meaning of the Act from County real
20 property taxes under certain conditions; and

21 WHEREAS, the Developer has requested that the County permit the Developer to make
22 payments in lieu of County real property taxes pursuant to the Act; and

1 WHEREAS, the Developer proposes to develop a mixed use, transit oriented development,
2 including retail, commercial, residential and office facilities and a hotel (the Project); and

3 WHEREAS, the Developer expects that the first phase of the Project (Phase 1), which will
4 be located on the Phase 1 Property, will occur over two subphases, which will collectively
5 consist of the construction of approximately 200,000 square feet of office space; approximately
6 10,000 square feet of retail space; an approximately 250,000 square feet structured parking
7 garage; and construction of approximately 250 housing units, as well as related infrastructure and
8 WMATA facility improvements; and

9 WHEREAS, the County plans to provide certain economic development incentives to the
10 Project, including (a) residential and commercial revitalization tax credits; (b) County Capital
11 Improvement Plan (CIP) funds; and (c) WMATA surcharge funds; and

12 WHEREAS, pursuant to the Act, an economic development project must have a certificate
13 of occupancy issued on or after October 1, 2012; must be located on one or more parcels of land,
14 all of which are situated in a designated focus area; and must have an office building that:
15 provides at least 100 full-time equivalent job opportunities and the office building must have a
16 private capital investment of equity and debt combined of at least \$20,000,000; and

17 WHEREAS, the Developer has demonstrated to the County that the Project constitutes an
18 economic development project within the meaning of the Act because the Project (i) will have a
19 certificate of occupancy issued after October 1, 2012; (ii) is located on one or more parcels of
20 land, all of which are situated in a designated focus area; and (iii) includes an office building that
21 provides at least 100 full-time equivalent job opportunities and has a private capital investment
22 of equity and debt combined of at least \$20,000,000; and

23 WHEREAS, pursuant to the Act, the County has conducted an economic analysis of the
24 Project; and

25 WHEREAS, pursuant to the Act, the Developer has demonstrated to the satisfaction of the
26 County the public benefit that the Project will provide to the County; and

27 WHEREAS, pursuant to the Act, the Developer has demonstrated to the satisfaction of the
28 County the financial necessity for the exemption authorized by the Act; and

29 WHEREAS, pursuant to the Act, the Developer has demonstrated to the satisfaction of the
30 County that the private capital to be invested in the Project includes an equity investment that
31 meets the requirements of the Act; and

1 WHEREAS, in order to facilitate the development of the Phase 1 Property and the County,
2 it is in the interest of the County to accept payments in lieu of County real property taxes, subject
3 to the terms and conditions of the negotiated Payment in Lieu of Taxes Agreement (the
4 Agreement) for each subphase of Phase 1 of the Project; and

5 WHEREAS, in connection with the first subphase of Phase 1 of the Project (“Phase 1a”),
6 the County and the Developer will enter into an Agreement for the Phase 1a Property upon the
7 approval of this Resolution, the form of which is attached hereto as Attachment C and made a
8 part hereof; and

9 WHEREAS, in connection with the second subphase of Phase 1 of the Project (“Phase 1b”),
10 the County and the Developer will enter into a separate Agreement for the Phase 1b Property
11 prior to the commencement of construction of the Phase 1b of the Project, the form of which is
12 attached hereto as Attachment D and made a part hereof.

13 NOW, THEREFORE, BE IT RESOLVED that in accordance with the Act, the County shall
14 accept payment in lieu of County real property taxes for the Phase 1 Property subject to the
15 agreements attached to this Resolution.

16 BE IT FURTHER RESOLVED that the Project may not involve gambling activities.

17 BE IT FURTHER RESOLVED that the County Executive or designee of the County
18 Executive is hereby authorized to execute and deliver the Agreements in the name and on behalf
19 of the County in substantially the form attached hereto.

20 BE IT FURTHER RESOLVED that the County Executive, prior to execution and delivery
21 of the Agreements, may make such changes or modifications to the Agreements as deemed
22 appropriate by the County Executive in order to accomplish the purpose of the transactions
23 authorized by this Resolution, provided that such changes or modifications shall be within the
24 scope of the transactions authorized by this Resolution; and the execution of the Agreements by
25 the County Executive or designee of the County Executive shall be conclusive evidence of the
26 approval of the County Executive of all changes or modifications to the Agreements; and the
27 Agreements shall thereupon become binding upon the County in accordance with the terms
28 therein.
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BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of its adoption.

Adopted this 13th day of June , 2017.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Rushern L. Baker, III
County Executive

ATTACHMENT A
PHASE 1 PROPERTY
TAX PARCEL ACCOUNT IDENTIFIERS

20-2275642

ATTACHMENT B

PHASE 1 PROPERTY MAP



Pink shading = Phase 1a Property
Green shading = Phase 1b Property

ATTACHMENT C
FORM OF PAYMENT IN LIEU OF TAXES AGREEMENT
FOR PHASE 1A

(See attached)

ATTACHMENT D
FORM OF PAYMENT IN LIEU OF TAXES AGREEMENT
FOR PHASE 1B

(See attached)