

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2013 Legislative Session

Resolution No. CR-99-2013
 Proposed by The Chair (by request – County Executive)
 Introduced by Council Members Toles, Lehman, Harrison, Patterson,
 Co-Sponsors Franklin, Davis and Turner
 Date of Introduction September 17, 2013

RESOLUTION

1 A RESOLUTION concerning

2 PILOT Agreement for St. Paul Senior Living Limited Partnership/St. Paul Senior Living II
 3 Limited Partnership

4 For the purpose of approving the terms and conditions of a Negotiated Payment in Lieu of Taxes
 5 Agreement (PILOT) by and between Prince George's County, Maryland (the "County") and St.
 6 Paul Senior Living Limited Partnership/St. Paul Senior Living II Limited Partnership
 7 (collectively the "Owner").

8 WHEREAS, St. Paul Senior Living Limited Partnership/St. Paul Senior Living II Limited
 9 Partnership proposes to own and operate a rental housing project comprising 223 apartment
 10 units, known as St. Paul Senior Living Apartments and St. Paul Senior Living Apartments II
 11 located at 1207 Addison Road, Capitol Heights, MD 20743 (the "Project"), for low and moderate
 12 income seniors; and

13 WHEREAS, the Owner has requested that the County permit it to make payments in lieu of
 14 County real property taxes pursuant to Section 7-506.1 of the Tax-Property Article of the
 15 Annotated Code of Maryland, as amended (the "Act"); and

16 WHEREAS, the Act provides, among other things, that real property may be exempt from
 17 County property taxes if:

18 (1) the real property is owned by a person engaged in constructing or operating housing
 19 structures or projects;

20 (2) the real property is used for a housing structure or project that is constructed or
 21 substantially rehabilitated under a Federal, State or local government program that funds
 22 construction or insures its financing in whole or in part, or provides interest subsidy, rent

1 subsidy, or rent supplements;

2 (3) the owner and the governing body of the county where the real property is located
3 agree that the owner shall pay a negotiated amount in lieu of the applicable county property tax;
4 and

5 (4) the owner agrees to continue to maintain the real property as rental housing for lower
6 income persons under the requirements of the applicable government programs and agrees to
7 renew any annual contributions contract or other agreement for rental subsidy or supplement; or
8 enters into an agreement with the governing body of the county to allow the entire property or
9 the portion of the property which was maintained for lower income persons to remain as housing
10 for lower income persons for a term of at least 5 years; and

11 WHEREAS, there is a significant need for quality rental housing units in Prince George's
12 County for seniors of low or limited income; and

13 WHEREAS, the Owner has demonstrated to the County that an agreement for negotiated
14 payments in lieu of County real property taxes is necessary to make and keep the project
15 economically feasible, which Project is described in Attachment "A", attached hereto and made
16 part hereof; and

17 WHEREAS, in order for the Owner to provide quality, affordable housing for seniors of
18 restricted income, it is in the interest of the County to accept payments in lieu of County real
19 property taxes, subject to the terms and conditions of the Negotiated Payments in Lieu of Taxes
20 Agreement, a draft copy of which is attached hereto as Attachment "B" and made part hereof;
21 and

22 WHEREAS, the County Executive has recommended support for the Project.

23 NOW, THEREFORE, BE IT RESOLVED that in accordance with the Act, the County shall
24 accept payments in lieu of County real property taxes for the Project subject to the Agreement
25 attached to this Resolution.

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

29 BE IT FURTHER RESOLVED that the County Executive, prior to execution and delivery
30 of the Agreement, may make such changes or modifications to the Agreement as deemed
31 appropriate by the County Executive in order to accomplish the purpose of the transactions

1 authorized by this Resolution, provided that such changes or modifications shall be within the
 2 scope of the transactions authorized by this Resolution; and the execution of the Agreement by
 3 the County Executive or designee of the County Executive shall be conclusive evidence of the
 4 approval of the County Executive of all changes or modifications to the Agreement; and the
 5 Agreement shall thereupon become binding upon the County in accordance with the terms
 6 therein.

7 BE IT FURTHER RESOLVED that the Prince George's County Council hereby expresses
 8 its approval of the terms and conditions of a Negotiated Payment in Lieu of Taxes Agreement
 9 (PILOT) by and between Prince George's County, Maryland (the "County") and St. Paul Senior
 10 Living Limited Partnership/St. Paul Senior Living II Limited Partnership.

11 BE IT FURTHER RESOLVED that this resolution shall become effective as of the date of
 12 its adoption.

Adopted this 1st day of October, 2013.

COUNTY COUNCIL OF PRINCE
 GEORGE'S COUNTY, MARYLAND

BY: _____
 Andrea C. Harrison
 Chair

ATTEST:

 Redis C. Floyd
 Clerk of the Council

APPROVED:

DATE: _____ BY: _____
 Rushern L. Baker, III
 County Executive

ATTACHMENT A

PROJECT INFORMATION SHEET

St. Paul Senior Living Apartments
St. Paul Senior Living Apartments II
1207 Addison Road
Capitol Heights, Maryland 20743

COUNCILMANIC DISTRICT 7

PROPERTY DESCRIPTION:

St. Paul Senior Living Apartments is a 150-unit complex for low and moderate income senior citizens. It is a four-story elevator building offering 136 one bedroom units and 14 two bedroom units. The direct construction cost was \$54,580 per unit.

St. Paul Senior Living Apartments II is a 73 unit complex for low and moderate income senior citizens. It is a four-story elevator building offering forty-six (46) one bedroom units and 27 two bedroom units. The direct construction cost was \$68,804 per unit.

DEVELOPER:

St. Paul's Senior Living Limited Partnership c/o The Bozutto Group on 6401 Golden Triangle Drive, Suite 200, Greenbelt, Maryland 20770-3203. St. Paul's Senior Living Limited Partnership has two partners:

- Bozutto Development Company
The Bozutto Group has overseen the Development construction management of over \$275,000,000 of income producing and for-sale housing since its inception in April, 1998.
- St. Paul Community Development Corporation
The St. Paul's Community Development Corporation is an affiliate of St. Paul Baptist Church. St. Paul Baptist Church is a historic church with deep roots in the State of Maryland and Prince George's County. The Church has been under the leadership of Reverend Robert J. Williams, Sr. for the past thirty (30) years.

FINANCING AND LOCAL CONTRIBUTIONS:

Sources and amounts of financing
(St. Paul Senior Apartments) was:

Conventional Financing	\$3,950,000
Housing Tax Credits	6,828,000
State RHPP Loan	1,100,000
County HOME Loan	400,000
Federal Home Loan (Grants)	400,000
Deferred Developer Fees	<u>200,000</u>
Total	\$12,878,000

Sources and amounts of financing
(St. Paul Senior Living Apartments II) was:

Conventional Financing	\$2,737,925
Housing Tax Credits	4,415,658
St. Paul Baptist Church Loan	438,000
County HOME Loan	325,000
System Dev. Fee Waiver	148,628
Developer Loan	207,206
Prince George's County Loan	<u>325,000</u>
Total	\$8,597,417

NEIGHBORHOOD/LOCALITY:

The project is located on Addison Road, inside the Beltway and is located within one mile of a METRO station. It is close to three shopping centers. The immediate neighborhood is a mixture of housing and retail. Places of worship are plentiful.

PROJECT AMENITIES:

The St. Paul Senior Living Apartments includes 136 one bedroom units and 14 two bedroom units with full kitchens and a living/dining room combo area. Amenities include two elevators, a community/dining room, arts and crafts a game room and a wellness center. St. Paul Baptist church provides access to its van for transportation and interface with its day care program.

The St. Paul Senior Living Apartment s II includes 46 one bedroom units and 27 two bedroom units with full kitchens and a living/dining room combo area. Amenities include two elevators, a community/dining room, arts and crafts, game room and a wellness center. St. Paul Baptist church provides access to its van for transportation and interface with its day care program.

PARKING SPACES: 124 surface spaces.

RENT STRUCTURE

Number of Units (St. Paul I)	Monthly Rent
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One Bedroom – 136	\$445 to \$850
Two Bedroom – 14	\$1,005

Ten units are targeted to households with income at or below 30% of the area median income. Fifteen units are targeted to household whose income is between 40% and 50% of the area median income. The remaining 125 units are targeted to households with income at or below 50% of the median income.

Number of Units (St. Paul II)	Monthly Rent
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One Bedroom – 46	\$445 to \$850
Two Bedroom – 27	\$1,005

Eight units are targeted to households with income at or below 30% of the area median income. The remaining 65 units are targeted to household with income at or below 50% of the median income.