

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2020 Legislative Session

Resolution No. CR-55-2020

Proposed by The Council Chair (by request – County Executive)

Introduced by Council Members Turner, Davis, Harrison, Hawkins, Taveras, Glaros
and Franklin

Date of Introduction June 23, 2020

RESOLUTION

1 A RESOLUTION concerning

2 Housing Investment Trust Fund for Housing and Community Development

3 For the purpose of committing and allocating to the Townes at Peerless project, an eligible
4 activity not originally funded, the amount of one million, five hundred thousand dollars
5 (\$1,500,000) in Housing Investment Trust Fund (“HITF”) Program funds for gap financing of
6 new 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-21-2012, 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.

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-57-2017, 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
22 housing, consistent with the adopted Prince George's County Five-Year Consolidated *Housing*

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

8 WHEREAS, pursuant to Section 15A-107 of the Prince George's County Code, the County
9 Executive and the County Council of Prince George's County, Maryland adopted CR-8-2015,
10 which set forth the County's FY 2016-2020 Consolidated Plan, along with the County's FY
11 2016-2020 Citizen Participation Plan; and

12 WHEREAS, consistent with the County's 2016-2020 Citizen Participation Plan, the County
13 Council shall hold a public hearing for public input regarding the commitment of the Housing
14 Investment Trust Fund to an eligible project; and

15 WHEREAS, the Townes at Peerless project involves the land acquisition and new
16 construction of sixty-two (62) apartments for mixed income families, especially those with low-
17 and moderate-income, located at 15507 Peerless Avenue, Upper Marlboro, MD 20772; and

18 WHEREAS, Attachments "A1-A3" describe the Townes at Peerless project, the associated
19 costs and the sources of funding for the project, as attached hereto and made part hereof; and

20 WHEREAS, the commitment and allocation of one million, five hundred thousand dollars
21 (\$1,500,000) in HITF Program funds will provide gap financing necessary to complete the
22 Townes at Peerless project; and

23 WHEREAS, the County Executive recommends the County's financial commitment to the
24 Townes at Peerless project and an allocation of one million, five hundred thousand dollars
25 (\$1,500,000) in HITF Program funds to support this project.

26 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
27 County, Maryland, that the commitment and allocation of the Housing Investment Trust Fund for
28 Housing and Community Development to the Townes at Peerless Project is hereby approved, in
29 the amount of one million, five hundred thousand dollars (\$1,500,000), as described in
30 Attachments "A1 - A3," respectively, as attached hereto and made a part hereof.

Adopted this 21st day of July, 2020.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Todd M. Turner
Council Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**The Townes at Peerless
15507 Peerless Avenue
Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6

PROJECT DESCRIPTION: Land acquisition and new construction of sixty-two (62) apartments for mixed income families, especially those with low- and moderate-income

PROPOSED OWNER: Peerless Avenue Associates, LLC

DEVELOPER: Conifer Realty, LLC

CONTACT: Kyle F. Speece, Regional Vice President
Conifer Realty, LLC
5560 Sterrett Place, Suite 200
Columbia, MD 21044
(443) 367-9147

NEIGHBORHOOD/LOCALITY: Town of Upper Marlboro, Maryland
Prince George’s County
District 6

UNIT MIX: Ten (10) one-bedroom, twenty-eight (28) two-bedroom, and twenty-four (24) three-bedroom units

AFFORDABILITY BAND: Mixed Income
Seventy-six percent (76%), forty-seven (47) units, at sixty percent (60%) or below of Area Median Income (AMI)
Twenty-four percent (24%), fifteen (15) units, at Market Rate

PROPOSED RENTS:

One-bedroom apartments will range from eight hundred, fifty dollars (\$850.00) to one thousand five hundred and sixty-one dollars (\$1,561.00). Two-bedroom units will range from seven hundred, forty-four dollars (\$744.00) to one thousand seven hundred and eleven dollars (\$1,711.00). Three-bedroom units will range from eight hundred, sixty-one dollars (\$861.00) to one thousand eight hundred and seventy-five dollars (\$1,875.00)

ATTACHMENT A-2

PROJECT INFORMATION SHEET

**The Townes at Peerless
15507 Peerless Avenue
Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6

PROJECT DESCRIPTION:

Peerless Avenue Associates LLC intends to develop the Townes at Peerless, sixty-two (62) units of sustainable apartment housing for mixed income families, especially those with low- and moderate-income, in the Upper Marlboro Community of Prince George’s County, Maryland.

The Townes at Peerless will consist of townhouse structures and a mid-rise “podium” building with designs that provide enhanced aesthetics and amenities for the residents. Of the sixty-two (62) units, there will be ten (10) one-bedroom units, twenty-eight (28) two-bedroom units, and twenty-four (24) three-bedroom units. The exterior of the buildings will be clad with sustainable and durable materials such as brick, stone and cementitious siding to complement existing development in the area, while the interiors of each unit will boast an open-concept layout equipped with Energy Star appliances and high efficiency systems. Specifically, each unit consists of spacious kitchens with dishwashers, disposals, microwaves, Energy Star appliances, and spacious closets.

The use of high efficiency mechanical, electrical and plumbing systems, elevated insulation and a photovoltaic array will increase the green profile of the development while significantly reducing resident utility expenses. Thirteen percent (13%) of the development will provide accessible units where residents have the option to age in place. Additionally, the Townes at Peerless is situated near Metro Bus Route 53, which serves the Town of Upper Marlboro, the Prince George’s County Courthouse, and the Village of Marlborough Center.

Of the sixty-two (62) units, thirty-seven (37) will be set aside for families earning between forty percent (40%) and sixty percent (60%) of the Area Median Income (AMI), ten (10) units will be marketed to families with incomes of up to thirty (30%) of the AMI and fifteen (15) units will be market rate housing units. Income ranges from twenty-two thousand, three hundred and fifty dollars (\$22,350.00) for a one (1) bedroom unit at thirty percent (30%) AMI to fifty-three thousand, two hundred and fifty dollars (\$53,250.00) for a three (3) bedroom market rate unit.

The developer, Conifer Realty LLC (Conifer), will make significant infrastructure improvements to the site and surrounding areas. Most importantly, Conifer will develop a storm water management system to stabilize the area surrounding the development. Also, Conifer is planning an extension of water and sewer lines eastward from the cul-de-sac termination of

Peerless Avenue approximately one thousand, seven hundred (1,700) feet to the intersection of Peerless Avenue and Route 301, then southward approximately one thousand (1,000) feet to the intersection of Route 301 and Maryland Route 725. These water and sewer improvements are estimated to cost at least One million dollars (\$1,000,000) and are being required by the Washington Suburban Sanitary Commission (WSSC). The public water and sewer extension will make the entire land area zoned MXT at the northwestern corner of the intersection of Routes 301 and 725 much more developable and marketable, because there is no existing water and sewer serving this entire acreage at current. Finally, new sidewalks will be constructed, and a re-engineering of the Peerless Avenue roadway will be built to County standards, widened and dedicated back to the County.

Additional community amenities at The Townes at Peerless include a community room with a warming kitchen and computer nook, onsite laundry, 24-hour fitness room, walking paths throughout the tree-filled and park like setting of this serene location. The Townes at Peerless will also offer a comprehensive tenant service plan through its development partner, Episcopal Housing Corporation. As the resident service provider, Episcopal Housing Corporation will provide the tenants with direct linkage to qualified service providers that offer an array of programs and services. Further, local educational, cultural, and recreational and health programs will be identified for all residents including the unemployed and underemployed.

In addition to providing much needed housing for low- to -moderate income residents in Prince George's County and the Town of Upper Marlboro with the provision of sixty-two (62) units, the Townes at Peerless will contribute many economic benefits including, but not limited to the economic boost of construction jobs and permanent full time jobs related to the operation of this residential community upon construction completion.

ATTACHMENT A-3

PROJECT FINANCING ESTIMATE

**The Townes at Peerless
 15507 Peerless Avenue
 Upper Marlboro, MD 20772**

COUNCILMANIC DISTRICT 6

SOURCES*	AMOUNT	%
Wells Fargo Bank, N.A.	\$9,030,000.00	33.60%
MD CDA Rental Housing Funds	\$629,636.00	2.34%
LIHTC (9%)	\$14,998,500.00	55.81%
Deferred Developer Fee	\$579,954.00	2.16%
Prince George's County Housing Investment Trust Fund Loan	\$1,500,000.00	5.58%
Solar Investment Tax Credits	\$135,567.00	0.50%
TOTAL	\$26,873,658.00	100.00%

USES*	AMOUNT	%
Acquisition Costs	\$907,250.00	3.38%
Construction Costs	\$16,513,123.00	61.44%
Fees Related to Construction	\$4,537,301.00	16.88%
Financing Fees and Charges	\$1,921,865.00	7.15%
Developers Fee	\$2,500,000.00	9.30%
Syndication Related Costs	\$173,000.00	0.64%
Guarantees and Reserves	\$321,119.00	1.19%
TOTAL	\$26,873,658.00	100.00%

*These amounts are subject to change based on fluctuations and changes in the market rates, HUD Fair Market Rents (FMR) and Low-Income Housing Tax Credits (LIHTC) rents