

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2023 Legislative Session

Resolution No. CR-045-2023

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Hawkins, Oriadha, Watson, Fisher, Dernoga, Olson,
Franklin and Ivey

Co-Sponsors _____

Date of Introduction May 16, 2023

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 three million, five hundred thousand
 4 dollars (\$3,500,000) in Prince George’s County Housing Investment Trust Fund (“HITF”)
 5 Program funds to the Park Place at Addison Road project, an eligible activity, for gap financing
 6 of new affordable 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 Park Place at Addison Road project involves the land acquisition and new
10 construction of one hundred ninety three (193) units of multi-family rental housing for low-
11 income to moderate-income residents, known as Park Place at Addison Road, on a 3.70 acre
12 parcel located at 6301 Central Avenue, 212 Zelma Avenue, and 109 Addison Road, Capitol
13 Heights, Maryland 20743; and

14 WHEREAS, Attachments “A-1,” “A-2,” and “A-3,” describe the Park Place at Addison
15 Road project, the associated costs and the source(s) of funding for the project, as attached hereto
16 and made a part hereof; and

17 WHEREAS, Attachment “B” describes a summary of the financial commitment and
18 allocation of three million, five hundred thousand dollars (\$3,500,000) in HITF Program funds to
19 support the Park Place at Addison Road project, as attached hereto and made a part hereof; and

20 WHEREAS, the commitment and allocation of three million, five hundred thousand dollars
21 (\$3,500,000) in HITF Program funds will provide gap financing necessary to acquire and
22 complete the Park Place at Addison Road project; and

23 WHEREAS, the County Executive recommends the County’s financial commitment to the
24 Park Place at Addison Road project and an allocation of three million, five hundred thousand
25 dollars (\$3,500,000) 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 Park Place at Addison Road Project is hereby
29 approved in the amount of three million, five hundred thousand dollars (\$3,500,000), as more
30 particularly described in Attachments “A-1 – A-3,” and “B,” respectively, as attached hereto and
31 made a part hereof.

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

Adopted this 20th day of June, 2023.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Thomas E. Dernoga
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Park Place at Addison Road
6301 Central Avenue, 212 Zelma Avenue, and 109 Addison Road
Capitol Heights, MD 20743**

COUNCILMANIC DISTRICT 4

PROJECT DESCRIPTION: A one hundred ninety three (193) unit newly constructed, six-story, elevator-serviced apartment building on a 3.70 acre site in Capitol Heights. Ownership proposes to restrict rents for one hundred percent (100%) of units to households with incomes below seventy percent (70%) of Area Median Income (AMI) for at least forty (40) years.

OWNER: Banneker Ventures, LLC

DEVELOPER: Banneker Ventures, LLC

CONTACT: Omar Karim, Managing Member
301-408-0802

NEIGHBORHOOD/LOCALITY: Capitol Heights, Prince George’s County, District 4

UNIT MIX: A mix of Studios, One- and Two-bedroom units

AFFORDABILITY: 70% or less of the AMI: 193 units

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Park Place at Addison Road
6301 Central Avenue, 212 Zelma Avenue, and 109 Addison Road
Capitol Heights, MD 20743**

COUNCILMANIC DISTRICT 4**PROJECT DESCRIPTION:**

Banneker Ventures, LLC (the “Developer”) propose to restrict rent levels for one hundred ninety three (193) rental units at Park Place at Addison Road (the “Project”) to serve households with incomes at or below seventy percent (70%) of the Area Median Income (“AMI”) for a period of at least forty (40) years. The Project is a proposed one hundred ninety three (193) unit family affordable housing development to be newly constructed on a 3.70 acre parcel at 6301 Central Avenue, 212 Zelma Avenue and 109 Addison Road in Capitol Heights.

The Project will be located approximately one mile east of the Washington D.C. border within 0.1 mile of a bus stop. The Project is also located adjacent to the Addison Road Metro Rail Station along the Blue Line, locating it within the Blue Line Transit Corridor, one of the County’s development priority areas. To the north of the Project is the Addison Plaza Shopping Center which includes a CVS and grocery store. The unit mix includes studios, one- and two-bedrooms units. The Project is in a mixed-use neighborhood surrounded by single-family homes, retail and commercial spaces, and residential apartment complexes.

In total, the Project will contain approximately 165,000 sq. ft. of living space on six (6) elevator-serviced floors. Each unit will contain washer/dryer hook ups, dishwasher, garbage disposal, microwave, and high-speed internet access. A structured parking garage containing approximately 40 spaces and off-street parking of 110 spaces, contiguous to the Project, will be available to provide the residents with free, easily accessed parking. In addition to the one hundred ninety three (193) residential units, the Project will include approximately 10,000 square feet of retail space on the ground floor, an array of amenities to include community rooms, fitness center, yoga room club room, on-site leasing office, Wi-Fi lounge/media room, business center, theatre, roof top deck and an outdoor green park with a picnic area.

The total cost of acquisition and construction of the Project is anticipated to be approximately

eighty five million, two hundred fifty seven thousand, six hundred seventy-seven dollars (\$85,257,677). The Developer is applying for a Prince George's County Housing Investment Trust Fund ("HITF") in the amount of three million, five hundred thousand dollars (\$3,500,000) and a Payment in Lieu of Taxes ("PILOT") Agreement since both the loan funds and PILOT subsidy will allow one hundred percent (100%) of the Project's units to be income- and rent-restricted and ensure the Project is able to adequately service its debt and equity capital. Additional funding for the Project will be provided by Amazon and the State of Maryland Department of Housing and Community Development.

ATTACHMENT A-3

PROJECT FINANCING ESTIMATE
Park Place at Addison Road
6301 Central Avenue, 212 Zelma Avenue, and 109 Addison Road
Capitol Heights, MD 20743

COUNCILMANIC DISTRICT 4

SOURCES	Amount	Percentage
Tax-exempt Bond Financing	\$ 33,023,888	38.73%
CDA - Rental Housing Works	\$ 3,500,000	4.11%
PGC - Housing Investment Trust Fund	\$ 3,500,000	4.11%
Amazon	\$ 20,000,000	23.46%
LIHTC - Investor Equity	\$ 25,233,789	29.60%
TOTAL	\$ 85,257,677	100.00%

USES	Amount	Percentage
Construction Costs	\$ 58,544,296	68.67%
Fees Related to Construction	\$ 4,720,497	5.54%
Financing Fees and Charges	\$ 6,906,775	8.10%
Acquisition Cost	\$ 7,100,000	8.33%
Developer's Fee	\$ 5,052,970	5.93%
Syndication Costs	\$ 10,000	0.01%
Guarantees and Reserves	\$ 2,923,139	3.43%
TOTAL	\$ 85,257,677	100.00%