

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2013 Legislative Session

Resolution No. CR-113-2013

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Harrison and Davis

Co-Sponsors _____

Date of Introduction September 24, 2013

RESOLUTION

1 A RESOLUTION concerning

2 PILOT Agreement for

3 The Residences at Woodland Springs

4 For the purpose of approving the terms and conditions of a Negotiated Payment in Lieu of Taxes
5 Agreement (“PILOT”) by and between Woodland Townhomes LLLP, a Maryland limited
6 liability limited partnership (the “Owner”) and Prince George’s County, Maryland (“County”).

7 WHEREAS, there is a significant need for quality housing units in Prince George's County
8 for families of limited incomes; and

9 WHEREAS, the Owner has or will acquire a parcel of land located in District Heights,
10 Maryland (the “Property”) for the purpose of developing, constructing, owning and operating
11 thereon a rental townhome community containing approximately 36 units and related facilities
12 (the “Improvements”) to provide housing primarily for low to moderate income families (the
13 Property and the Improvements being collectively referred to as the “Project”); and

14 WHEREAS, the Owner will operate the Project for rental housing on a limited distribution
15 basis pursuant to a regulatory agreement between the owner and the Community Development
16 Administration of the Department of Housing and Community Development of the State of
17 Maryland (“CDA”) or other governmental authority (the “Regulatory Agreement”) executed in
18 connection with the financing of the Project; and

19 WHEREAS, the Owner has requested that the County permit the Owner to make payments
20 in lieu of County real property taxes pursuant to Section 7-505 of the Tax-Property Article of the
21 Annotated Code of Maryland (2007 Replacement Volume, as amended) (the "Act"), which
22 provides, among other things, that real property outside of Baltimore City may be exempt from

1 County property taxes if:

- 2 (1) The real property is owned by a person engaged in constructing or operating housing
3 structures or projects (which may include non-dwelling commercial and community
4 facilities, community rooms, dining halls, and infirmaries to serve its occupants and the
5 surrounding neighborhood); and
6 (2) The real property is used for a housing structure or project that is constructed or
7 substantially rehabilitated under a Federal, State or local government program that
8 funds construction, or insures its financing or provides interest subsidy, rent subsidy or
9 supplements; and is substantially completed after July 1, 1978; and
10 (3) The structures and facilities on the real property are governmentally controlled as to
11 rents, charges, rates of return and methods of operation so as to operate on a nonprofit
12 or limited distribution basis; and
13 (4) The owner of the real property enters into an agreement with the governing body of the
14 county where the real property is located for the payment of a negotiated sum or sums
15 in lieu of all local taxes on said real property; and

16 WHEREAS, the Owner has demonstrated to the County that an agreement for payment in
17 lieu of County real property taxes is necessary to make the Project economically feasible, which
18 Project is described in Attachments A-1, A-2 and A-3, attached hereto and made a part hereof;
19 and

20 WHEREAS, in order to induce the Owner to provide housing for families of restricted
21 income, it is in the interest of the County to accept payments in lieu of County real property
22 taxes, subject to the terms and conditions of the Negotiated Payment in Lieu of Taxes Agreement
23 (the "Agreement") attached hereto as Attachment B and made a part hereof; and

24 WHEREAS, the County Executive has recommended support for The Residences at
25 Woodland Springs Project.

26 NOW, THEREFORE, BE IT RESOLVED that in accordance with the Act, the County shall
27 accept payment in lieu of County real property taxes for the Project subject to the Agreement
28 attached to this Resolution.

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

BE IT FURTHER RESOLVED that the County Executive, prior to execution and delivery of the Agreement, may make such changes or modifications to the Agreement as deemed appropriate by the County Executive in order to accomplish the purpose of the transactions authorized by this Resolution, provided that such changes or modifications shall be within the scope of the transactions authorized by this Resolution; and the execution of the Agreement by the County Executive or designee of the County Executive shall be conclusive evidence of the approval of the County Executive of all changes or modifications to the Agreement; and the Agreement shall thereupon become binding upon the County in accordance with the terms therein.

BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of 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-1

PROJECT INFORMATION SHEET
The Residences at Woodland Springs
Intersection of Rochelle Avenue and Atwood Street
District Heights, Maryland

COUNCIL DISTRICT 6

PROJECT DESCRIPTION:	Land acquisition and new construction of 36 townhomes
PROPOSED OWNER:	Woodland Townhomes LLLP
DEVELOPER:	Shelter Development, LLC
CONTACT:	Maria E. Miller, Vice President – Development 218 N. Charles Street Suite 220 Baltimore, Maryland 21201
NEIGHBORHOOD/LOCALITY:	District Heights, Tax Map 81, Prince George’s County District 6
UNIT MIX:	The unit mix is (26) four-bedroom and (10) three-bedroom townhomes, including (2) accessible for physical and (1) for sensory disabilities
PROPOSED RENTS:	\$500 - \$1,375 per month

ATTACHMENT A-2

**PROJECT INFORMATION SHEET
The Residences at Woodland Springs
Intersection of Rochelle Avenue and Atwood Street
District Heights, Maryland**

COUNCIL DISTRICT 6

PROJECT DESCRIPTION:

Shelter Development, LLC, proposes to acquire 3.89 acres of vacant land from the Woodland Springs Apartment ownership and develop thirty six (36) new affordable rental townhomes. The project will provide affordable workforce housing, with three (3) and four (4) bedroom townhomes, for rental to families with incomes from 30% to 60% of the Area Household Median (AMI).

The townhomes will consist of three (3) and four (4) bedroom units which will average 1,496 and 1,684 net square feet respectively. All units will contain two and a half (2 ½) baths, a full range of appliances including dishwashers, garbage disposals, in unit washers/dryers, and high energy efficient HVAC units. The building exteriors will be designed with an eye toward pleasing aesthetics and durable materials using a mix of masonry products and architectural design features to add interest. The property will include new sidewalks in the front and rear of the property to ensure connectivity to the surrounding community, and a playground and exercise station.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

**The Residences at Woodland Springs
Intersection of Rochelle Avenue and Atwood Street
District Heights, Maryland**

COUNCIL DISTRICT 6

SOURCES OF FUNDS	AMOUNT	%
Private Loan	\$1,830,000.00	16.56%
Rental Housing Funds	\$2,000,000.00	18.10%
Low Income Housing Tax Credits (LIHTC)	\$6,826,672.00	61.78%
Developer Equity	\$104,375.00	0.94%
Interim Income	\$50,000.00	0.45%
Other	\$39,500.00	0.36%
Prince George's County HOME Loan	\$200,000.00	1.81%
TOTAL SOURCES	\$11,050,547.00	100.00%

USES OF FUNDS	AMOUNT	%
Construction Costs	\$6,986,144.00	63.22%
Fees Related To Construction	\$1,747,146.00	15.81%
Acquisition Costs	\$300,000.00	2.71%
Financing Fees and Charges	\$390,430.00	3.53%
Developer Fee	\$1,333,752.00	12.07%
Syndication Costs	\$115,869.00	1.05%
Guarantees and Reserves	\$177,206.00	1.60%
TOTAL USES	\$11,050,547.00	100.00%