

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2009 Legislative Session

Resolution No. CR-9-2009

Proposed by The Chairman (by request – County Executive)

Introduced by Council Member Campos

Co-Sponsors _____

Date of Introduction February 10, 2009

RESOLUTION

1 A RESOLUTION concerning

2 Victory Crest Senior Apartments

3 For the purpose of approving a \$1.3 million HOME Loan for the Victory Crest Senior
4 Apartments project and amending the Prince George’s County “Annual Action Plan: FY 2006”
5 and “Annual Action Plan: FY 2009” to include the project and project funding.

6 WHEREAS, Victory Crest, Inc., a nonprofit Maryland corporation and affiliate of Victory
7 Housing, Inc. proposes to acquire land for the construction and operation of the Victory Crest
8 Senior Apartments (the “Project”), located at 6100 Sargent Road, Hyattsville, Maryland; and

9 WHEREAS, Victory Housing, Inc., the developer of the Project has developed and operates
10 several multifamily rental projects targeted to very low income seniors in Prince George’s
11 County including Cheval Court in Forestville and Victory House of Palmer Park; and

12 WHEREAS, the Project, as more fully described in Attachment “A”, will consist of 60
13 rental units for independent seniors and frail elderly, with household incomes at or below 50% of
14 the area median; and

15 WHEREAS, the Project will serve the very low income elderly population in north central
16 Prince George’s County, specifically in Hyattsville and areas of Bladensburg, Berwyn Heights,
17 College Park, Langley Park, Riverdale, Takoma Park and Mount Rainier; and

18 WHEREAS, the Project will be financed primarily by the HUD Section 202 Supportive
19 Housing for the Elderly Program which provides a capital advance to finance the acquisition,
20 construction or rehabilitation of supportive housing for very low income elderly and an annual
21 rent subsidy to maintain rents at no more than 30% of residents’ income; and

22 WHEREAS, the estimated development cost of the Project is \$8,422,465 to be financed by

1 a HUD Section 202 Capital Advance; a HOME Loan from Prince George’s County, a HUD
2 Predevelopment Grant, and owner financing in the estimated amounts set forth in Attachment
3 “B”; and

4 WHEREAS, pursuant to Section 15A-105(a)(2) of the County Code, the FY 2006 and FY
5 2009 Annual Action Plans must be amended to include the estimated cost of the Project, the total
6 cost to bring it to completion, and an identification of the sources of funds; and

7 WHEREAS, the Project will be financed in part by a \$1.3 million HOME Loan comprising
8 \$900,852.61 of Rental Housing Rehabilitation and Development funds from “Annual Action
9 Plan: FY 2006” and \$399,147.39 of Multi-Family Rental Housing Construction and
10 Rehabilitation funds from “Annual Action Plan: FY 2009,” as more particularly described in
11 Attachment “C”; and

12 WHEREAS, the \$900,852.61 of Rental Housing Rehabilitation and Development funds
13 from “Annual Action Plan: FY 2006” comprises \$847,275 to be reprogrammed from a portion of
14 the Tenant Based Rental Assistance fund (FY 2006) that had been earmarked for rental
15 assistance to Hurricane Katrina victims and \$53,577.61 to be reprogrammed from the CHDO Set
16 Aside Activities fund (FY 2006), as described in Attachment “C”; and

17 WHEREAS, the County Executive recommends approval of the \$1.3 million HOME Loan
18 for the Project; amendments to the FY 2006 and FY 2009 Annual Action Plans to include Project
19 financing; and FY 2006 HOME fund reprogramming, as set forth in Attachments “A”, “B”, and
20 “C”.

21 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
22 County, Maryland, that the County Council of Prince George's County, Maryland, hereby
23 approves a \$1.3 million HOME Loan for the Project; amendments to the FY 2006 and FY 2009
24 Annual Action Plans to include Project financing; and FY 2006 HOME fund reprogramming, as
25 set forth in Attachments “A”, “B”, and “C”.

26 BE IT FURTHER RESOLVED that upon adoption of the resolution, it shall be transmitted
27 to the County Executive by the Clerk of the Council to submit the amended Annual Action Plans
28 to the Department of Housing and Urban Development.

Adopted this 7th day of April, 2009.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Marilynn M. Bland
Chairperson

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Jack B. Johnson
County Executive

Attachment C available in hard copy only

ATTACHMENT A

PROJECT INFORMATION SHEET
Victory Crest Senior Apartments
Seniors Residential Rental Units and Supportive Services
6100 Sargent Road
Hyattsville, Maryland 20782

COUNCILMANIC DISTRICT 2

PROPERTY DESCRIPTION: Leasehold acquisition of land, construction and management of 60 rental housing units for independent and frail seniors, located at 6100 Sargent Road, Hyattsville, Maryland 20782.

OWNER: Victory Crest, Inc.

DEVELOPER: Victory Housing, Inc.

CONTACT: Mary Claire Davis
Victory Housing, Inc.
5430 Grosvenor Lane, Suite 210
Bethesda, Maryland 20814

SOURCES OF FINANCING: A \$6,719,600 HUD 202 Capital Advance; a \$1,300,000 HOME Loan; a \$400,000 HUD Predevelopment Grant; and \$2,865 developer equity.

MANAGEMENT: Humphrey Management will provide property management services for the Victory Crest community. Humphrey Management was established in 1983 to manage properties in their own portfolio as well as provide third-party management for other multi-family owners. Headquartered in Columbia, Maryland, they currently manage over 7,000 apartment units in six states. Of those, approximately 3,500 units are located in the State of Maryland and over 1,200 units in Prince George's County. Humphrey's management portfolio consists of many affordable communities that include a variety of financing and regulatory oversight such as HUD, CDA, and local government funding. Their experience in HUD rent subsidy programs and tax credit compliance is

significant. As well, thirty-one of their managed properties serve a specifically elderly population.

Humphrey manages Rollingcrest Commons, an elderly apartment community directly adjacent to the future Victory Crest Senior Apartments site.

NEIGHBORHOOD/LOCALITY:

The Victory Crest Project will be located at 6100 Sargent Road near Chillum Road, north of Eastern Avenue, in the northeastern border between Maryland and the District of Columbia. It is located in the unincorporated neighborhood of Hyattsville, bordered by New Hampshire Avenue on the west, Eastern Avenue on the south, Queens Chapel Road on the east, and East West Highway/Ager Road on the north. The immediate area supports a variety of mostly residential development consisting of older single family homes, duplex row homes and garden apartments. Commercial development is located along New Hampshire Avenue and Riggs Road. Located at the intersection of Riggs and Sargent Road is a K-Mart and at Sargent and Chillum Roads is a CVS Drugstore and Sav-A-Lot Supermarket. Additional retail and service businesses are also available within several blocks from the project site at the Riggs Plaza Shopping Center anchored by Giant Food, which is located at the intersection of Riggs Road and Eastern Avenue.

UNIT MIX:

The unit mix will be 60 one bedroom - one bath apartments consisting of 563 square feet.

PROPOSED RENTS:

\$586 (each tenant will pay no more than 30% of income for rent; estimated average tenant contribution is \$275 per month)

SECURITY PLAN:

Victory Crest is designed to accommodate safety and security features throughout and with particular attention to the needs of a senior resident population.

The property will have a complete fire detection and alarm system with sprinklers and power backup that will include both visual and audible notification devices. Each unit will contain an emergency call system that allows residents to use a pull cord to indicate a medical or safety emergency and the

system will have off-site monitoring on a continual basis.

Victory Crest will have a controlled building entry system that will allow residents to gain entry through a key fob device. The system will have corresponding software and backup to monitor resident entry and control access to the building. A telephone directory system will allow residents to screen guests to the building through telephone communication and in addition will provide a camera that allows residents to view visitors from their unit through a designated television channel.

The property will be monitored with cameras at several exterior points using a digital video recorder in a closed circuit television system. Additionally, the property's exterior will be lit at the entrance, parking areas, driveway and site entrance.

ATTACHMENT B

PROJECT FINANCING SUMMARY

Victory Crest Senior Apartments

6100 Sargent Road

Hyattsville, Maryland 20782

COUNCILMANIC DISTRICT 2

SOURCES OF FUNDS	AMOUNT	%
HUD Section 202 Capital Advance	\$6,719,600	79.78
Prince George's County HOME Funds Loan	\$1,300,000	15.44
HUD Predevelopment Grant	\$400,000	4.75
Developer Equity	\$2,865	.030
TOTAL SOURCES	\$8,422,465	100.00%
USES OF FUNDS	AMOUNT	%
Construction Costs	\$6,381,752	75.77
A&E and Other Construction Fees	\$1,440,713	17.11
Acquisition	\$600,000	7.12
TOTAL OF USES	\$8,422,465	100.00%