



Aisha N. Braveboy
County Executive

PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

March 19, 2026

The Honorable Krystal Oriadha, Chair
Prince George's County Council
Wayne K. Curry County Administration Building
1301 McCormick Drive
Largo, Maryland 20774

Dear Chair Oriadha,

Enclosed for the County Council's consideration is a Resolution for the purpose of approving the terms and conditions of a Payments in Lieu of Taxes ("PILOT") Agreement between Prince George's County, Maryland (the "County") and Community Housing Initiative, Inc. ("Owner") concerning the Herman Apartments project ("Project").

The Owner, Community Housing Initiative, Inc., will form an entity for the purpose of acquiring land and constructing a one hundred forty five (145) unit affordable rental housing community for families earning sixty percent (60%) or below of the Area Median Income ("AMI"), located at 6203 Ager Road, Hyattsville, Maryland 20782. The unit mix will consist of one (1) bedroom, two (2) bedroom, and three (3) bedroom units.

The Project's total development cost is expected to be fifty one million, eight hundred sixty three thousand, six hundred eleven dollars (\$51,863,611). Financing will consist of tax-exempt bond financing, subordinate Rental Housing Works funds through the State of Maryland Department of Housing and Community Development ("State of MD DHCD"), four percent (4%) Low-Income Housing Tax Credits ("LIHTC") equity, a deferred developer fee and developer equity. Additionally, the Herman Apartments project will be financed by the Prince George's County Housing Investment Trust Fund ("HITF") Program loan in the amount of two million, five hundred thousand dollars (\$2,500,000).

The PILOT will require mandatory annual payments in an amount of no less than approximately one hundred thousand, four hundred thirty seven dollars or six hundred ninety three dollars per unit (\$100,437 or \$693 per unit) for the first year. Thereafter, the required payment for these affordable units will increase by two percent (2%) for each subsequent tax year. The PILOT agreement will remain in effect for forty (40) years, which includes the extended affordability period. Without the PILOT agreement, the estimated County property tax would be approximately one hundred eighty seven thousand, four hundred thirty seven dollars or one thousand, two hundred ninety three dollars per unit (\$187,437 or \$1,293 per unit). When considering the financial effects of the PILOT, the County will be providing yearly operating support of approximately eighty seven thousand dollars (\$87,000) to this affordable family housing development.

The Council's favorable consideration of this legislation is requested. If you have any questions, please contact my office or Jonathan Butler, Director, Department of Housing and Community Development at (301) 883-6511.

Sincerely,



Aisha N. Braveboy
County Executive

Enclosure