



**PRINCE GEORGE'S COUNTY GOVERNMENT**  
OFFICE OF THE COUNTY EXECUTIVE

July 26, 2024

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

Dear Chair Ivey:

Enclosed for the County Council's consideration is a Resolution approving the terms and conditions of a Payments in Lieu of Taxes ("PILOT") Agreement between Prince George's County (the "County") and Highland Senior Living, LLLP ("Owner") concerning The Highlands Senior Apartments project (the "Project").

The Owner, Highland Senior Living, LLLP, is an entity formed for the purpose of constructing the Project, which will be a one hundred thirty seven (137) unit affordable rental housing community for seniors earning sixty percent (60%) or below of the Area Median Income ("AMI"), located at 6801 Sheriff Road, Landover, Maryland 20785. The unit mix will consist of one (1) bedroom and two (2) bedroom units.

The Project's total development cost is expected to be forty one million, three hundred forty nine thousand, three hundred twenty-three dollars (\$41,349,323). Financing will consist of a tax-exempt bond loan, equity from the sale of Low-Income Housing Tax Credits, State of Maryland Rental Housing Works loan, and a deferred developer fee. Additionally, The Highlands Senior 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 the Owner to make a mandatory annual payment to the County in an amount of no less than approximately one hundred seventy six thousand, eight hundred thirty dollars or one thousand, two hundred ninety one dollars per unit (\$176,830 or \$1,291 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, including the extended affordability period. Without the PILOT agreement, the estimated County property tax would be approximately two hundred fifty nine thousand, thirty dollars or approximately one thousand, eight hundred ninety-one dollars per unit (\$259,030 or approximately \$1,891 per unit). When considering the financial effects of the PILOT, the County will be providing yearly operating support of approximately eighty two thousand, two hundred dollars (\$82,200) to this affordable senior housing development.

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

Sincerely,

Angela D. Alsobrooks  
County Executive

Enclosures