

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2022 Legislative Session

Resolution No. CR-064-2022

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Streeter, Turner, Harrison, Glaros, Dernoga, Franklin,
Medlock, and Hawkins

Co-Sponsors _____

Date of Introduction May 17, 2022

RESOLUTION

1 A RESOLUTION concerning

2 Housing Investment Trust Fund for Housing and Community Development

3 For the purpose of committing and allocating to the Glenarden Hills Phase 3, 4% project, an
 4 eligible activity not originally funded, the amount of three million dollars (\$3,000,000) in
 5 Housing Investment Trust Fund (“HITF”) Program funds for gap financing of new housing
 6 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-21-2012, 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-57-2017, 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 within 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, pursuant to Section 15A-107 of the Prince George's County Code, the County
 10 Executive and the County Council of Prince George's County, Maryland adopted CR-047-2020,
 11 which set forth the County's FY 2021-2025 Consolidated Plan, along with the County's FY
 12 2021-2025 Citizen Participation Plan; and

13 WHEREAS, consistent with the County's 2021-2025 Citizen Participation Plan, the County
 14 Council shall hold a public hearing for public input regarding the commitment of the Housing
 15 Investment Trust Fund to an eligible project; and

16 WHEREAS, the Glenarden Hills Phase 3, 4% project involves the land acquisition and new
 17 construction of one hundred fourteen (114) affordable rental housing community for mixed
 18 income families, especially those with low- and moderate-income, located at 8405 Hamlin
 19 Street, Lanham, Maryland 20706; and

20 WHEREAS, Attachments "A1-A3" describe the Glenarden Hills Phase 3, 4% project, the
 21 associated costs and the source(s) of funding for the project, as attached hereto and made part
 22 hereof; and

23 WHEREAS, the commitment and allocation of three million dollars (\$3,000,000) in HITF
 24 Program funds will provide gap financing necessary to complete the Glenarden Hills Phase 3,
 25 4% project; and

26 WHEREAS, the County Executive recommends the County's financial commitment to the
 27 Glenarden Hills Phase 3, 4% project and an allocation of three million dollars (\$3,000,000) in
 28 HITF Program funds to support this project.

29 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
 30 County, Maryland, that the commitment and allocation of the Housing Investment Trust Fund for
 31 Housing and Community Development to the Glenarden Hills Phase 3, 4% Project is hereby

1 approved in the amount of three million dollars (\$3,000,000), as described in Attachments “A1 –
2 A3,” respectively, as attached hereto and made a part hereof.

Adopted this 5th day of July, 2022.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Calvin S. Hawkins, II
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Glenarden Hills Phase 3, 4%
8405 Hamlin Street
Lanham, MD 20706**

COUNCILMANIC DISTRICT 5

PROJECT DESCRIPTION:	Glenarden Hills Phase 3, Four, LLC plans to acquire land and construct a one hundred fourteen (114) mixed-income stacked-townhouse and garden-style apartment rental community for families in Lanham, Prince George’s County.
OWNER:	Glenarden Hills Phase 3, Four, LLC
DEVELOPERS:	Pennrose, LLC The Redevelopment Authority of Prince George’s County B&W Solutions, Inc. SHABACH! Ministries, Inc.
CONTACT:	Patrick Bateman, Developer Pennrose, LLC 443-423-1102
NEIGHBORHOOD/LOCALITY:	Lanham, Prince George’s County, District 5
UNIT MIX & AFFORDABILITY:	Unit Size: <u>One Bedroom:</u> 41 units <ul style="list-style-type: none">▪ 28 units at 60% of the AMI▪ 13 units at Market <u>Two Bedrooms:</u> 57 units <ul style="list-style-type: none">▪ 5 units at 30% of the AMI▪ 45 units at 60% of the AMI▪ 7 units at Market Rate <u>Three Bedrooms:</u> 16 units <ul style="list-style-type: none">▪ 1 unit at 30% of the AMI▪ 15 units at 60% of the AMI
PROPOSED RENTS:	One-bedroom ranges from \$1,220 to \$1,234; two-bedroom ranges from \$551 to 1,748; and three-bedroom ranges from \$652 to \$1,708.

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Glenarden Hills Phase 3, 4%
8405 Hamlin Street
Lanham, MD 20706**

COUNCILMANIC DISTRICT 5**PROJECT DESCRIPTION:**

Pennrose, LLC, the Redevelopment Authority of Prince George's County, B&W Solutions, Inc., and SHABACH! Ministries, Inc. (together, the "Development Team") plans to acquire land and construct a one hundred fourteen (114) unit mixed-income apartment community as part of a larger mixed-income development in Lanham, Prince George's County, Maryland (hereinafter referred to as "Glenarden Phase 3, 4%" or the "Project"). The total development cost of this Project is expected to be \$38,257,054.

The one hundred fourteen (114) unit Glenarden Phase 3, 4% project is part of the Glenarden Master Redevelopment which altogether will provide high-quality, affordable, workforce and market rate housing opportunities, resulting in a richly diverse, mixed-use, mixed-income, livable, and well-connected community. Glenarden Phase 3, 4% itself will be a two-phased project; a neighboring forty-four (44) unit affordable rental community will be separately constructed ("Glenarden Phase 3, 9%"). The one hundred fourteen (114) unit Project will be comprised of seven (7) buildings containing sixty (60) stacked- and townhouse-type units as well as a fifty-four (54) unit garden building and amenity spaces. The Project will be certified under the National Green Building Standards and Energy Star Version 3.1.

The one hundred fourteen (114) unit Project will have ninety-four (94) affordable units and twenty (20) market-rate units. Eighty-eight (88) of the affordable units will serve households earning sixty percent (60%) of the Area Median Income ("AMI") and six (6) of the affordable units will serve households earning thirty percent (30%) of the AMI. Additionally, twenty (20) units will be at market rate. Across the Project, there will be forty-one (41) one-bedroom units, fifty-seven (57) two-bedroom units, and sixteen (16) three-bedroom units. One-bedroom rents will range from one thousand, two hundred twenty dollars (\$1,220) to one thousand, two hundred thirty four dollars (\$1,234); two-bedroom rents will range from five hundred fifty one

dollars (\$551) to one thousand, seven hundred forty eight dollars (\$1,748); and three-bedroom rents will range from six hundred fifty two dollars (\$652) to one thousand, seven hundred eight dollars (\$1,708).

All residents of Phase 3 will have access to the previously constructed community clubhouse and its amenities via a shared use agreement between Phases 1, 2A, both phases of Phase 3, and future phases. The 5,700 square foot community clubhouse built in Phase 1 features a community space, a fitness center, on-site management and leasing suite, a resource center, locker rooms, a kitchenette, an outdoor patio with a grill area, and a tot-lot. A community lap pool, children's pool, community green space, and an athletic surface will be added as part of Phase 3.

The site is located immediately adjacent to three MetroBus stops on Brightseat Road, offering convenient access to regional transportation via the Beltway, and nearby WMATA Metro stops. The site is in a predominately residential neighborhood, while still offering access to shopping and other services and amenities less than one mile away.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

Glenarden Hills Phase 3, 4%
8405 Hamlin Street
Lanham, MD 20706

COUNCILMANIC DISTRICT 5

Sources	Amount	
Tax Exempt Bonds	\$13,460,748	35.19%
Prince George's County HITF Loan	\$3,000,000	7.84%
Rental Housing Works	\$2,080,000	5.44%
Prince George's County Infrastructure Funds	\$5,933,731	15.51%
Seller Takeback Note	\$1,634,000	4.27%
Investor Equity - LIHTC	\$9,573,260	25.02%
Deferred Developer's Fee	\$2,440,708	6.38%
Return of Good Faith Deposit	\$134,607	0.35%
TOTAL	\$38,257,054	100%
Uses	Amount	
Construction or Rehabilitation Costs	\$25,588,606	66.89%
Fees Related to Construction or Rehabilitation	\$4,510,515	11.79%
Financing Fees and Charges	\$2,595,777	6.79%
Acquisition Costs	\$1,634,000	4.27%
Developer's Fee	\$2,500,000	6.53%
Syndication Related Costs	\$139,306	3.37%
Guarantees and Reserves	\$1,288,850	0.36%
TOTAL	\$38,257,054	100.00%