



Angela D. Alsobrooks
County Executive

PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

May 9, 2023

The Honorable Thomas E. Dernoga
Chair
Prince George's County Council
Wayne K. Curry Administration Building
Largo, Maryland 20774

Dear Chair Dernoga:

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 210 MPD Partners, LLC ("Owner") concerning 210 on the Park Apartments (the "Project").

The Owner is an entity formed by Community First Development Corporation for the purpose of acquiring and constructing the Project, which will be one hundred fifty eight (158) units of new mixed use and mixed-income multi-family rental housing, known as 210 on the Park, on a 3.78-acre parcel located at 210 Maryland Park Drive, Capitol Heights, Maryland 20743. The Project will be located at the southeastern corner of Maryland Park Drive and Southern Avenue in an urban area of the County, along the County's border with Washington, D.C. The site is approximately 0.3-mile northwest of the Capitol Heights Metro Station in the Blue Line transit corridor. Of the one hundred fifty eight (158) residential units, one hundred twenty eight (128) units will be income-restricted, and thirty (30) units will be market-rate. The Project will include approximately 8,000 square feet of retail space on the ground floor and an array of amenities including community rooms, kitchen, fitness center, on-site leasing office, and a Wi-Fi lounge.

The Project's total development cost is approximately sixty million, one hundred eighty seven thousand, four hundred eighty-four dollars (\$60,187,484). Financing will consist of a Freddie Mac first mortgage, subordinate loan from Amazon, and developer equity. The Project will also be financed with a Prince George's County Housing Investment Trust Fund ("HITF") loan in the amount of three million dollars (\$3,000,000).

The PILOT will require the Owner to make a mandatory annual payment to the County in an amount of no less than approximately seven thousand, four hundred twenty-four dollars (\$7,424) or approximately fifty eight dollars (\$58) per unit for the one hundred twenty eight (128) affordable units for the first full tax year. Thereafter, the required payment will increase by two percent (2%) for each subsequent tax year. The PILOT agreement will remain in effect for fifty (50) years. Without the PILOT agreement, the estimated County property tax for the

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project would be approximately two hundred ninety two thousand, two hundred ninety-nine dollars (\$292,299) or approximately one thousand, eight hundred fifty dollars (\$1,849.99) per unit. When considering the financial effects of the PILOT, the County will be providing yearly operating support of approximately two hundred twenty nine thousand, three hundred seventy-five dollars (\$229,375) to this affordable housing development.

The Council's favorable consideration of this legislation, which along with the terms and conditions of the PILOT Agreement, is included as Attachment B in the legislation package, is greatly appreciated. If you have any questions or concerns, 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