

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2024 Legislative Session

Resolution No. CR-033-2024
 Proposed by The Chair (by request - County Executive)
 Introduced by Council Members Ivey, Watson, Harrison, Fisher, Hawkins and Franklin
 Co-Sponsors _____
 Date of Introduction April 23, 2024

RESOLUTION

1 A RESOLUTION concerning

2 Fiscal Year ("FY") 2024 Annual Action Plan for Housing and Community Development
 3 For the purpose of amending the Prince George's County Fiscal Year ("FY") 2024 Annual
 4 Action Plan for Housing and Community Development by adding the Bowie Commons project,
 5 an eligible activity not originally funded or described in the FY 2024 Annual Action Plan, and
 6 the reprogramming and reallocation of one million dollars (\$1,000,000) in HOME Investment
 7 Partnerships ("HOME") Program funds from the FY 2021 Annual Action Plan to support the
 8 Bowie Commons project.

9 WHEREAS, the U.S. Department of Housing and Urban Development ("HUD") requires
 10 jurisdictions that receive assistance under certain community planning and development
 11 programs to submit a Five-Year Consolidated Plan and an Annual Action Plan to the Secretary
 12 of HUD that outlines ways to develop viable communities by: providing decent housing, a
 13 suitable living environment, and expanding economic opportunities principally for low- and
 14 moderate-income persons; and

15 WHEREAS, each jurisdiction is required to adopt a citizen participation plan as part of its
 16 Five-Year Consolidated Plan and Annual Action Plans; and

17 WHEREAS, a citizen participation plan sets forth the jurisdiction's policies and procedures
 18 for citizen participation, and must provide for and encourage citizens to participate in the
 19 development of the Assessment of Fair Housing, any revisions to the Assessment of Fair
 20 Housing, the Five-Year Consolidated Plan, any substantial amendment to the Consolidated Plan,
 21 and the Performance Report; and

22 WHEREAS, pursuant to Section 15A-107 of the Prince George's County Code, the County

1 Executive and the County Council of Prince George’s County, Maryland adopted CR-047-2020,
 2 which set forth the County’s FY 2021-2025 Consolidated Plan, along with the County’s FY
 3 2021-2025 Citizen Participation Plan; and

4 WHEREAS, the County’s 2021-2025 Citizen Participation Plan requires the County to
 5 submit to HUD, any amendments to the County’s five-year Consolidated Plan or Annual Action
 6 Plan that constitutes a “substantial change;” and

7 WHEREAS, pursuant to the County’s 2021-2025 Citizen Participation Plan, the following
 8 decisions constitute a “substantial change”: (1) a change in the allocation priorities or a change
 9 in the method of distribution of funds; (2) the addition of an eligible activity not originally
 10 funded or described in the Annual Action Plan; (3) a change in the location, description,
 11 regulatory reference, national objective citation, and status of an activity originally described in
 12 the Annual Action Plan; (4) a change in the use of CDBG, HOME, Program Income, or ESG
 13 funds, exceeding at least \$250,000 from one existing activity to another existing eligible activity
 14 in any category within the applicable Program. All activities must have been in an approved
 15 Annual Action Plan; (5) designations for Neighborhood Revitalization Strategy Areas (NRSAs);
 16 and (6) a change in the proposed uses of HUD 108 Loan Guarantee and Section 108 Program
 17 Income; and

18 WHEREAS, the County Council shall hold a public hearing for public input on any
 19 revision or amendment to the Consolidated Plan and the Annual Action Plan, and approve the
 20 amendment by resolution pursuant to Section 15A-106 of the County Code; and

21 WHEREAS, pursuant to Section 15A-105(a)(2) of the County Code, the FY 2024 Annual
 22 Action Plan must be amended to include the estimated cost of projects, the total cost to bring
 23 them to completion, and an identification of the sources of funds; and

24 WHEREAS, the Bowie Commons project involves the acquisition and renovation of thirty
 25 six (36) affordable housing units for seniors, located at 3909 New Haven Court, Bowie,
 26 Maryland 20716; and

27 WHEREAS, Attachments “A1-A3” describe the Bowie Commons project, the associated
 28 costs and the source(s) of funding for the project, as attached hereto and made part hereof; and

29 WHEREAS, Attachment “B” includes a summary of the reprogramming and reallocation of
 30 one million dollars (\$1,000,000) in HOME Program funds from the FY 2021 Annual Action
 31 Plans to support the Bowie Commons project, attached hereto and made part hereof; and

1 WHEREAS, Attachment “C,” consists of the County’s FY 2024 Annual Action Plan, as
2 amended, and attached hereto and made part hereof; and

3 WHEREAS, the addition of the Bowie Commons project constitutes a “substantial change”
4 to the County’s FY 2024 Annual Action Plan because it is an eligible activity not originally
5 funded or described in the FY 2024 Annual Action Plan; and

6 WHEREAS, the reprogramming and reallocation of one million dollars (\$1,000,000) in
7 HOME Program funds constitutes a “substantial change” to the County’s FY 2024 Annual
8 Action Plan because it is a change in the allocation priorities or a change in the method of
9 distribution of funds; and

10 WHEREAS, the County Executive recommends the amendments to the FY 2024 Annual
11 Action Plan to include the addition of the Bowie Commons project, and the reprogramming and
12 reallocation of one million dollars (\$1,000,000) in HOME Program funds to support this project.

13 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George’s
14 County, Maryland, that the FY 2024 Annual Action Plan for Housing and Community
15 Development, a copy of which shall be marked for identification by the Clerk of the County
16 Council and maintained as a permanent record, is hereby amended to include the Bowie
17 Commons project, and to reflect the reprograming and reallocation of one million dollars
18 (\$1,000,000) in HOME Program funds, as described in Attachments “A1 – A3,” “B,” and “C,”
19 respectively, as attached hereto and made a part hereof.

20 BE IT FURTHER RESOLVED that the County Executive or her designee is hereby
21 authorized and empowered as the official representative of Prince George’s County to submit the
22 amended FY 2024 Annual Action Plan to U.S. Department of Housing and Urban Development
23 (“HUD”), along with all assurances contained therein, to act as necessary in connection with the
24 submission, and to provide such additional information to HUD as may be required.

Adopted this ____ day of _____, 2024.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Jolene Ivey
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Bowie Commons
3909 New Haven Court
Bowie, Maryland 20716**

COUNCILMANIC DISTRICT 4

PROJECT DESCRIPTION:	A thirty six (36) unit rental apartment community will be renovated in six (6) walk-up buildings on a 3.18 acre site in Bowie, Maryland. All units will be affordable, and rents will be restricted for forty (40) years.
OWNER:	Bowie Housing Partners, LP
DEVELOPER:	Vitus Development IV, LLC
CONTACT:	Brooke Kim, Director Development Vitus Development IV, LLC (206) 832-1328 Brooke.Kim@vitus.com
NEIGHBORHOOD/LOCALITY:	Bowie, Prince George’s County District 4
UNIT MIX:	One-bedroom units
AFFORDABILITY:	All units will be priced at levels affordable to households earning sixty percent (60%) or less of the Area Median Income (AMI) for forty (40) years.

ATTACHMENT A-2**PROJECT INFORMATION SHEET**

**Bowie Commons
3909 New Haven Court
Bowie, Maryland 20716**

COUNCILMANIC DISTRICT 4**PROJECT DESCRIPTION:**

Bowie Commons is a thirty six (36) unit apartment community, located at 3909 New Haven Court, Bowie, MD 20716, comprised of individual villa units in garden-style apartment buildings located on a 3.18 acre lot for elderly individuals. The property was originally constructed in 1984 and is made up entirely of one (1) bedroom units. Property amenities include a community building, a laundry room, and three (3) courtyard common areas for outdoor recreation. The property resides in a quiet cul-de-sac, near the City of Bowie Gymnasium, Bowie Senior Center, and fire station 918. In addition to also being located within one-half (1/2) mile of a regional mall, Bowie Commons has nine (9) bus stations in its immediate vicinity.

All thirty six (36) units are covered by a Housing Assistance Payments (HAP) contract and are restricted to senior residents. The residents at the project have an average income of around twenty three percent (23%) of the Area Median Income (AMI), which highlights the importance of extended affordability. At Acquisition closing, the HAP contract was renewed for a twenty (20) year term, subject to federal appropriations.

The rehabilitation will include improvements to the general site by adding an improved outdoor gathering area and evaluating the parking areas for handicap accessibility with resurfacing and restriping as needed. Building exterior upgrades will include evaluating the siding, windows, and roof for replacement. The interior renovation will include upgrading the plumbing fixtures with low-flow fixtures, replacing lighting fixtures with high-efficiency lighting, and evaluating unit flooring, appliances, and cabinets for replacement. The rehabilitation will be completed with minor disruption to the residents. Two (2) units (five percent – 5%) are set aside for mobility impairments and one (1) unit (two percent – 2%) is set

aside for sensory impairments.

According to a March 21, 2022, Market Study conducted by Novogradac Consulting, there is adequate demand for the property. Per their analysis, eleven (11) comparable properties average two percent (2%) vacancy, which is considered exceptionally low and is indicative of supply-constrained conditions. Additionally, the property has historical occupancy close to one hundred percent (100%) and holds a lengthy waitlist.

The developer of the project, Vitus Development IV, LLC (“Vitus”), specializes in the preservation of affordable properties in market areas where the need is greatest. Since 1996, Vitus has developed and/or acquired more than fifteen thousand (15,000) units of affordable housing in more than one hundred (100) properties, located across twenty nine (29) states. A combined total of almost thirty thousand (30,000) residents live in Vitus’ affordable housing communities across the country. The general contractor for the project is Southway Builders. Headquartered in Baltimore, MD, Southway Builders has worked on over four thousand, seven hundred (4,700) units in the Mid-Atlantic region. The architect for the project is True Craft Architecture (“True Craft”), a multifaceted architectural firm licensed in dozens of states and headquartered in Baton Rouge, LA. True Craft has extensive knowledge of Low-Income Housing Tax Credit (LIHTC), Housing Choice Voucher (Section 8), U.S. Department of Housing and Urban Development (HUD), Uniform Federal Accessibility Standards (UFAS), The Americans with Disabilities Act (ADA), Real Estate Assessment Center (REAC), and Qualified Allocation Plan (QAP) requirements. The firm has worked on twenty (20) projects with Vitus in the past and currently has eighteen (18) projects under contract. The management agent for Bowie Commons is ARCO Management Corporation (“ARCO”). They were established in 1974 and currently manage one hundred fifty-two (152) projects with eighteen thousand, four hundred two (18,402) units in multiple states.

ATTACHMENT A-3**PROJECT FINANCING ESTIMATE**

Bowie Commons
3909 New Haven Court
Bowie, Maryland 20716

COUNCILMANIC DISTRICT 4

SOURCES	Amount	Percentage
Tax-exempt Bond Financing	\$ 4,100,000	37.87%
Prince George's County HOME	\$ 1,000,000	9.24%
General Partner Note	\$ 2,000,000	18.47%
Deferred Developer Fee	\$ 625,448	5.78%
LIHTC - Investor Equity	\$ 3,100,892	28.64%
TOTAL	\$ 10,826,340	100.00%

USES	Amount	Percentage
Construction Costs	\$ 2,603,383	24.05%
Fees Related to Construction	\$ 315,400	2.91%
Financing Fees and Charges	\$ 600,232	5.54%
Acquisition Cost	\$ 5,300,000	48.95%
Developer's Fee	\$ 1,022,807	9.45%
Syndication Costs	\$ 513,186	4.74%
Guarantees and Reserves	\$ 471,333	4.35%
TOTAL	\$ 10,826,340	100.00%