



Angela D. Alsobrooks
County Executive

PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

April 10, 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, Maryland (the "County") and Bowie Housing Partners, LP ("Owner") concerning the Bowie Commons project (the "Project").

The Owner, Bowie Housing Partners, LP, will acquire and rehabilitate a thirty six (36) unit affordable rental community for seniors, earning sixty percent (60%) or below of the Area Median Income ("AMI"), located at 3909 New Haven Court, Bowie, Maryland 20716. The project consists of one (1) bedroom units and is being developed by Vitus Development IV, LLC.

The Project's total development cost is expected to be ten million, eight hundred twenty six thousand, three hundred forty dollars (\$10,826,340). Financing will consist of a tax-exempt bond loan, equity from the sale of Low-Income Housing Tax Credits, a general partner loan, and a deferred developer fee. Additionally, the Bowie Commons project will be financed by the Prince George's County HOME Investment Partnerships ("HOME") Program loan in the amount of one million dollars (\$1,000,000).

The PILOT will require a mandatory annual payment of no less than approximately twenty seven thousand, eight hundred twenty-eight dollars or seven hundred seventy-three dollars per unit (\$27,828 or \$773 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 forty eight thousand, sixty-one dollars or approximately one thousand, three hundred thirty-five dollars per unit (\$48,061 or approximately \$1,335 per unit). When considering the financial effects of the PILOT, the County will be providing yearly operating support of approximately twenty thousand, two hundred thirty-three dollars (\$20,233) 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 Aspasia Xypolia, Director, Department of Housing and Community Development at (301) 883-6511.

Sincerely,

A handwritten signature in cursive script that reads "Angela D. Alsobrooks".

Angela D. Alsobrooks
County Executive

Enclosures

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