

PRINCE GEORGE'S COUNTY COUNCIL
COMMITTEE REPORT
2019 Legislative Session

Reference No.: CR-57-2019

Draft No.: 1

Committee: GOVERNMENT OPERATIONS AND FISCAL POLICY

Date: 7/11/19

Action: FAV

REPORT: Favorable 4-0: Council Members Davis, Dernoga, Anderson-Walker and Hawkins
Absent: Streeter

CR-57-2019 approves the terms and conditions of a Payment in Lieu of Taxes (PILOT) Agreement by and between the Residences at Glenarden Hills 2, LLC (Owner) and the County.

The Owner proposes to establish a development team to construct fifty-five (55) multi-family rental housing units with related facilities, for seniors age 62 and older. The project is located at 3171 Rolland Kenner Loop, Glenarden, MD. The project will consist of forty-seven (47) one-bedrooms units and eight (8) two-bedroom units. Proposed rental rates will range from \$1,207 for the one-bedroom and \$1,395 per month for two-bedroom units. Units are proposed to be rented to seniors earning 60% of the Area Median Income.

Attachments A-1 to A-3 to the Resolution provide a description of the project along with the anticipated financing estimate. Attachment B to the Resolution provides the terms of the proposed forty (40) year PILOT agreement.

Estella Alexander, Acting Director, Department of Housing and Community Development, provided an overview of the Resolution and answered the Committees questions.

The Office of Law reports CR-57-2019 to be in proper legislative form with no legal impediments to its adoption.

The Office of Audits and Investigations reports that the adoption of CR-57-2019 will result in approximately \$798,933 in additional in real property taxes over the next forty (40) years. However, adoption of this Resolution will result in an adverse impact on the County of \$3,195,639 over the forty-year period. This amount is the difference between the estimated annual taxes and the annual PILOT payments.

The Committee questioned the affordability period for subsidized units and was assured that this period last 20 years and can be extended to 40 years.

After discussion, the Government Operations and Fiscal Policy Committee voted the CR-57-2019 out favorably 4-0.