COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND 2021 Legislative Session

Resolution No.	CR-39-2021
Proposed by	The Chair (by request – County Executive)
Introduced by	Council Members Hawkins, Taveras, Franklin, Davis, Streeter, Harrison,
•	Turner and Glaros
Date of Introduc	etion April 6, 2021

RESOLUTION

A RESOLUTION concerning

Payments in Lieu of Taxes ("PILOT") Agreement for Homes at Oxon Hill For the purpose of approving the terms and conditions of a Payments in Lieu of Taxes ("PILOT") Agreement between Prince George's County, Maryland (the "County") and Homes at Oxon Hill, Limited Partnership (the "Owner").

WHEREAS, there is a significant need in the County for quality housing units for persons with limited income, particularly seniors; and

WHEREAS, the Owner proposes to acquire and construct one hundred forty-seven (147) units of new multi-family rental housing for low-to-moderate income seniors, ages sixty-two (62) years and older, and sixteen (16) units of market rate housing for seniors, known as Homes at Oxon Hill, located at 1313 Southern Avenue, Oxon Hill, Prince George's County, Maryland, as more particularly described in Exhibit A, attached hereto and herein incorporated by reference ("Property"); and

WHEREAS, the Owner has requested that the County Council of Prince George's County, Maryland, (the "County Council") authorize the Owner to make payments in lieu of County real property taxes pursuant to Section 7-506.1 of the Tax-Property Article of the Annotated Code of Maryland, as amended; and

WHEREAS, Section 7-506.1 of the Tax-Property Article of the Annotated Code of Maryland, as amended, provides that real property may be exempt from county and municipal corporation property tax if: (a)(2)(i) the real property is owned by a person engaged in constructing or operating housing structures or projects; (a)(2)(ii) the real property is used for a housing structure or project that is constructed or substantially rehabilitated under a federal,

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State, or local government program that (a)(2)(ii)(1) funds construction or insures its financing in whole or in part, or (a)(2)(ii)(2) provides interest subsidy, rent subsidy, or rent supplements; (a)(2)(iii) the owner and the governing body of the county and, where applicable, the municipal corporation where the real property is located agree that the owner shall pay a negotiated amount in lieu of the applicable county or municipal corporation property tax; and (a)(2)(iv) the owner of the real property: (a)(2)(iv)(1)(A) agrees to continue to maintain the real property as rental housing for lower income persons under the requirements of the government programs described in paragraph (a)(2)(ii) of this subsection; and (a)(2)(iv)(1)(B) agrees to renew any annual contributions contract or other agreement for rental subsidy or supplement, or (a)(2)(iv)(2) enters into an agreement with the governing body of the county or municipal corporation to allow the entire property or the portion of the property which was maintained for lower income persons to remain as housing for lower income persons for a term of at least five (5) years; and

WHEREAS, the Owner has demonstrated to the County that an agreement for payments in lieu of County real property taxes is necessary to make the Project economically feasible, as described in Attachments "A-1," "A-2," and "A-3," attached hereto and made a part hereof; and

WHEREAS, in order to induce the Owner to provide housing for Seniors with restricted incomes, it is in the interest of the County to accept payments in lieu of County real property taxes, subject to the terms and conditions of the PILOT Agreement (the "Agreement") set forth in Attachment B, attached hereto and made a part hereof; and

WHEREAS, the County Executive has recommended support of the acquisition and construction of the Project.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's County, Maryland, that in accordance with Section 7-506.1 of the Tax-Property Article of the Annotated Code of Maryland, as amended, the County shall accept payments in lieu of County real property taxes for the Project, subject to the Agreement attached to this Resolution.

BE IT FURTHER RESOLVED that the County Executive or the County Executive's designee is hereby authorized to execute and deliver the Agreement in the name of and on behalf of the County in substantially the same form attached hereto.

BE IT FURTHER RESOLVED that the County Executive, prior to the execution and delivery of the Agreement, may make such changes or modifications to the Agreement as deemed appropriate in order to accomplish the purpose of the transaction authorized by this

1	Resolution, provided that such changes or modifications shall be within the scope of the				
2	transactions authorized by this Resolution; and the execution of the Agreement by the County				
3	Executive or the County Executive's designee shall be conclusive evidence of the approval of the				
4	County Executive of all changes or modifications to the Agreement; and the Agreement shall				
5	thereupon become binding upon the County in accordance with the terms and conditions therein.				
6	BE IT FURTHER RESOLVED that this Resolution shall become effective as of the date of				
7	its adoption.				
	Adopted this <u>18th</u> day of <u>May</u> , 2021.				
	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

HOMES AT OXON HILL 1313 Southern Avenue Oxon Hill, MD 20745

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION:	Land acquisition and new construction of one hundred forty-seven (147) apartments for low- and moderate-income seniors, sixteen (16) units of market rate housing and three thousand (3,000) square feet of commercial space.
PROPOSED OWNER:	Homes at Oxon Hill, Limited Partnership
DEVELOPER:	Homes for America, Inc.
CONTACT:	Diane Talios, Development Director Homes or America, Inc. 318 Sixth Street Annapolis, MD 21403 (410) 269-1222
NEIGHBORHOOD/LOCALITY:	Oxon Hill, MD Prince George's County Councilmanic District 7
UNIT MIX:	One hundred thirty-seven (137) one- bedroom units, twenty-six (26) two- bedroom units, and three thousand (3,000)

AFFORDABILITY BAND: One hundred forty-seven (147) affordable

units at 60% or below of AMI (90% of total

units)

Sixteen (16) units at market rate (10% of

square feet of commercial space

total units)

ATTACHMENT A-2

PROJECT INFORMATION SHEET

HOMES AT OXON HILL 1313 Southern Avenue Oxon Hill, MD 20745

COUNCILMANIC DISTRICT 7

PROJECT DESCRIPTION:

Homes for America Inc. proposes to develop a mid-rise one hundred, sixty-three (163) units apartment community for seniors, ages sixty-two (62) and over, in the Oxon Hill community of Prince George's County, Maryland.

The developer will make significant infrastructure improvements to the site and surrounding areas including installing sidewalks and landscaping. The Homes at Oxon Hill project will consist of a five-story midrise building set back from the Southern Avenue roadway. With parking and outdoor amenity space, the development will be surrounded by a lush green canopy of evergreen, shade and ornamental trees, the site design provides a calming and enhanced pastoral aesthetic for resident's enjoyment. The exterior of the buildings will be clad with sustainable and durable materials such as brick, stone and cementitious siding to complement existing developments in the area. The interior will be an open concept layout equipped with Energy Star appliances and high efficiency systems. The use of high efficiency mechanical, electrical and plumbing systems, and an elevated insulation system will enhance the green profile of the development.

Of the one hundred sixty-three (163) units, one hundred, thirty-seven (137) units will be one bedroom and twenty-six (26) will be two-bedroom units. Homes at Oxon Hill is reserving eight (8) units for seniors whose incomes are at fifty percent (50%) of the Area Median Income (AMI), through the State of Maryland's Partnership Rental Housing Program (PRHP). Nine (9) units will be reserved for seniors earning fifty percent (50%) of the AMI, one hundred thirty (130) units will be reserved for seniors earning sixty percent (60%) of the AMI, and sixteen (16) units will be market rate housing. The development's affordable incomes range from thirty five thousand, five hundred dollars (\$35,500) for the one-bedroom unit at fifty percent (50%) AMI (PRHP) to forty eight thousand, six hundred dollars (\$48,600) for a two-bedroom unit at

60% AMI for a household of two.

Each unit consists of a spacious kitchen with dishwasher, washer and dryer, high speed internet and Energy Star appliances. While the Uniform Federal Accessibility Standards (UFAS) requires five (5) percent of a project's units to be UFAS compliant: Homes at Oxon Hill will provide fifteen percent (15%) or twenty-five (25) UFAS compliant units. Two percent (2%) or four (4) units will be compliant with HVI (hearing and visually impaired) federal disability standards. These UFAS and HVI units will allow equal access to affordable housing options to those with disabilities and allow senior residents to gracefully age in place. WMATA Metrobus provides fixed route bus service in Prince George's County and The Greater Washington, DC metropolitan area from service stop's outside the facility on Southern Avenue and at the bus hub at the Southern Avenue Metrorail station. Closes to the site, are Metrobus Stops P12, A2, A6 and A7 which also serves the DC communities of Anacostia and Congress Heights. Prince George's County's "The Bus" transit lines offers routes 33, 35 and 37, which provides transit service to the Eastover Shopping Center and the Suitland and Addison Road Metro stations.

Community amenities at Homes at Oxon Hill include a community room with a warming kitchen, cybercafé, a lounge, conference room/library, 24-hour fitness room and a wellness center. The Homes at Oxon Hill will offer comprehensive tenant services through its internal tenant services housing team. As resident services manager, Homes for America will provide the tenants with direct linkages to local qualified service providers that offer an array of programs and services. Local educational, cultural, recreational and health programs will be identified, and all residents will be encouraged to participate in the program activities. In addition to contributing one hundred, sixty three (163) units of much needed senior affordable housing in a transit rich environment in Central Prince George's County, the Homes at Oxon Hill will contribute many economic benefits including, but not limited to the economic boost of construction jobs and permanent full-time jobs related to the operation of this residential community upon construction completion.

ATTACHHMENT A-3

PROJECT FINANCING ESTIMATE

HOMES AT OXON HILL 1313 Southern Avenue Oxon Hill, MD 20745

COUNCILMANIC DISTRICT 7

DEVELOPMENT BUDGET SOURCES AND USES				
SOURCES				
Tax Exempt Loan (Freddie Tel)	\$	23,650,000		
Rental Housing Works		2,500,000		
НОМЕ		1,500,000		
Partnership Rental Housing		600,000		
Low Income Housing Tax Credits	\$	11,945,446		
Deferred Develop Fee		960,366		
TOTAL	\$	41,155,812		
USES				
Construction Cost	\$	28,594,244		
Fees Related to Construction	\$	4,490,245		
Financing Fees		3,716,704		
Acquisition Cost		625,000		
Developer Fee		2,500,000		
Syndication Cost		138,141		
Reserves	\$	1,091,478		
TOTAL	\$	41,155,812		