



Hyattsville City Council Agenda Item Report

Meeting Date: September 18, 2017

Submitted by: Jim Chandler

Submitting Department: Administration

Item Type: Legislative

Agenda Section: Consent Items (9:00 p.m. - 9:05 p.m.)

SUBJECT

Schedule Public Hearing for Montgomery Housing Partnership Tax Abatement for October 2, 2017 at 7:30 PM.

HCC-44-FY18

Recommendation:

I move that the Mayor and Council schedule a Public Hearing for October 2, 2017 at 7:30 p.m. to receive public testimony regarding a request by the Montgomery Housing Partnership for the City to provide \$225,000 in tax abatement to support the renovation of Parkview Manor Apartments.

Sponsor(s):

Executive Committee

Co-Sponsor(s):

N/A

ATTACHMENTS

[Memo - Scheduling Public Hearing - MHP.docx](#)

[PM Pro Forma 6-9-17.pdf](#)

[MHP 15 Year Tax Credit Request.pdf](#)

[Parkview Manor Green Features 12-1-16 \(1\).pdf](#)

Summary Background:

On Monday, May 1, 2017 the Montgomery Housing Partnership (MHP) presented the City Council with details of the financing for the renovation of Parkview Manor Apartments. Parkview Manor is a 53-unit apartment complex located at 5040 38th Avenue in Council Ward 5. Montgomery Housing Partnership (MHP), an affordable housing developer based out of Montgomery County, became the full owner of the property in 2015. Montgomery Housing Partnership currently operates 29 affordable housing communities in Montgomery and Prince George's counties. The apartment complex is in need of significant renovations, which include: conversion of two units to meet Americans with Disabilities Act requirements; replacement of the plumbing system; repairs to the electrical wiring; new windows; new flooring; new bathroom appliances and fixtures; new kitchen cabinets and counters; replacement of kitchen appliances; new washers and dryers; and exterior repairs to the building and parking lots. The cost of these renovations is estimated at just over \$73,000 per unit, representing a direct investment of \$3.88 million to improve the units.

On June 29, 2017 the Prince George's County approved a 40-year Payment In Lieu of Taxes (PILOT) that will forgo \$687,544 in County tax revenue of the term. A copy of the Committee Report is attached to this item.

MHP has provided the City with an updated pro forma statement, 'Operating Expense and Fee Assumptions' which includes a financial projection based on the County's PILOT commitment and the financial picture, should the City of Hyattsville be agreeable to granting a reduction in City property taxes.

A request for public financing assistance through tax abatement, in an amount of \$225,000 over a 15-year term, was discussed by the City Council at its meeting in August 2017.

Next Steps:

A public hearing will be scheduled for October 2, 2017 at 7:30 PM to consider this request and solicit feedback from the public.

Fiscal Impact:

The City Council will consider a tax abatement of up to \$225,000 over a 15-year term.

City Administrator Comments:

Recommend Approval

Community Engagement:

The purpose of the Public Hearing is to consider testimony submitted by the public.

Strategic Goals:

Goal 2 – Ensure the Long-Term Economic Viability of the City

Legal Review Required?

Pending