Robert S. Croslin Mayor



Tracey E. Douglas City Administrator

April 22, 2025

Mr. Patrick Bateman Senior Developer Pennrose, LLC 1501 St. Paul Street; Suite 118 Baltimore, MD 21202

Email: pbatemen@pennrose.com

RE: PILOT Program - Sanctuary at Hyattsville Crossing

Dear Mr. Bateman:

On behalf of the Hyattsville City Council, I write to express the City's support of Sanctuary at Hyattsville Crossing (the "Development") to be developed by Pennrose (the "Developer"). The Development will have 120 total units of newly constructed affordable rental homes: 50 units for families and 70 units for seniors. It is located at 6201 Belcrest Road, Hyattsville, Prince George's County, Maryland.

Pennrose has requested a Payment in Lieu of Taxes (PILOT) from the City in order to support this proposed new development of 120 affordable homes for families and seniors.

The City recognizes that there is a significant need for decent, safe, and sanitary housing within Hyattsville for families and seniors with low or limited and fixed incomes. Pursuant to mapping data available from the State of Maryland Department of Housing and Community Development ("MD DHCD"), it is understood that the proposed site of the Development is within the State of Maryland Priority Funding Area.

It is my understanding that the Developer has also submitted this Development to Prince George's County Department of Housing and Community Development (PG-DHCD) for loan funds and a PILOT. Furthermore, the Developer intends to submit an application to the State of Maryland's Department of Housing and Community Development (MD-DHCD) for 4% Low-Income Housing Tax Credits ("LIHTC") and bond financing to support the 70-unit affordable senior component and also to MD-DHCD for competitive 9% LIHTC. The City also supports the Developer in those efforts.

In furtherance of the application for financing from both Prince George's County and MD DHCD, the City hereby provides its preliminary approval of your request for a Payment in Lieu of Taxes ("PILOT") agreement for the Development. The PILOT will be structured to have a value of at least \$378.00 per affordable unit per year for at least 40 years. Please note that final approval, terms, and conditions of the PILOT are subject to review and underwriting by the City's Treasurer and Department of Community, Business, and Economic Development, City Attorney, and final approval by the Hyattsville City Council.

This letter of support is indicative of the City's strong support for the Development and the importance placed on providing quality, affordable housing for our residents. This letter of support will terminate within 18 months of the date hereof, unless the City, in its sole discretion, chooses to extend this letter by giving written notice of such an extension to the Developer. Should you have any questions or require further information, please contact David Cristeal (dcristeal@hyattsville.org).

Sincerely,

Robert S. Croslin Mayor

cc: Ms. Aspasia Xypolia, Director, Prince George's County Department of Housing and Community Development (PG-DHCD)

Mr. Jake Day, Secretary, Maryland Department of Housing and Community Development (MD-DHCD)

Hyattsville City Council

Tracey Douglas, City Administrator