

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 7/27/99

Reference No.: CR-35-1999

Proposer: County Executive

Draft No.: 2

Sponsors: Shapiro, Wilson

Item Title: To approve the financing of the acquisition and rehabilitation of the Quebec Arms Apartments through the Maryland Community Development Administration (CDA)

Drafter: JoAnn Gould
Housing

Resource Jalal Greene
Personnel: Housing

LEGISLATIVE HISTORY:

Date Presented: __/__/__

Executive Action: __/__/__

Committee Referral: 7/6/99 THE

Effective Date: __/__/__

Committee Action: 7/22/99 FAV(A)

Date Introduced: 7/6/99

Public Hearing: __/__/__ :__ __

Council Action: 7/27/99 ADOPTED

Council Votes: JE:-, DB:A, IG:A, TH:-, WM:A, RVR:A, AS:A, PS:A, MW:A

Pass/Fail: P

Remarks: _____

TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE DATE: 7/22/99

Committee Vote: Favorable with amendments, 4-0 (In favor: Council Members Gourdine, Scott, Shapiro and Wilson).

CR-35-1999 would approve financing of the acquisition and rehabilitation of the Quebec Arms Apartments Limited Partnership through the Maryland Community Development Administration (CDA) in the amount of \$17,500,000 from the Multi-family Bond Program. In addition to the CDA financing, \$7,500,000 would be provided through the syndication of low income housing tax credits and \$500,000 in seller financing.

Projects financed by CDA must be approved by the governing body of the locality in which the project is located. A public hearing will be conducted by CDA. The County Executive endorses and recommends approval for financing of the Quebec Arms Apartments.

Quebec Arms Apartments consist of 347 units located at 14th Avenue and Quebec Street in Langley Park, Maryland. Low-moderate income individuals and families will occupy 90% of the units. The remaining 10% of the units will be at market rate. The rehabilitation will include a reduction in density from 347 units to 332 units.

Staff from the Department of Housing and Community Development noted technical changes/additions, which will necessitate a draft 2. The total funding from CDA through the Multi-family Bond Program has been changed from \$17,300,000 to \$17,500,000. Also language was modified in the resolution deleting “Quebec Arms LLC” as a general partner. On Attachment A, under property description, line 8, after the phrase units into 13, delete the word “two” and add the word “three” bedrooms. The rental rates after rehabilitation on Attachment A, Page 4, under Rental Trends have been modified to reflect the following changes: 500 to 525, 575 to 605, 695 to 710 and 755 to 855.

The Legislative Officer and the Office of Law finds CR-35-1999 to be in proper legislative form and the Office of Audits and Investigations find that there should not be any negative fiscal impact on the County as a result of adopting CR-35-1999.

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

Quebec Arms Apartments is located at 14th Avenue and Quebec Street in Langley Park (Councilmanic District 2). Proposed State Multifamily Bond Program funding of \$17.5 million would finance the acquisition and rehabilitation of the property, as well as \$7,500,000 provided through the syndication of low income housing tax credits and \$500,000 in seller financing.

The apartment complex is located in census tract number 8056, which is included in the County's Revitalization Tax Credit District. The Developer intends to make application to the Director of Finance for a Revitalization Tax Credit on the increased assessment of the real property as a result of the improvements made.

The rehabilitation will include a reduction in density from 347 units to 332 units, installation of individual heating/AC systems, new kitchens, bathroom fixture replacement as needed, repair or replacement of domestic water system, new electrical service, new roofs, restoration of interior finishes, new exterior architectural details, site lighting, site landscaping, tot lots and fencing.

Quebec Arms Apartments is an existing rental complex located in Langley Park. Multi-family Bond Program (MBP) funds of \$17,500,000 are requested from Maryland Community Development Administration (CDA). Article 83B, Sections 2-201 through 2-208 of the Annotated Code of Maryland requires a local government resolution approving the use of State funds within the jurisdiction. A public hearing will be conducted by CDA.

CODE INDEX TOPICS: