

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2022 Legislative Session

Resolution No. CR-060-2022

Proposed by The Chair (by request – County Executive)

Introduced by Council Members Hawkins, Streeter, Harrison, Ivey, Franklin, Dernoga, Glaros

Co-Sponsors _____

Date of Introduction May 17, 2022

RESOLUTION

1 A RESOLUTION concerning

2 Cottage City Towers Bond Inducement

3 For the purpose of approving the issuance and sale of revenue bonds by the Housing
 4 Authority of Prince George’s County (the “Housing Authority”), the awarding of Low-Income
 5 Housing Tax Credits by the Community Development Administration (“CDA”) of the State of
 6 Maryland to Cottage City Towers Limited Partnership (the “Owner”), for the acquisition and
 7 rehabilitation of the Cottage City Towers Apartments and pay certain other costs associated
 8 therewith (collectively, the “Project”); and

9 WHEREAS, there is a significant need for quality affordable housing units in Prince
 10 George’s County for persons with limited income; and

11 WHEREAS, the Owner desires to acquire and rehabilitate the Cottage City Towers
 12 Apartments rental complex, which is sited on approximately 3.17 acres located at 4142 Bunker
 13 Hill Road, Cottage City, Maryland, 20722, and currently consists of 100 units located in a six
 14 story building, with common laundry facilities and a community room; and

15 WHEREAS, the Project is substantially detailed in the Project Information Sheet,
 16 attached hereto as “Attachment A”; and

17 WHEREAS, Housing Authority of Prince Georges County Affordable Housing
 18 Development Corporation will be the developer of the Project; and

19 WHEREAS, the Owner has requested assistance in financing a portion of the costs of the
 20 Project through the issuance of the one or more series of the Housing Authority’s Multifamily
 21 Housing Revenue Bonds, in an aggregate principal amount not to exceed \$25,000,000
 22 (collectively, the “Bonds”); and

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2 WHEREAS, it is anticipated that the Bonds will be issued as tax-exempt bonds and,
3 potentially, taxable bonds; and

4 WHEREAS, pursuant to Sections 12-101, 17-102 and 17-107 of the Housing and
5 Community Development Article of the Annotated Code of Maryland (the “Code”), as amended,
6 with the approval of the County governing body, the Housing Authority has the power to make
7 construction loans and long-term mortgage loans to produce housing, to purchase and to insure
8 mortgages secured by housing, and to issue and sell bonds and notes to finance housing, housing
9 rehabilitation and housing projects as it may determine necessary; and

10 WHEREAS, the Housing Authority adopted Resolution No. LHA-1361 on March 28, 2022,
11 attached hereto as “Attachment B”, which expresses the Housing Authority’s intent to issue and
12 sell the Bonds, the proceeds of which will be loaned to the Owner used to finance a portion of
13 the costs of the Project; and

14 WHEREAS, the estimated cost of the Project is \$41,470,762; and

15 WHEREAS, the Owner has also requested approval of the award by CDA of approximately
16 \$16,154,450 of federal low-income housing tax credits (“LIHTCs”), the sale of which, along
17 with interim project income and deferred developer fees in the estimated amounts
18 set forth in Attachment A, will provide additional sources of financing; and

19 WHEREAS, the applicable law and regulations of Section 17-107 of the Housing and
20 Community Development Article of the Annotated Code of Maryland requires approval of the
21 Project and the Project financing by the County Council for Prince George’s County; and

22 WHEREAS, the County Executive endorses the Project and recommends approval for
23 financing a portion of the costs of the Project, substantially as described in “Attachment A”; and

24 WHEREAS, as required by Section 147(f) of the Internal Revenue Code, a Tax Equity
25 and Fiscal Responsibility Act of 1982 (TEFRA) public hearing has been held following
26 publication of notice of said hearing.

27 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George’s
28 County, Maryland, that the issuance and sale by the Housing Authority of the Bonds, in one or
29 more series of tax-exempt or taxable bonds and in such aggregate principal amount per series as
30 shall be determined by the Chairman and the Executive Director of the Housing Authority to be
31 sufficient to accomplish the purposes hereof, provided that such Bonds shall be issued in an

1 aggregate principal amount not to exceed \$25,000,000, and subject to any other conditions or
2 requirements imposed by the County Executive in order to assure decent, safe and sanitary
3 housing for County residents, and the loan of the proceeds of such Bonds to the Owner to assist
4 in the financing of the acquisition and rehabilitation of the Project as described herein, be and the
5 same are hereby approved as required in each case by the Code.

6 BE IT FURTHER RESOLVED that this Resolution shall constitute the approval of the
7 County Council as required by Section 147(f) of the Internal Revenue Code of 1986, as
8 amended, for a portion of the costs of the Project to be financed with the proceeds of the Bonds.

9 BE IT FURTHER RESOLVED that this Resolution shall constitute any required support
10 and the approval of the County Council with respect to the award of LIHTCs by CDA.

11 BE IT FURTHER RESOLVED that a copy of this Resolution shall be sent to the
12 Secretary of the Department of Housing and Community Development of the State of Maryland.

Adopted this 28th day of June, 2022.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Calvin S. Hawkins, II
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Angela D. Alsobrooks
County Executive

EXHIBIT A

EXHIBIT B

