

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

Meeting Date: 7/10/2001

Reference No.: CR-33-2001

Proposer: County Executive

Draft No.: 1

Sponsors: Russell, Estep

Item Title: A Resolution expressing the Prince George's County Council's approval of the Housing Authority of Prince George's County's 2001 Single Family Mortgage Purchase Program and authorizing issuance of bonds in an amount not to exceed \$17,500,000

Drafter: Fred Stichnoth
Bond Counsel

Resource Personnel: Jalal Greene
Housing

LEGISLATIVE HISTORY:

Date Presented: ___/___/___

Executive Action: ___/___/___

Committee Referral: 7/10/2001 THE

Effective Date: 7/31/2001

Committee Action: 7/24/2001 FAV

Date Introduced: 7/10/2001

Public Hearing: ___/___/___ :__ __

Council Action: 7/31/2001 ADOPTED

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

Pass/Fail: P

Remarks: _____

TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE DATE: 7/24/01

Committee Vote: Favorable, 5-0, (In favor: Council Members Estep, Shapiro, Bailey, Gourdine and Hendershot).

Staff explained the purpose of the resolution and informed the Committee of referral comments that were received. The Legislative Officer determined that the resolution is in proper legislative form and the Office of Audits and Investigations determined that there should not be any negative fiscal impact on the County as a result of adopting CR-33-2001. The Executive Branch supports the resolution.

The Director of the Department of Housing and Community Development (DHCD) indicates that

CR-33-2001 would approve the issuance of Housing Authority Single Family Mortgage Revenue Bonds, in a principal amount not to exceed \$17,500,000 of which approximately \$2.5 million is refinancing of money from the 2000 Program. The bond proceeds will be made available to finance mortgage loans to income-eligible first time homebuyers on price-eligible dwellings. Assisted and unassisted loans will be available. Assisted loans are those mortgages made without downpayment and closing cost assistance with a lower interest rate and unassisted loans are those loans made with a 4% grant for downpayment and closing cost assistance at a higher rate. Borrowers must meet certain income limits and must be first time homebuyers, unless purchasing a home in one of the targeted areas. The targeted areas include 12 identified areas inside the beltway. Within the targeted areas there are higher income limits and loan limits than in the non-targeted areas.

DHCD staff further indicated that the lenders for the 2001 Single Family Mortgage Program have not been determined. Questionnaires have been distributed to lenders soliciting participation in the programs.

DHCD staff also indicated that for Program Year 2002, 161 loans were originated at an average loan amount of \$125,000.

BACKGROUND INFORMATION/FISCAL IMPACT

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

This resolution approves one of the two components comprising the Housing Authority of Prince George's County's 2001 Single Family Mortgage Purchase Program and authorizes the issuance from time to time by the Housing Authority of Prince George's County of Single Family Mortgage Revenue Bonds, Series 2001A in an amount not to exceed \$17,500,000. The bond proceeds will be used to make long-term mortgage loans, to purchase mortgages, to finance housing, housing rehabilitation or housing project(s), and to pay or retire bonds previously issued by the Housing Authority. A public hearing will be required and will be held by the Housing Authority.

CODE INDEX TOPICS: