

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

Legislative Session _____ 1990

Resolution No. _____ CR-18-1990

Proposed by The Chairman (by request - County Executive)

Introduced by Council Members Bell, Casula, Pemberton,

Wineland, and Wilson

Co-Sponsors _____

Date of Introduction _____ February 27, 1990

RESOLUTION

A RESOLUTION concerning

Maryland Gardens Apartments - Housing Authority Bonds
FOR the purpose of expressing the County Council's approval of the
exercise by the Housing Authority of its authority to issue and sell
its revenue refunding bonds or notes for the Maryland Gardens
Apartments (now known as Amberwood Apartments).

WHEREAS, Section 8C of Article 44A of the Annotated Code of
Maryland (as amended from time to time) grants the Housing Authority
certain powers to make construction loans and long-term mortgage
loans and to issue and sell bonds or notes to finance housing and
housing rehabilitation in Prince George's County, Maryland, upon
approval of the governing body of the County; and

WHEREAS, Section 15 of Article 44A of the Annotated Code of
Maryland (as amended time to time) permits the Authority to issue
bonds from time to time in its discretion, for any of its corporate

purposes, and to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it; and

WHEREAS, the Housing Development Program of Prince George's County was expanded to include the Maryland Gardens Apartments project by the Housing Authority by Resolution No. LHA-577, dated September 23, 1985; and

WHEREAS, the County Council approved the amendment to the Housing Development Program of Prince George's County to include Maryland Gardens Apartments and the issuance and sale of bonds by the Housing Authority of Prince George's County, in an aggregate amount not to exceed \$18,200,000; and

WHEREAS, pursuant to Resolution No. LHA-590 the Housing Authority authorized the issuance and sale of its mortgage revenue bonds, designated "HOUSING AUTHORITY OF PRINCE GEORGE'S COUNTY (Maryland) MORTGAGE REVENUE BONDS, SERIES 1985 (MARYLAND GARDENS APARTMENTS PROJECT -- GNMA COLLATERALIZED)" (the "Bonds") in a principal amount of \$18,200,000, the proceeds of which were loaned to A.S. Walters Lane Limited Partnership (the "Owner") for the purchase and rehabilitation of a 599 unit multifamily housing project located at 3253 Walters Lane in Forestville, Maryland, originally known as Maryland Gardens Apartments Project (now known as Amberwood Apartments and hereinafter referred to as the "Project"); and

WHEREAS, the Housing Authority was presented with evidence that

the Owner defaulted on its loan, and that said default was due to the fact that the Project has failed to generate sufficient revenues to pay all expenses, that despite all its efforts the Owner was unable to acquire sufficient funds to meet all of its obligations, that a reduction in the interest rate payable on the loan by means of a refunding of the Bonds, thus creating indebtedness at a lower rate of interest, would significantly reduce the costs of operating the Project, and, therefore, the Owner asked the Authority to authorize a current refunding of the outstanding Bonds; and

WHEREAS, the Housing Authority adopted Resolution No. LHA-734, whereby it concluded that it was in the best interests of the County residents living in the Project and of the County generally to assist the Owner in establishing the long-term economic viability of the Project, and expressed its intent to issue and sell refunding bonds, subject to the approval of the County Council, in a principal amount not to exceed \$18,200,000, to provide funds for the refunding of an equal principal amount of the outstanding Bonds; and

WHEREAS, the current zoning of the property is R-18 in which apartment development is permissible subject to all applicable requirements of the Zoning Ordinance (including certification of a nonconforming use, if necessary); and

WHEREAS, the initial manager of the Project upon the issuance of the refunding bonds will be Equity Management, Inc.; now, therefore

BE IT RESOLVED by the County Council of Prince George's County, Maryland, that the issuance and sale of refunding bonds by the Housing Authority of Prince George's County, in an aggregate principal amount not to exceed \$18,200,000, subject to any other conditions or requirements imposed by the County Executive in order to assure decent, safe and sanitary housing for County residents, be and the same is hereby approved.

Adopted this 13th day of March, 1990.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Jo Ann T. Bell
Chairman

ATTEST:

Jean M. Schmuhl, CMC
Clerk of the Council