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COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

Legislative Session

1992

Resolution No. _____ CR-88-

1992

Proposed by The Chairman (by request - County Executive)

Introduced by Council Members Del Giudice, Castaldi,

Casula, MacKinnon and Bell

Co-Sponsors Council Member Pemberton

Date of Introduction July 14, 1992

RESOLUTION

A RESOLUTION concerning

Section 108 Loan Guarantee Application
for Hutchinson Nehemiah Development

FOR the purpose of approving an application to the United States Department of Housing and Urban Development for a \$1,600,000 loan pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended, to help finance construction of 85 townhouses for low income families at the

Hutchinson Nehemiah site in Capitol Heights.

WHEREAS, Prince George's County has a need for affordable housing for first time homebuyers; and

WHEREAS, the County has agreed to transfer the Hutchinson school site for development of Nehemiah Housing by the IAC/Enterprise Housing Development Corporation under the County's Opportunity Housing Program, and

WHEREAS, under the terms of the Housing and Community Development Act of 1974, as amended, Prince George's County, Maryland, has been qualified as an urban county eligible to apply for funds under the Section 108 Loan Guarantee program; and

WHEREAS, housing construction is an authorized use of Section 108 Loan Guarantee funds provided that funds are used in conjunction with a federal Nehemiah Opportunity Housing Grant; and

WHEREAS, the nonprofit Interfaith Action Community (IAC) and the Enterprise Social Investment Corporation have formed a partnership and have received a federal Nehemiah Opportunity Housing Grant in the amount of \$1,200,000; and

WHEREAS, the County plans to use the proceeds of the Section 108 loan to provide a loan of up to \$1,000,000 and a grant of \$510,000 to IAC/Enterprise Housing Development Corporation for purposes of constructing Nehemiah housing on the Hutchinson site and to pay for issuance costs;

NOW, THEREFORE BE IT RESOLVED by the County Council of

Prince George's County, Maryland, that the "Section 108 Loan Guarantee Application for the Hutchinson Nehemiah Development," as submitted by the County Executive and attached to this resolution, is hereby approved.

BE IT FURTHER RESOLVED that no County funds, other than future Community Development Block Grant (CDBG) entitlement funds, shall be pledged for the repayment of said Section 108 Guaranteed Loan, with the intent being that the County will repay the Section 108 Loan through the sale of 85 properties at the Hutchinson site within three years from the date of settlement on the loan.

BE IT FURTHER RESOLVED that the County's Chief Administrative Officer is hereby authorized and empowered as the official representative of Prince George's County to submit the Section 108 Loan Guarantee Application to the United States Department of Housing and Urban Development (HUD) along with all understandings and assurances contained therein, and to provide such additional information to HUD as may be required.

Adopted this 28th day of July, 1992.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:

Richard J. Castaldi
Chairman

ATTEST:

Joyce T. Sweeney
Acting Clerk of the Council

NOTE: The attached documents are available in hard copy only.