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**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**

Legislative Session

1992

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Resolution No. CR-6-

1992

Proposed by The Chairman (by request - County Executive)

Introduced by Council Members Pemberton and Bell

Co-Sponsors

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Date of Introduction January 21,  
1992

**RESOLUTION**

A RESOLUTION concerning  
Antoinette 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  
Antoinette Gardens Apartments in a principal amount greater  
than that previously approved.

WHEREAS, Section 4-102 of Article 44A of the Annotated Code  
of Maryland (as amended from time to time) permits the Housing  
Authority to exercise certain powers to enable it to make

construction loans and long- term mortgage loans which will produce housing development, and to issue and sell bonds and/or notes of the Authority to finance housing and housing rehabilitation in Prince George's County, Maryland, upon approval of the governing body of the County; and

WHEREAS, the Housing Authority has additional authority and power under Section 1-501 of Article 44A of the Annotated Code of Maryland (as amended from time to time) to issue bonds from time to time, in its discretion, for any of its authorized purposes, as well as to issue refunding bonds for the purpose of paying or retiring any bonds previously issued by it; and

WHEREAS, the Housing Development Program of Prince George's County was previously expanded to include the Antoinette Gardens Apartments project by the Housing Authority through Resolution No. LHA-562, dated June 24, 1985;

WHEREAS, the County Council approved the amendment to the Housing Development Program of Prince George's County to include Antoinette 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 \$6,475,000 (CR-103-1984 and CR-221-1985); and

WHEREAS, pursuant to Resolution No. LHA-591 the Housing Authority has previously authorized the issuance and sale of its mortgage revenue bonds, designated "HOUSING AUTHORITY OF PRINCE GEORGE'S COUNTY (Maryland) MORTGAGE REVENUE BONDS, SERIES 1985 (ANTOINETTE GARDENS APARTMENTS PROJECT -- FHA

INSURED MORTGAGE LOAN)" (THE BONDS") in a principal amount of \$6,475,000, the proceeds of which were loaned to Antoinette Gardens Limited Partnership (the "Owner") for the purchase, improvement, equipping and rehabilitation of a 196 unit multi-family housing project located at 1226 Benning Road in Coral Hills, Maryland, known as Antoinette Gardens Apartments Project (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 since the default to pay past outstanding arrearages, although it is generating sufficient revenues to make all current required payments; and

WHEREAS, CT Management, Inc., the current management agent of the Project, has submitted information to the Housing Authority showing that if the mortgage interest rate is lowered by means of a refunding of the Bonds, the revenue generated by the Project will be sufficient to make all required payments, including the repayment of an Operating Loss Loan to be provided by the United States Department of Housing and Urban Development concurrently with the refunding of the Bonds, which will be used to pay past outstanding arrearages; and

WHEREAS, based upon the foregoing, Charles Tini and Lester Severe have proposed that they will acquire an ownership interest in the Project and have asked the Housing Authority to authorize a current refunding of the outstanding bonds; and

WHEREAS, the Housing Authority adopted Resolution No. LHA-

770, 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 \$6,475,000, 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 CT Management, Inc.; and

WHEREAS, the County Council approved the issuance and sale of refunding bonds by the Housing Authority in an aggregate principal amount not to exceed \$6,475,000 by Resolution CR-81-1991, adopted on September 24, 1991; and

WHEREAS, the Housing Authority has since been advised that it is necessary to issue taxable refunding bonds in an aggregate principal amount not to exceed \$400,000, concurrently with the issuance of tax exempt refunding bonds in an aggregate principal amount of \$6,375,000, thus resulting in a total issuance of refunding bonds in an aggregate principal amount not to exceed \$6,775,000 in order to fund the mortgage at an increased level as approved by the United States Department of

Housing and Urban Development, to fund the Debt Service Reserve Fund at the required level and to pay costs of issuance of the refunding bonds;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's County, Maryland, that CR-81-1991 is hereby repealed; and

BE IT FURTHER RESOLVED 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 \$6,775,000, 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 28th day of January, 1992.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Richard J. Castaldi  
Chairman

ATTEST:

\_\_\_\_\_  
Joyce T. Sweeney  
Acting Clerk of the Council

HOUSING AUTHORITY OF PRINCE GEORGE'S COUNTY  
PROJECT INFORMATION SHEET

1. Project Name: Antoinette Gardens  
 Amount Requested: Refunding bonds not to exceed  
\$6,475,000
2. County Council Resolution No.: \_\_\_\_\_  
 Date Introduced: \_\_\_\_\_ Date Adopted \_\_\_\_\_
3. Housing Authority Resolution No.: LHA-770  
 Date Adopted: 3/25/91
4. Project Address: 1226 Benning Road  
Coral Hills, Maryland 20743
5. Municipality(ies): Capitol Heights, District Heights
6. Councilmanic District: VII
7. Number of Units 197 Number of Buildings: 28
8. Number of Section 8 Tenants: 0
9. Rent Structure:
 

	<u>No. of</u> <u>Units</u>	<u>*Existing</u>	<u>Average</u> <u>Proposed Rents</u>
Efficiency	3	\$ 434	\$ 447
1 BR	68	\$ 495	\$ 510
2 BR	98	\$ 599	\$ 617
3 BR	28	\$ 665	\$ 685
10. Partnership Name: Antoinette Gardens Limited Partnership
11. Names of General partners: Charles Tini  
Lester Severe
12. Proposed Management: C.T. Management

Project INFORMATION SHEET

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ANTOINETTE GARDENS APARTMENTS  
1226 Benning Road  
Coral Hills, MD 20743

COUNCILMANIC DISTRICT VII

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TYPE OF FINANCING: Project was financed in 1985. It is currently in default. New loan for restructured partnership will offer lower interest and project should generate sufficient cash flows to keep project current as well as pay monies due. This will be a refunding of 1985 bonds and issuing of replacement bonds.

DESCRIPTION: 197 units, 3 efficiencies, 68 1-bedroom, 98 2-bedroom and 28 3-bedroom units. Located at triangle between Benning Road, Marlboro Pike and Southern Avenue. Property has been rehabilitated and occupancy has increased steadily since new management took over,

RENTAL TRENDS: Rents are currently at:

Eff. - \$434  
1BR - \$495  
2BR - \$599  
3BR - \$665

Trend of increase in immediate future is projected at 3 percent.