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COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

Legislative Session

1992

Resolution No. CR-27-

1992

Proposed by The Chairman (by request - County Executive)

Introduced by Council Members Pemberton and Castaldi

Co-Sponsors

Date of Introduction April 14,
1992

RESOLUTION

A RESOLUTION concerning

Park Place Towers (formerly known as Stevenson 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 Park Place Towers.

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, at 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 Stevenson Apartments project by the Housing Authority through Resolution No. LHA-510, dated August 27, 1984; and

WHEREAS, BY CR-145-1984, the County Council approved the amendment to the Housing Development Program of Prince George's County to include Stevenson Apartments and the issuance and sale of bonds by the Housing Authority of Prince George's County, in an aggregate amount not to exceed \$13,900,000; and

WHEREAS, pursuant to Resolution No. LHA-561 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 (Stevenson Apartments Project)" (the "Bonds") in a

principal amount of \$13,900,000, the proceeds of which were loaned to Park Place Towers Associates Limited Partnership (the "Owner") for the purchase, improvement, equipping and rehabilitation of a 450 unit multifamily housing project located at 5802 Annapolis Road, Bladensburg, Maryland, originally known as Stevenson Apartments Project, now known as Park Place Towers 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 since the default to pay the outstanding arrearage; and

WHEREAS, the Owner 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 revenues generated by the Project will be sufficient to make all required payments; and

WHEREAS, the Housing Authority adopted Resolution No. LHA-802 whereby it concluded that it was in the best interests of the County residents living in the Project and of the County's Housing Development Program generally to assist the Owner in establishing the long-term economic viability of 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 federally tax-exempt Series 1992A refunding bonds, subject to approval of the County

Council, in a principal amount not to exceed \$13,900,000 to provide funds for the refunding of an equal principal amount of the outstanding Bonds, and to issue and sell federally taxable Series 1992B refunding bonds in a principal amount not to exceed \$1,000,000 as determined by the Executive Director of the Authority, upon the advice of the Authority's financial advisor and the purchasers of the refunding bonds, as shall be sufficient to pay certain bond issuance costs and such additional costs as are necessary to retire the Bonds; and

WHEREAS, the initial manager of the Project, upon the issuance of the refunding bonds, will be Artery Property 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 amount not to exceed \$13,900,000 of federally tax-exempt Series 1992A Bonds and in an aggregate amount of federally taxable Series 1992B Bonds not to exceed \$1,000,000 as determined by the Executive Director of the Housing Authority, 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 26th day of May, 1992.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:

Richard J. Castaldi
Chairman

ATTEST:

Joyce T. Sweeney
Acting Clerk of the Council

PROJECT INFORMATION SHEET
STEVENSON (PARK PLACE) APARTMENTS
5802 Annapolis Road
Bladensburg, MD 20710

COUNCILMANIC DISTRICT V

LOAN AMOUNT:
million for

to exceed

series B bonds.

Not to exceed \$13.9
series A bonds. Not
\$1.0 million for

PROPERTY DESCRIPTION:
three high

in a well

There are three

1-bedroom

units, and

The 450 units are in
rise buildings located
established area.
efficiencies, 124-Jr.
units, 154 1-bedroom
169 2-bedroom units.

DEVELOPER INFORMATION:
managed by
Organization and Artery

Inc.,

owns and

other rental

George's County.

Project is owned and
the Artery
Property Management,
respectively. Artery
manages over 3,200
units in Prince

REVIEW OF CODE:
outstanding Code

There are no
violations.

REHABILITATION PROGRAM:
renovated,

will occur on

kitchens, bathrooms

mechanical and trash

Project is fully
however, upgrading
some doorways,
as well as in
control equipment.

RENTAL TRENDS:
follows:

Rents trends as

\$695

1 BR - \$535 to

\$875

2 BR - \$585 to