

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

Meeting Date: 11/14/2000

Reference No.: CR-60-2000

Proposer: County Executive

Draft No.: 1

Sponsors: Bailey

Item Title: A Resolution to approve the project submitted by the Housing Initiative Partnership, Inc. (HIP) to the Maryland Department of Housing and Community Development for Participation in the Neighborhood Partnership Program

Drafter: Mary Lou McDonough
Housing

Resource Jalal Greene
Personnel: Housing

LEGISLATIVE HISTORY:

Date Presented: __/__/__

Executive Action: __/__/__

Committee Referral: 10/24/2000 THE

Effective Date: __/__/__

Committee Action: 11/9/2000 FAV

Date Introduced: 10/24/2000

Public Hearing: __/__/__ __:__ __

Council Action: 11/14/2000 ADOPTED

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

Pass/Fail: P

Remarks: _____

TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE DATE: 11/9/00

Committee Vote: Favorable, 4-0, (In favor: Council Members Shapiro, Hendershot, Maloney and Wilson).

Staff summarized the legislation indicating that CR-60-2000 would support and approve the participation of Housing Initiative Partnership, Inc. (HIP) in the Maryland Department of Housing and Community Development (MD/DHCD) Neighborhood Partnership Program. HIP is a nonprofit organization that operates a HIP HOMES program that acquires and rehabilitates dilapidated vacant single family properties to provide affordable home ownership in the inner beltway.

HIP proposed to acquire ten dilapidated single family homes in Palmer Park and Seat Pleasant, substantially rehabilitate these homes and sell them to first time homebuyers who earn 80 percent or less of the median area income. State law provides that the Maryland Department of Housing and Community Development may not approve a proposal for participation in the Neighborhood Partnership Program unless the proposal is approved by the governing body of the County.

Mosi Harrington, Executive Director, HIP, explained that HIP has been incorporated in the County since 1998 and provides low-income rental, homeownership counseling and rehabilitation of vacant single family dwellings. Ms. Harrington further explained that most of the homes purchased by HIP are vacant and boarded up buildings owned by Housing and Urban Development (HUD). They have also purchased homes from HUD through the \$1 Home Program. These homes have been vacant for more than 6 months.

A council member questioned the origin of the funding for the project. Ms. Harrington explained that the State has a total of one million dollars in tax credits. Non profit organizations competitively apply for approval of a project and an allocation of tax credits. The non-profit organizations sell the tax credit to businesses with Maryland tax liability reducing their tax liability by 50% of the contribution.

The Office of Law and the Legislative Officer determined that the resolution is in proper legislative form. The Office of Audits and Investigations determined there should be no negative fiscal impact on the County as a result of adopting CR-60-2000. There may be some positive fiscal impact by returning the properties to the County's tax rolls. An amount related to the possible increased tax revenue cannot be estimated at this time.

BACKGROUND INFORMATION/FISCAL IMPACT

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

This resolution will approve the project submitted by the Housing Initiative Partnership, Inc. (HIP) to the Maryland Department of Housing and Community Development (MD/DHCD) for participation in the Neighborhood Partnership Program. HIP, a nonprofit organization that runs a program in Prince George's County called HIP HOMES, proposes to acquire ten dilapidated single family homes in Palmer Park and Seat Pleasant, substantially rehabilitate these homes and sell them to first time homebuyers earning 80 percent or less of the median income. Pursuant to Article 83B, Section 4-705 (c) of the Maryland Annotated Code, the Maryland Department of Housing and Community Development may not approve a proposal for participation in the Neighborhood Partnership Program unless the proposal is approved by the governing body of the county in which the designated revitalization area benefited by the project is located.