

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

---

**Meeting Date:** 11/21/2000**Reference No.:** CR-62-2000**Proposer:** County Executive**Draft No.:** 2**Sponsors:** Shapiro, Bailey

**Item Title:** A Resolution approving the issuance and sale of revenue bonds by the Housing Authority of Prince George's County, in connection with the acquisition and rehabilitation of the Belford Towers Apartment project by National Homes Trust, Inc., a District of Columbia based, not-for-profit corporation

---

**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:** 11/09/2000 FAV(A)**Date Introduced:** 10/24/2000**Public Hearing:** \_\_/\_\_/\_\_ \_\_:\_\_ \_\_**Council Action:** 11/21/2000 ADOPTED**Council Votes:** DB:A, JE:A, IG:A, TH:-, WM:A, RVR:-, AS:A, PS:A, MW:A**Pass/Fail:** P**Remarks:** \_\_\_\_\_

---

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

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

Staff summarized the legislation indicating that it approves Housing Authority of Prince George's County Tax Exempt Bond Program financing for the acquisition and rehabilitation of Belford Towers Apartments. This project is not to exceed \$24,000,000 in Housing Authority Tax-exempt bond financing. The rehabilitation plan includes a reduction in density of the site by converting 36 three-bedroom units into two bedroom units.

The Department of Housing and Community Development (DHCD) representative indicated that Belford Towers is a 467 rental unit high rise apartment complex located outside of the incorporated limits of Takoma Park and that the property has been on the County's distressed property list since 1990. The owner and developer of Belford Towers will be National Homes Trust, Inc., a not-for-profit corporation.

Mr. Arnold Porath, representing, National Homes Trust, Inc., indicated that although the complex is 100% occupied, existing tenants will not be displaced. Mr. Porath further explained that they are anticipating that vacancies will occur by attrition. Vacant units will be renovated and existing tenants will be relocated into similar renovated units. Mr. Porath also explained that the rental cost is proposed to increase after rehabilitation. However, with the proposed increase the rental cost will remain below existing market rates and "safe harbor" rates.

The DHCD representative indicated that currently the resolution reads "the project is not to exceed \$22,000,000". The DHCD representative proposed deleting the word "exceed" and add the word "approximately" \$22,000,000. This request was made since the final financing figures are undetermined and this project would have to go through the legislative process again, if the final figures exceeds \$22,000,000. The legislative officer suggested increasing the proposed project financing for acquisition and rehabilitation to a higher fixed amount sufficient to include unexpected costs, rather than approve an amount with unclear interpretation of the dollar amount.

A motion was made to increase the amount from \$22,000,000 to \$24,000,000. The Housing Authority will provide a revised resolution prior to adoption by the Council.

The Legislative Officer and the Office of Law finds it to be in proper legislative form. The Office of Audits and Investigations determined there should not be any negative fiscal

## **BACKGROUND INFORMATION/FISCAL IMPACT**

Belford Towers is a 467 unit rental highrise apartment complex consisting of three buildings. The rehabilitation plan for the property is comprehensive and includes a reduction in the density of the site by converting 36 three bedroom units into 36 two bedroom units. The final unit configuration will consist of 22 one bedroom, one bath, 208 two bedroom, one bath, 36 two bedroom, one bath penthouse, 109 three bedroom, one bath, 72 three bedroom, one and one half baths, and 20 three bedroom, two bath, apartments. The developer is National Homes Trust, Inc., a not-for-profit organization. This project is not to exceed \$22,000,000 in Housing Authority Tax-exempt bond financing.