

PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY

Meeting Date: 11/14/2000

Reference No.: CR-58-2000

Proposer: County Executive

Draft No.: 1

Sponsors: Bailey

Item Title: A Resolution to approve the project submitted by the Housing Initiative Partnership (HIP) Inc. to the State of Maryland Community Development Administration's Homeownership Program for forward commitments to Provide financing of low interest mortgage loans

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-58-2000 would support and approve the participation of Housing Initiative Partnership, Inc. (HIP) in the Maryland Department of Housing and Community Development, Community Development Administration's (CDA) Homeownership Program. HIP has applied to CDA's Homeownership Program to reserve low interest financing for ten permanent mortgages for homebuyers of rehabilitated homes. The low interest mortgage money assists families in qualifying as first time homebuyers.

The Department of Housing and Community Development (DHCD) representative indicated that the resolution is requesting the State to reserve money specifically for HIP not to be used by other jurisdictions in the State. The representative further stated that the interest rate has not been determined. However, it may be as low as 4 or 5%.

A council member requested clarification on the 80% of the area median income criteria for qualifying to purchase these homes. The DHCD representative indicated that the household income for a family of four is \$83,000 and 80% of that is approximately \$65,000. The income criteria are based on the Washington Metropolitan Area. Therefore, a family of four with an income of \$65,000 would qualify for the low interest mortgage money.

The Legislative Officer and the Office of Law find it to be in proper legislative form. The Office of Audits and Investigations determined there should not be any negative fiscal impact on the County as a result of adopting CR-58-2000. The County Executive supports CR-58-2000.

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, Community Development Administration's (CDA) Homeownership Program. HIP is a non-profit organization that runs a program in Prince George's County called HIP HOMES. HIP proposes to acquire forward commitments for the financing of ten low interest mortgage loans for families of limited income. Pursuant to Article 83B, Sections 2-201 through 2-208 of the Maryland Annotated Code, the developer shall deliver to the CDA a certified copy of a Resolution duly adopted by the legislative body of the County in which the project is located.

CODE INDEX TOPICS: