

1 systems, and improving the properties to appeal to the current market preferences. Homes will
2 have at least three (3) bedrooms with a preference for at least one and half (1.5) bathrooms; and

3 WHEREAS, Attachments “A1-A2” describe the HIP Homes Program; and

4 WHEREAS, Attachment “B” includes the activities from HOME Program Years 18, 19, 20,
5 and 21 (i.e., FY 2010, FY 2011, FY 2012, and FY 2013) that were approved in prior years’
6 Annual Action Plans and has available HOME funds totaling \$500,000.00 that need to be
7 reprogrammed and reallocated; and

8 WHEREAS, Attachment “C” consists of the Annual Action Plan for Housing and
9 Community Development: FY 2015, as amended; and

10 WHEREAS, the County Executive recommends the reallocation and commitment of
11 \$500,000.00 in HOME funds to the new activity, the HIP Homes Program.

12 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
13 County, Maryland, that the “Annual Action Plan for Housing and Community Development: FY
14 2015,” is hereby amended to include the HOME activity and the reallocation and commitment of
15 \$500,000.00 in HOME funding as described in Attachments “A1-A2”, “B”, and “C”,
16 respectively, as attached hereto and made a part hereof.

17 BE IT FURTHER RESOLVED that upon the adoption of this Resolution, it shall be
18 transmitted to the County Executive by the Clerk of the Council to submit the amended Annual
19 Action Plan to the U.S. Department of Housing and Urban Development.

Adopted this 21st day of July, 2015.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Mel Franklin
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Rushern L. Baker, III
County Executive

Note: Attachments B & C are available as Inclusion Files in LIS and hard copy in the Office of the Clerk of the Council.

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**HIP Homes Program
HOME Program Year: 23
Hyattsville, Maryland**

PROJECT DESCRIPTION: The Housing Initiative Partnerships, Inc. (“HIP”) Program will fund, in part, the acquisition, rehabilitation and resale of six (6) vacant and distressed houses to income-eligible first-time homebuyers.

PROPOSED RECIPIENT: Housing Initiative Partnership, Inc.

CONTACT: Maryann Dillon, Executive Director
Housing Initiative Partnership, Inc.
6525 Belcrest Rd., Suite 555
Hyattsville, Maryland 20782
301-985-1252

NEIGHBORHOOD/LOCALITY: County-wide, primarily inner Beltway communities

HOME PROGRAM BUDGET: \$500,000

PROPOSED HOME INVESTMENT: Approximately \$83,333 per unit

ATTACHMENT A-2**PROJECT INFORMATION SHEET****HIP Homes Program
HOME Program Year: 23
Hyattsville, Maryland**

Housing Initiative Partnership, Inc. (“HIP”) will build upon its successful acquisition, renovation, and resale program known as the HIP Homes Program (“Program”) by acquiring an additional six (6) homes under this Program. Since 1998, HIP has acquired 63 vacant and distressed homes, of which 24 were acquired in the last five years, primarily in inner Beltway communities of Prince George’s County, undertaken extensive renovations, and sold the homes to income-qualified first-time home buyers. The Program has been an important tool in helping revitalize older neighborhoods that have experienced disinvestment, especially foreclosures due to the Great Recession.

Program properties will continue to be vacant and distressed homes in Prince George’s County, primarily within inner Beltway Transforming Neighborhoods Initiative (“TNI”) communities, that HIP acquires through the Neighborhood Stabilization Trust, referrals from Prince George’s County’s Department of Permitting, Inspections and Enforcement (“DPIE”), or otherwise identified as nuisance properties. Properties can be single-family detached or townhomes. HIP will fully renovate the homes with a special emphasis on energy efficiency, replacing outdated mechanical, electrical and plumbing systems, and improving the properties to appeal to current market preferences. Homes will have at least three bedrooms with a preference for at least one and half bathrooms. Properties will be improved with easy to maintain landscaping. Depending upon the neighborhood, sales prices will range from an estimated \$160,000 to \$250,000.

HIP will finance the acquisition and redevelopment by using a construction line of credit with Washington Area Community Investment Fund (“WACIF”), Community Development Block Grant (“CDBG”) funds, and Neighborhood Stabilization Program (“NSP”), and Neighborhood Conservation Initiative (“NCI”) funds as well as program income that HIP has received from prior single-family development activities. WACIF funds are loaned to HIP at 7% interest with monthly payments of at least principal. HIP will use Program funds to reimburse development costs and provide permanent subsidies to the low-income home buyers. The subsidy will be provided in the form of a 15 year restrictive covenant which requires the homeowner to earn less than 80% Area Median Income (“AMI”) upon purchase, occupy the home as their primary place of residency and, if selling the home within 15 years, to sell to an income-qualified buyer under the resale provision described in the County’s Annual Action Plan (“AAP”).

Assuming an average purchase price of \$190,000 with a mortgage of \$152,000 (80% Loan to Cost (“LTC”)); balance of funds come from down payment and closing cost assistance programs) at 5% interest, a purchaser would pay \$816/month in principal and interest plus an estimated \$400 in taxes and insurance for a total of \$1,216.