



MINUTES OF THE CITY COUNCIL WORK SESSION
held Monday, October 5, 1998, for the purpose of Meeting with Residents of The
Lakes at Greenbelt Village.

The meeting began at 8:08 pm. It was held in the Council Room of the Municipal Building.

PRESENT WERE: Council members Edward V.J. Putens, Rodney M. Roberts, Alan Turnbull Thomas X. White and Mayor Judith F. Davis.

STAFF PRESENT WERE: Michael P. McLaughlin, City Manager; David E. Moran, City Clerk and Celia Craze, Director of Planning and Community Development

ALSO PRESENT WAS: Audrey Scott, Prince George's County Council

Mayor Davis began the meeting with introductions. Ms. Craze reviewed the Site Plan. She noted that staff first became involved as a result of routine inspections and complaints from residents. Ms. Craze stated that while there have been some successes, staff remains concerned about the pattern of poor construction and poor quality. She reviewed the authority that both the City and the County have.

Ms. Craze presented three files that represent complaints over the past 8 months. She showed a 10 minute video which illustrated poor workmanship in common areas. Ms. Craze stressed that the County and City have different responsibilities, but they try to work together. She indicated that the primary problems are post-occupancy issues and that there has not been follow-up once a homeowner moves in. She stressed that the customer response from the builder was not satisfactory.

Mr. White stated that while this is the first time Council has met on this issue, Council had been kept informed about these problems through Ms. Craze and had supported her efforts. In response to question about bonds, Ms. Craze responded that there are street and site development bonds.

Mr. Roberts asked about the bond amounts. Ms. Craze responded that the city had \$800,000 for the street bond and a \$480,000 storm water bond. Mr. Roberts asked if the bridge over the lake had been inspected. Ms. Craze responded that the County would inspect the superstructure while the city would inspect the street surface. Mr. Roberts asked about legal authority the city has. Ms. Craze responded that the city has authority through covenants, the property maintenance code, and could enforce deviation from plans through the courts. Ms Craze noted the steps that the city had already taken and could take additional steps in the future.

Mr. Roberts wanted to halt all sales until deficiencies were corrected. Ms. Craze believed this question would need to be directed to Mr. Manzi. Mr. Roberts asked if the city could hire a professional inspector there full-time. Ms. Craze responded that the city could do this, but the inspector would be advisory only.

Mr. Putens asked about retaining walls. Ms. Craze responded that all retaining walls would require certification. Mr. Putens asked if the city could contact the lenders involved in the project. Ms. Craze responded that this question needed to be directed to Mr. Manzi. Mr. Putens asked about an indebtedness of \$988,000 that the residents had to pay for recreation facilities. Mr. Putens also wanted to see new sales halted.

Mr. Turnbull asked if the trash collection problems had been resolved. Ms. Craze responded that the city was inspecting this on a daily basis and that no additional municipal infractions (MI's) had been issued. Mr. Turnbull asked if the city could collect the trash as a stop-gap measure and asked that this be raised with Mr. Manzi. Mr. Turnbull raised a question about the issuance of Temporary Use & Occupancy permits. He asked if they were ongoing. Ms. Scott responded that temporary U & O's were issued for hardship cases on compassionate basis. By a show of hands, a majority of residents indicated that they had purchased the home under temporary U & O's. She noted that they had to be requested and were not simply granted automatically.

Ms. Scott stated that she had never seen such shoddy workmanship and believed that construction should stop. She stressed that the County would not tolerate this kind of behavior and hoped the developer would address the questions raised.

Ms. Davis asked about garages that were bought and were being paid for that haven't been built yet. Ms. Craze responded that she has heard this complaint but had not received a response from the developer. Ms. Davis asked if the homeowners had warranties. Ms. Craze responded that she was not privy to the private agreements between the developer and the residents. Ms. Davis asked about barbed wire between Hunting Ridge and this community. A resident responded that this wire was between the community and the Holy Trinity Church property.

Mr. Roberts asked the developers if they were considering bankruptcy. Mr. Putens asked that Mr. Manzi contact the lenders involved.

William Fleisher, President of Greenbelt Properties LLC, also known as Foundation Properties, indicated that he was disappointed that the developer had been prejudged. He expressed disappointment with the flavor of the meeting. Mr. Fleisher was incensed by the innuendo raised in Ms. Craze's memo regarding his cable agreement with Jones Cable. He reported that the cable installation by Jones was unacceptable and he had asked Jones to correct it.

Mr. Fleisher stated that there were \$2.7 million in bonds. He stated his company was not ready to file bankruptcy. He stated that his company would handle punch list items. He stressed that he was not running from anything. Mr. Fleisher expressed

disappointment because he had been communicating with the city and he thought there was a relationship of cooperation. Mr. Fleisher stressed that he had been working very, very, hard to correct the problems. He stated that a 10 year homeowner warranty policy that his company purchased was in effect. When asked about the garages, he indicated that the contractor was expected to start within a week.

Ms. Scott asked about their projects in Harford County. Mr. Fleisher responded that there was no outstanding litigation on the projects known as English Country Manor. Ms. Scott hoped that the developer would address problems as soon as they were raised. Ms. Scott asked why the backlog had occurred. Mr. Fleisher responded that it had been difficult to hire and retain contractors. Ms. Scott hoped that the developer would build the buildings correctly in the first place. Mr. Fleisher responded that he believed there had been improvements in the more recently built buildings.

Carla Jones thanked the City Council for inviting them to the meeting. She stated that Mr. Hughes and Mr. Fleisher were well aware of the resident's concerns. Ms. Jones stressed that the subcontractors were not being monitored as well as they should be. She indicated there were concerns about the Association dues and where the funds were going, but indicated they had set up a finance committee. Ms. Jones asked if the warranties could be extended and reported a problem with the warranty phone line. Mr. Fleisher responded that the voice mail was set up as a control mechanism. He also stated that his company would correct warranty issues beyond the time of the warranty. Mayor Davis asked if a homeowner provided a list within the warranty period, would Mr. Fleisher correct the problems even if the time on the warranty ran out. Mr. Fleisher responded that was his intent.

Ms. Davis asked if they could formally respond to the homeowner when they submit a punch list. Mr. Fleisher responded that they would personally follow-up.

Mr. Tate, a building captain, stated that he hoped people would calm down and allow the system to work. Shanelle Ingram, a representative from the Manor House, reported that a sprinkler had gone off and ruined her unit and she had been out of her home for 2 months.

A building captain of town homes stated that residents were not receiving what had been promised to them. She relayed problems that existed with her deck and shoddy workmanship. She emphasized that there was a lack of quality. Mike Hughes responded that the deck was approved and inspected.

Another building captain expressed concern about the rough wood and noted that items on her punch list remained. She stated there were several other problems in her building including a broken door that doesn't work. Mr. Cox expressed concerns that the homeowners were sold a bill of goods that they had not received. He reported that the amenities listed in the color brochure were not there.

Kevin Battle, townhouse captain, reported gaping holes in the foundations and reported problems with mice. A resident expressed concern about the City and County's roles and why inspectors didn't catch these issues.

Another resident expressed concern that there was no commonality among the homes. He expressed concern about a water heater installed in his home and no follow-up from the developer. He indicated he had taken considerable time off work to deal with these problems.

A resident from building 5 raised the issue of a musty smell coming from the crawl space. She expressed concern about a water leak where the fountain used to be.

Another resident indicated that the problems with building 1 were the same ones that were occurring on subsequent buildings. She reported that the problems with the tubs have not yet been corrected.

Amy Duvall stated that her electrical outlets had all been burned. She reported a gas leak in her stove. She also reported water damage problems in the walls and that the doors and windows did not close properly and were leaking air.

Another resident reported heating problems in her sunroom. She reported that some of her walls were bowed and crooked. She noted that the cabinet next to the stove did not have a wall between the stove and the cabinet.

One resident stressed that residents needed to be concerned about the issues that affect the whole community.

Ms. Craze noted that there was an agreement with Paragon which required them to complete items in a certain time frame. Mayor Davis suggested that residents report items to their building captains and that building captains coordinate with Ms. Wilson. Ms. Scott noted that she would work with Ms. Craze, but there was only so much the County could do. She stated that there were only 4 building inspectors for the entire County.

Another resident asked about how she could get a copy of the FHA inspection. She stated that there were holes underneath the carpets. She reported many problems including cement in the pipes.

A resident asked the Council to shut the operation down if they have the authority to do so. Another resident asked what the city was going to do. Another resident suggested that the City involve FEMA.

Mr. Gasper believed there needed to be a city inspector to watch over the project. He believed the city should shut down new construction if they were able to do that. He suggested that Mr. Fleisher provide a plan to respond to the residents' concerns once the community consolidated the list.

A resident asked about the Recreation building and how the residents were supposed to pay for it. Another resident expressed concern about mosquitoes and erosion problems at the lake. A resident expressed concern about the management company of Williams & Wells and the problems with them. He reported that they were rude and crude.

Another resident in building 4 asked about the electronic lock and when it would be working. She expressed concern about lighting and non-residents entering the property. Another resident asked about water and electric problems. Ms. Craze responded she would make calls to Pepco and WSSC.

Patricia Harris, the attorney for Foundation Properties, asked about the consolidated list of complaints. Mr. White stated that the builder didn't need another list. They needed to fix the problems and the lists would take care of themselves. He believed that the city needed to begin inflicting pain and that the builder needed to begin performing. Mayor Davis also expressed frustration and stated that Foundation would be a lot better off if they built the buildings properly in the first place.

Mayor Davis thanked everyone for attending.

The meeting was adjourned at 11:49 p.m.

Respectfully Submitted,

David E. Moran

City Clerk