



HERE GOES THE NEIGHBORHOOD; DEVELOPER REVIVING NEGLECTED APARTMENTS

Jackie Spinner
WASHINGTON POST STAFF WRITER
Saturday, July 24, 1999 ; Page H01

A rusted metal fence, sagging and bent, cuts through a red brick apartment complex off University Boulevard in Langley Park. Tattered curtains and broken blinds hang--if they hang at all--in the sliding windows of the three-story buildings. Some of the windows are boarded up with plywood.

The lawn of the 117-unit complex is brown where the trampled grass has wilted in the dry summer heat. Three little girls with rich coffee-colored ponytails play on the broken concrete stoop outside the rental office. A homemade sign taped to a glass pane lists the office hours in green crayon.

The sign is the first thing that N. Stephen Stavrou notices when he walks up to the building. To his building. Stavrou, a Prince George's County developer, is purchasing the apartments at University Boulevard and Merrimac Drive, and where others might see run-down garden apartments, Stavrou sees the future of Prince George's County. That vision will cost him \$11 million.

"There's our new rental office," he says, pointing to an old storage shed a few yards from the current rental office, which occupies a vacant apartment. The garage door of the shed will be replaced with a storefront window. "No more crayon," Stavrou says.

Over the next year, Stavrou and his company plan to transform the apartments, spending about \$37,000 per unit to add dishwashers, central air conditioning, new bathrooms, new kitchens, new carpeting, new blinds and new windows. The apartments will be wired for cable television. There will be a computer center and classrooms in the basement of a new community center.

And that's just on the inside.

Stavrou and Associates plans to surround the 11-acre complex with a stately black wrought-iron fence and add shrubs and bushes. The company will replace the flat roofs of the 1948 buildings with pitched roofs. The doorways will be secured with a telephone entry system. They will be covered with canopies held up by columns. Big picture windows will be installed above the doors.

Stavrou has a philosophy about revitalization. He's not into quick fixes, he says. "One of the problems I see with rehabilitation is people take money out of them," he explains. "Our real focus is in long-term value. We don't want to trade short-term gain for long-term value."

The apartment complex straddles the Montgomery-Prince George's County line. On the ground, it's impossible to tell which side is which. The area is one of the most diverse in the region. Prince George's County Council member Peter A. Shapiro (D-Brentwood), whose district includes the area, calls it "Maryland's international corridor."

It is a relatively poor area with a strong working class that struggles to make ends meet. Many of the apartment complexes--and the area is dotted with them--are in the same shape as the one Stavrou is buying. They are eyesores at best.

"There's a lot of problems with housing in the area," Shapiro says. "What we have to do is just this: Rehabilitate them one by one."

This is the first revitalization project that Stavrou has undertaken in Prince George's. Previously he did the Croydon Manor apartments on Sligo Creek Parkway in Montgomery County; they were completed last year.

"We cut our teeth on the project," Stavrou says. "We're putting a lot more money into this one. . . . This is really going to be a jewel for us."

Stavrou and Associates has made a name for itself in Prince George's by specializing in developing affordable and senior housing. And the renovated complex on University Boulevard, which will be renamed University Landing at Langley, also will offer affordable rents.

In spite of the massive renovations, the rental prices will not increase significantly. Project manager Jeffrey C. Kirby said the price of a one-bedroom unit will increase from \$560 a month to a range of \$565 to \$590 a month. A two-bedroom apartment will rent for \$680, up from \$655. Because the units will have central air conditioning, tenants will be required to pay their own utilities. Utilities are now included.

The complex, which will retain the same management company, has about 7 percent vacancy and a high turnover rate. Kirby said the company plans to renovate the apartments one stairway at a time, moving tenants into newer portions as the apartments are finished.

Stavrou recently received permission from the county council to participate in several county programs that will let him get low-interest loans for the renovations. The county is lending Stavrou \$925,000 at a typical rate of about 3 to 4 percent. It also has approved \$6.5 million in tax-exempt bonds and deferred development fees worth \$257,595.

The state also is giving the company a \$200,000 grant to help with removal of lead-based paint.

Shapiro says Stavrou is doing just what county officials hope other owners will do with older housing complexes inside the Capital Beltway.

"There are good landlords and bad landlords, and bad landlords can do a lot of damage to a neighborhood," Shapiro says. "We hope this is a trend with garden apartments."

Stavrou says it just makes good business sense.

"It makes us become a big player in guarding what happens to the neighborhood," he says. "We want to make sure this property stays at the bar we set."

Cutline: Prince George's County developer N. Stephen Stavrou says he avoids "quick fixes," instead focusing on creating long-term value.

Articles appear as they were originally printed in The Washington Post and may not include subsequent corrections.