



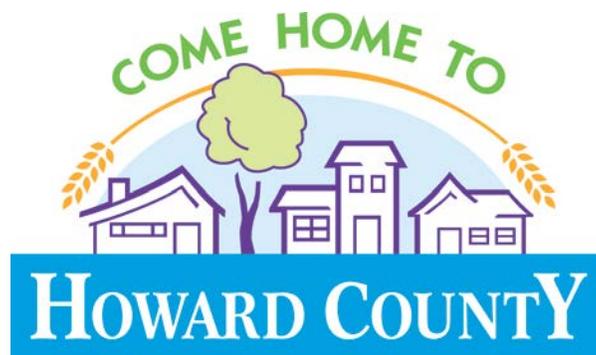
HOWARD COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT
9820 Patuxent Woods Drive, Suite 224 ■ Columbia, Maryland 21046 ■ 410-313-6318
Voice/Relay

Kelly A. Cimino, Director

FAX 410-313-5960

Director's Report

January 2019



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DIRECTOR'S NOTE

Following the installation of the new County Council in December, I was asked to attend a briefing with the new council members on January 7, 2019. This briefing was an opportunity to present information regarding the Department's plans and actions to create and preserve affordable housing units in the county. Other presenters were Peter Engel of the Howard County Housing Commission, Patricia Sylvester for the Columbia Downtown Housing Corporation, Ayesha Holmes from Grassroots and Kelly McLaughlin from Bridges to Housing Stability. We all appreciated the council's interest in affordable housing and look forward to working together with them over the next 4 years.

The Housing Team joined the Department of Community Resources and Services (DCRS) at their Resource Fair Event on January 24, 2019. The Resource Fair took place on the same day as the scheduled PIT (point in time) count day. A PIT count is required to receive federal funding to address homelessness in the county. On this day, DCRS works to identify the County's most vulnerable citizens, particularly homeless youth and families, and provide access to food and services. The team really enjoyed helping attendees connect with service providers, receive free clothing and haircuts, and enjoy a warm meal. I also want to thank the housing board members that volunteered at the event: Caroline Harper, Mitra Basu, Grace Morris and Mike Sloan. We hope to participate again next year.

Shalom Square held its grand re-opening ceremony on Saturday, January 26, 2019. Grace Morris, the executive director of Heritage Housing Partners, acknowledged the partners that played a role in the redevelopment of the property. County Executive Ball also made remarks to the residents and partners. The County invested \$250,000 of CDBG funds in the project. As a condition of receiving CDBG funds, the property must remain affordable for at least 40 years.

The community of 35 one-bedroom and 15 efficiencies is in the Long Reach Village of Columbia. Unit interiors were updated with all new modern energy efficient appliances, windows, doors, lighting and flooring. The rental office is on site in the new renovated community building with a kitchen, multi-purpose room and library. Rents are income-based and units are available to seniors and persons with disabilities. For additional information, the management office can be reached at (443)518-7690.

The Department submitted its FY20 budget in December. Budget meetings will begin in February. There are many exciting projects planned in the upcoming year so stay tuned for details!

Kelly Cimino, Director

HOUSING OPPORTUNITIES PROGRAMS DIVISION

MODERATE INCOME HOUSING UNIT PROGRAM (MIHU)

Please see the attached MIHU Report.

SETTLEMENT DOWNPAYMENT LOAN PROGRAM (SDLP)

The Settlement Downpayment Loan Program is funded by the Department's Community Renewal fund. This program is responsible for increasing homeownership in the County and is critical to the success of the MIHU program. Homebuyers must be income-eligible and demonstrate a need for downpayment and closing cost assistance.

For FY19 so far, 12 MIHU buyers received SDLP loans, including 7 Workforce Initiative loans, totaling \$243,477, and 39 non-MIHU buyers received SDLP loans, including 19 Workforce Initiative loans, for a total of \$686,320. Requests for funding from this program have exceeded estimates for the first 6 months of the fiscal year. While funds remain limited, funding is currently available for 2019. Potential buyers and lenders may visit the department's website for funding updates.

REINVEST*RENOVATE*RESTORE HOUSING REPAIR PROGRAM (RRR)

The Reinvest*Renovate*Restore Housing Repair Program is funded by the Department's Community Renewal fund. This program can help income eligible homeowners make repairs to enhance safety, accessibility and livability in their homes. Applicants who are ineligible based on income or credit are referred to Rebuilding Together and/or the Maryland Whole Home Program for assistance. Currently there are two applications in process. Two loans were approved and rehab work is underway. The Loan Review Committee meets twice a month to review loan applications for funding.

MARYLAND WHOLE HOME PROGRAM

The Maryland Whole Home Program (formerly known as MHRP) can be used to assist eligible homeowners secure low interest loans or grants to make home repairs and bring properties into compliance with applicable building codes and standards. The program is designed to benefit households with incomes that are at or below 80% of the statewide median income. Homeowners must be current on their mortgage, insurance and property tax payments to be eligible for the program. The State denied two applications in January. One loan has been approved and is scheduled to close in early February. While this program often provides grants or 0% interest loans to income-eligible homeowners, the State's processing time for these loans is approximately 6 – 8 months. Homeowners that have urgent or immediate needs are not a good fit for this program.

COMMUNITY PLANNING AND GRANTS DIVISION

During the month of January, the staff of the Grants Division hosted two workshops: Needs Hearing #2 and “An Afternoon of Affirmative Marketing Training”.

The second Needs Hearing was well attended by a little more than one dozen non-profit partners, and County agencies, most of whom serve vulnerable populations in Howard County. At the end of the meeting, attendees were encouraged to complete the Request for Proposals (RFP) for FFY2019 and FY2020 program funds. The FFY2019 Needs Assessment Survey is still available on line and has been completed by twenty (20) respondents to date.

The Affirmative Marketing training was well attended despite poor weather conditions. A total of 13 attendees comprised of the Department's staff, non-profit partners, as well as staff of a local rental community, participated in the training. The consultant provided an in-depth background of fair housing law, demonstrated how to use census tract data and lastly, how to complete an affirmative marketing plan. Attendees left with a better understanding of what is required. Due to the training, one of the applicants has already completed an affirmative marketing plan and submitted it along with their FFY2019 grant application.

FFY2019 ANNUAL ACTION PLAN

In accordance with federal requirements for jurisdictions receiving funds from the U.S. Department of Housing and Urban Development (HUD) for housing and community development programs, the County is preparing its FFY2019 Annual Action Plan. This Action Plan will outline how the County will use federal funding resources to address the current housing and community development needs of our low-to moderate income population, while remaining aligned with the goals outlined in our FFY2016-2019 Consolidated Plan.

Household incomes are not keeping pace with the cost of housing and the number of available, affordable housing units is scarce. The concern about rent and mortgage overburdened households is that low-income residents that pay a high percentage of their income to housing expenses can become unstable and face homelessness with a first-time crisis, loss of income, or health issues.

The FFY19 Annual Action Plan, the last year of our 4-year plan, will award funding to projects that address the priorities identified through the County's needs hearings, citizen participation and consultation process. The second Needs Hearing on January 10, 2019, revealed that the County's current needs and priorities remain to be reflective of the broader input received during the development of the County's FFY2016-2019 Consolidated Plan.

FFY2019 Annual Action Plan Dates of Interest:

February 4, 2019 – *Deadline for FFY2019 CDBG & HOME Program Application Requests*

February 25, 2019 – *30-Day Public Comment Period begins-continues through March 26th*

March 13, 2019 – *Public Hearing # 3* – at Department of Housing and Community Development

April 11, 2019 – *Public Comment # 4* – at Howard County Housing Board Meeting

April 17, 2019 – *Public Hearing # 5* – at County Council Hearing at George Howard Building

May 6, 2019 – County Council votes on resolution regarding FFY2019 Annual Action Plan Submission

May 17, 2019 – County submits the FFY2019 Annual Action Plan to HUD

COUNTY FUNDED PROJECTS

RENEW HOWARD PROGRAM

The Real Estate Charitable Foundation of Maryland, Inc., a 501 (c)(3) non-profit corporation (the “Administrator”), a supporting organization of the Community Foundation of Howard County, also a 501(c)(3) nonprofit corporation (“Cfhoco”) announced that it was soliciting competitive applications (Request for Proposals or RFP) from eligible mortgage lending institutions to participate in a neighborhood revitalization loan program, Revitalizing Neighborhoods EveryWhere in Howard County “RENEW Howard” (referred to as the “Program”) whereby Lenders would be incentivized to make low-interest loans to homebuyers to acquire and improve aging homes in Howard County. The purpose of the Program is to encourage new investment in and revitalization of neighborhoods throughout the County.

To incentivize Lenders, the County has provided grant funds to the Administrator to be used as a Loan Loss Reserve Fund for this proposed mortgage program in the amount of approximately \$2,000,000. It is anticipated that this level of funding will be sufficient to induce a private Lender or Lenders to contribute loan funds of as much as \$20 million to the Program.

A Request for Proposals (RFP) was released in August 2018 seeking lenders for the program. Unfortunately, no applications were received on the RFP due date of October 15, 2018. Lenders were concerned that the program requirements do not provide Community Reinvestment Act (CRA) credits for the participating banks. An amendment to the RFP will be released in early 2019.

ACQUISITION/REHAB PROGRAM

There are funds in the Department's FY19 budget for the acquisition and rehabilitation of existing scattered site properties to be leased to low-income individuals and families in Howard County. For the second year, the Department granted funds directly to Bridges. Bridges acquires units to lease to households earning up to 60% of Howard County area median income as part of their Bridges Alliance program. Last year Bridges acquired 4 units for the Bridges Alliance. Bridges expects to acquire at least 4 units with the FY19 funding.

RENTAL ASSISTANCE FOR SPECIAL POPULATIONS

The Department could use MIHU fee in lieu funds to provide rental assistance to populations at risk of homelessness such as youths aging out of foster care and inmates leaving the County's detention center. In 2017, the Department funded the acquisition of a property by Bridges to Housing Stability to house returning citizens when they are released from the detention center. The home is currently occupied by a full-time house manager. The Department of Corrections will refer eligible returning citizens to the property for rent-free transitional housing for up to 24 months. This transitional housing unit will fulfill an unmet need in the community and prevent potential homelessness for its residents. There was a

dedication ceremony at the property on January 8, 2019. The first resident moved in on January 28, 2019. The Department is continuing to work with Voices for Children and other County and State agencies to formulate strategies to provide affordable rental housing units for youths aging out of foster care in our County.

OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was held on Saturday, January 12, 2019. The next workshop led by Making Change is scheduled for Saturday, February 9, 2019, from 9:00 a.m. – 3:00 p.m. at the Community Resources Campus (9820 Patuxent Woods Drive, Columbia, MD 21046). Pre-registration is required. The 2019 workshop calendar is posted on the Department's website as well as FAQs. Prospective homebuyers can register to attend a workshop by sending an email to homebuyerclass@howardcountymd.gov.

MIHU WORKSHOP

January was an open enrollment period for the MIHU homeownership program. The Department held 3 informational workshops for potential MIHU renters and homebuyers during that time. The next open enrollment month is April. New applications can be submitted at that time. Applications for MIHU rental units are available throughout the year. Visit our website for more information at www.howardcountymd.gov/housing.

CREDIT AND DEBT MANAGEMENT WORKSHOP SERIES

This 5-week workshop series is offered to MIHU applicants with low credit scores and/or excessive debt. Making Change leads the workshop sessions and works individually with applicants to help them become mortgage ready for the MIHU and SDLP programs. The next series is scheduled to begin on February 7th at 6 pm at the Community Resources Campus at Patuxent Woods. Interested applicants may contact the homeownership team for more information at (410) 313-6318.

Attachment: MIHU Report
