



HOWARD COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT
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Director's Report

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DIRECTOR'S NOTE

New home builders are preparing for a busy spring season and the Housing Opportunities Team is pricing new MIHU homeownership units to be awarded over the next few months. April is the next open enrollment month for the MIHU homeownership program and information workshops are already scheduled. Potential applicants that want to rent or buy a home in the county should attend a workshop. Workshop dates and times can be accessed on the Housing Department's webpage.

Following my presentation to the Housing Affordability Coalition on March 6th, members of the coalition met with County Administration on March 20th to request funding for an affordable housing master plan. The Administration is considering the request as part of the budget process. The Department is prepared to assist with the procurement and completion of the plan in FY2020.

Linda and I met with the Board of the Community Foundation of Howard County on March 20th to discuss the release of the Request for Proposals (RFP) for the RENEW Howard Program. The revised RFP includes household income limits for new homebuyers so that participating banks and lenders may be eligible for Community Reinvestment Act (CRA) credits. The new RFP was released on March 27th. We have contacted more than 25 banks and mortgage lenders to invite them to the pre-proposal conference scheduled for April 17th at our office. The due date for responses to the RFP is May 3, 2019.

I have been meeting with Habitat for Humanity of the Chesapeake to discuss implementing a program to help applicants already in the MIHU database that earn less than \$50,000 per year qualify to purchase MIHU homes. The program would require applicants to meet Habitat's requirement of 250 hours of community service, but then applicants would have access to Habitat's 0% mortgage loan program. This could make homeownership possible for many of the working families in the MIHU database that don't meet minimum income limit requirements for current MIHU homeownership units. We are excited about the prospects of our new partnership with Habitat.

I had the opportunity to be part of a panel discussion on affordable housing at the Leadership Day entitled, "Where and How We Live," on March 26th. This was the 4th year that I have participated in this program day. This year was unique because I am currently a member of the Leadership Premier Class of 2019 and several of my classmates were on the panel with me. Thanks to Jackie Breeden for planning the panel discussion. Thanks to the other panelists, Paul Revelle (Revellopment, Inc.), Nanette Livadas (HC Housing Commission), Kelly McLaughlin (Bridges to Housing Stability, Inc.), Jason Van Kirk (Elm Street Development) and Craig Wyatt (Williamsburg Homes), for presenting the challenges and opportunities associated with affordable housing in the 3rd wealthiest county in the country. Class members also had the opportunity to visit many affordable housing units and communities throughout the county. We are lucky to have so many advocates for affordable housing in our community.

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, 19 MIHU buyers received SDLP loans, including 8 Workforce Initiative loans, totaling \$376,359, and 40 non-MIHU buyers received SDLP loans, including 20 Workforce Initiative loans, for a total of \$711,853. 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. One application is in process and renovations are underway on two homes. 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. 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. One loan closed and received funding in February. Renovations to the property have begun and should be completed in the next 30-60 days. Two loans were submitted to the State for underwriting in February. We are anticipating loan closings in April.

COMMUNITY PLANNING AND GRANTS DIVISION

AFFORDABILITY GAP CONTINUES

The FFY19 Annual Action Plan, the final year of our 4-year plan, will award funding to projects that address the priorities identified through the County's Needs Hearing and citizen participation process. This process revealed that the County's current needs and priorities remain to be reflective of the broader issues received during the development of Howard County's FFY2016-2019 Consolidated Plan.

Through this application, Howard County is working to preserve the affordable housing stock through housing rehabilitation projects and increasing the availability of affordable permanent housing for persons with disabilities and those facing homelessness. To encourage homeownership, Howard County is providing access to down payment and closing cost assistance for income eligible homebuyers.

To address the complex issues contributing to homelessness in the County, the activities submitted in the plan will provide a network of programs and support services to help prevent homelessness as often and as soon as possible and to coordinate care for homeless individuals and families to help them become self-sufficient.

30-Day Public Comment Period

The 30-Day Public Comment Period ended March 26, 2019, at 11:59 PM.

FFY2019 Annual Action Plan Dates of Interest:

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

April 22, 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

CDBG Program

The Community Planning and Grants Division is in the process of completing environmental review assessments for fifty-one (51) rental housing units owned by the Howard County Housing Commission. Upon completion of satisfactory environmental reviews, FFY18 CDBG funding of \$101,507.52 will be awarded to the Commission to rehabilitate homes occupied by families in the Housing Choice Voucher Program. The funding will be used to upgrade smoke detectors, install carbon monoxide detectors in units heated by natural gas, to repaint exteriors, replace siding and repair/replace roofs as needed. The renovations will address safety issues and preserve affordable housing for families residing in the units.

HOME Program

During the month of March, HOME program funds were used as down payment assistance for two (2) income eligible families with incomes that do not exceed 80 percent of the HUD's Baltimore area median income. During the current fiscal year, FFY2018, the HOME program has assisted a total of six (6) households achieve homeownership. The Department will continue to utilize a portion of its federal allocation to create homeownership opportunities for Howard County residents.

HOME funds have very specific spending requirements and one such requirement is that a fully executed agreement must be in place before the funds are committed in the Integrated Disbursement and Information System (IDIS). All four (4) agreements pertaining to the development of the Hicks Road project were fully executed so HOME funds could be assigned to the project within IDIS. This is also significant as it now allows the developer to make eligible project- specific requests for reimbursements related to the construction of 3 new homes for adults with disabilities.

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 second Request for Proposals (RFP) seeking lenders for the program was released on March 27, 2019. The RFP is posted on the Department's website and interested lenders may contact Linda Phillips at lphillips@howardcountymd.gov.

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. Bridges received \$500,000 of funding on July 1, 2018. By adding matching funds of \$125,000., they were able to purchase and renovate 4 condominium units in Columbia and Ellicott City. One unit is currently undergoing renovations and should be ready for a new family in the next 30-60 days. Bridges helps low wage working households reduce their rent burden and find affordable housing units. As of 12/31/18, the Bridges Alliance is renting 33 units to income eligible households in the county.

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 house manager and 2 tenants are currently occupying the home. The Department is continuing to work with local non-profits 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, March 9, 2019. The next workshop led by Making Change is scheduled for Saturday, April 13, 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

April is the next open enrollment period for the MIHU homeownership program. The Department will hold several information workshops for potential MIHU renters and homebuyers during 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 should begin in May. Interested applicants for future sessions may contact the Housing Opportunities Team for more information at (410) 313-6318.

Attachment: MIHU Report
