



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

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DIRECTOR'S NOTE

Laurel Park Station will be a new, mixed-use, transit-oriented development (TOD) adjacent to Laurel Park. Senator Guy Guzzone and Council Chair Christiana Mercer-Rigby participated in the groundbreaking ceremony on May 3, 2019. Construction on this project with over 1,000 housing units, retail and office space is expected to begin this summer. Ryan Homes has been selected as the builder for the first phase of 220 townhomes, including 34 MIHUs, on the site. An MIHU agreement and declaration of covenants for the first phase was signed last year. We are looking forward to offering affordable for sale units in this new TOD project later this year!

On May 10th, I presented information on housing affordability issues to the Howard County Chamber of Commerce general membership. Chamber President, Leonardo McClarty, served as chair of the Economic Opportunity and Prosperity Task Force last year. He wanted the presentation to focus on the findings of the task force, as well as the County Executive's transition team report, and the lack of affordable housing units for low wage, working households in the county. As many of those in attendance were employers in the county, we discussed how improving housing opportunities could help them recruit or retain employees for their businesses. The department is available to present affordable rental and homeownership program information directly to employees upon request at any business in the county.

A second Request for Proposals (RFP) seeking lenders for the RENEW Howard program was released on March 27, 2019. A pre-proposal conference was held on April 16th. The RFP submission deadline was May 24, 2019. Unfortunately, no proposals were received at that time. The Department is working with a lender that expressed interest in the program and wants to discuss possible program revisions. While the lack of responses is disappointing, the Department will continue to pursue options to implement a program that will assist in the revitalization of the homes in the County's older communities. Stay tuned for updates.

The County Council passed the FY2020 budget on May 29, 2019. Some of the department's programs, such as the Live Where You Work rental subsidy program with the Columbia Downtown Housing Corporation, and continued funding for the Settlement Downpayment Loan Program, were highlighted in the new budget. The 23.6 cent increase in the County's fire tax will affect MIHU pricing and standards beginning on July 1st. The MIHU fee-in-lieu rate will also increase to \$2.65 per square foot at that time. The Housing and Community Development Board will consider the July 1 MIHU pricing and standards for approval at their meeting on June 13, 2019.

On May 3, 2019, the National Association of Counties granted a 2019 Achievement Award to Howard County in the category of Criminal Justice and Public Safety for the Guilford Transition House. County Executive Ball stated, "Howard County will build a reputation as the most innovative and effective government in the region by solving problems of today with ideas of tomorrow. These awards reflect the incredible work being done throughout Howard County." The Guilford Transition House was made possible because of the partnership between the County's Department of Housing, the Department of Corrections and local non-profit, Bridges to Housing Stability. We are honored to receive this recognition.

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, 20 MIHU buyers received SDLP loans, including 8 Workforce Initiative loans, totaling \$386,977, and 48 non-MIHU buyers received SDLP loans, including 24 Workforce Initiative loans, for a total of \$839,695. Requests for funding from this program exceeded estimates for the first 6 months of the fiscal year. While funds remain limited, funding is still 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. 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.

COMMUNITY PLANNING AND GRANTS DIVISION

FFY2019 Annual Action Plan Update

Howard County Entitlement FFY2019 Awarded Amounts:

CDBG: \$1,246,937. HOME: \$422,239. TOTAL: \$1,669,176.

SUBMISSION TO HUD

On May 16, 2019, the Community Planning and Grants submitted Howard County's 2019 Annual Action Plan and the original copy of the SF-424s, SF-424Ds and Certification to HUD. The Division received confirmation from HUD that the submission has been accepted for review. This date begins the 45-day review process for the CDBG and HOME Program funding.

FFY2019 CDBG ACTIVITIES SUBMITTED TO HUD

1. **Roger Carter Recreation Center – \$200,000.00** - Howard County invests annually under an acquisition by long-term lease arrangement for this public facility. The center is a key vehicle for neighborhood revitalization.
2. **Emergency Public Facility - \$24,000.00** – Howard County invests annually under an acquisition by long-term lease arrangement of a public facility. This activity will ensure the safety of Howard County residents struggling with situations of domestic violence.
3. **Rebuilding Together – Homeowner Rehab - \$174,173.30** –CDBG funding will be used to provide free home repairs to income-eligible Howard County residents. The program was developed as a key tool in Howard County's toolbox to preserve affordable housing stock for low income homeowners in the county.
4. **Route One Day Resource Center - \$39,693.19** – Grassroots Crisis Intervention Center will use CDBG funding for leasing and utility expenses associated with the day resource center. The center provides critical social and support services to both sheltered and unsheltered homeless.
5. **Hope Works of Howard County – 34,528.43** –CDBG funding will cover partial salary for the Transitional Housing Victims Advocate and partial utility payments for their transitional house. The program provides housing to HC residents that are made homeless due to sexual and intimate partner violence.
6. **The Community Action Council (CAC) – Housing Stability - \$98,907.30** – CAC will use CDBG funding to provide housing stability services to income-eligible Howard County households. This activity will keep 63 households from becoming homeless over the next program year.
7. **Bridges to Housing Stability – \$249,090.18** –CDBG funds will allow acquisition of one housing unit to rent to persons working in Howard County earning between 30 % - 60% of the County's area median income.
8. **Bridges to Housing Stability – \$48,907.30** –CDBG funds will fund rehabilitation of twelve (12) rental housing units in their Bridges Alliance Program portfolio in FFY19.
9. **Living in Recovery (LIR) – Facilities Improvement - \$24,028.71** – LIR will use CDBG funding for a roof replacement, bathroom renovations, regrade yard, install asphalt, reconfigure basement, and replace floor covering in one their sober living facilities.

10. **Help End Homelessness (HEH) – Facilities Improvement - \$15,000.00** – CDBG funds will be used to replace the failing HVAC system with a more energy efficient unit in one the units that HEH rents to a previously homeless Howard County family.
11. **The Arc of Howard County – Facilities Improvement - \$98,907.30** – The Arc will use CDBG funding for the replacement of the failing roof on the facility that supports many activities and programs for persons with intellectual and developmental disabilities.
12. **Fair Housing Regional AI Coordinator - \$6,400.00** – Howard County, along with Baltimore City, Anne Arundel, Baltimore, and Harford County jurisdictions, will fund a portion of the salary for a Regional AI Coordinator. A regional and jurisdiction-specific Analysis of Impediments to Fair Housing (AI) Report was formally accepted in February 2012. The Regional AI Coordinator works with the contracted consultant to guide the implementation of the regional initiatives to address identified potential impediments to Fair Housing Choice. *This activity is funded out of the 20% Administration cap.*
13. **Howard County Office of Human Rights (OHR) - Fair Housing Activity - \$60,000.00** – OHR will use CDBG funding to conduct match paired testing of market rate units in the County. This activity proposes to address several of the impediments to fair housing that were identified in the 2012 Analysis of Impediments to Fair Housing Choice (AI). *This activity is funded out of the 20% Administrative cap.*
14. **CDBG Admin. - \$184,080.10** – Howard County will use CDBG funds towards the administration of the CDBG program. Activities performed by County staff ensure that all aspects of the program requirements are met as the grant is being administered.

Howard County will use a portion of CDBG Admin funds to hire a consultant for the planning and writing of our FFY2020-FFY2024 Consolidated Plan /FFY2020 Annual Action Plan.

The Consolidated Plan is a strategy document designed to help the County to assess affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the CDBG and HOME Programs.

FFY2019 HOME PROGRAM ACTIVITIES SUBMITTED TO HUD

1. **iHomes CHDO Project - \$200,000.00** – iHomes Inc. will use HOME Program funds to complete the design, develop and build three single family dwelling units to house persons with varying degrees of developmental and physical disabilities. Additionally, the funds will provide gap funding for the acquisition of 3 existing condominium units to provide housing for extremely-low income persons with disabilities. iHomes Inc. is certified as a Community Housing Development Corporation (CHDO).
2. **FFY2019 Future Affordable Housing Project – 90,779.29** – Howard County will allocate HOME Program funds for property acquisition, disposition, and rehabilitation in connection with the development of affordable housing units. This can include, but is not limited to, the provision of rental housing, tenant-based rental assistance or homebuyer activities that will create affordable

housing units and ultimately prevent and reduce instances of homelessness. *This activity will use \$30,764.19 in Program Income as part of the funding.*

3. **Down Payment Assistance – \$120,000.00** - Howard County Department of Housing and Community Development will provide down payment and /or closing cost assistance to eligible homebuyers for the purchase of affordable dwelling units in Howard County. Eligible awardees must meet the HUD program household income limits and attend homebuyer workshops.
4. **HOME Admin - \$42,223.90** – Howard County will use HOME funds towards the administration of the HOME program. Activities performed by County staff ensure that all aspects of the program requirements are met as the grant is being administered.

CDBG AND HOME COMBINED ACTIVITIES

During the month of May, the Grants team held a workshop in collaboration with the Office of Human Rights and the Howard County Housing Commission. The workshop was well attended with fourteen (14) attendees from various non-profits, County agencies and quasi-governmental entities. This was the first of two workshops to be held at the Patuxent Woods Community Resources' campus related to the Analysis of Impediments to Fair Housing Choice. Toward the end of the workshop, attendees provided comments and suggestions related to Fair Housing Choice. As a result, ten (10) potential strategies were identified that could positively impact fair housing choice in the County.

In addition to the focus group meeting, an online survey has been created to gather information from persons within the region. Flyers marked with a QC code and weblink to both the English and Spanish versions of the survey have been mailed to 1,500 households currently on the Housing Choice Voucher waiting list managed by the Housing Commission. The survey has also been placed on the County's webpage and social media platforms.

Progress meetings have begun for the Hicks Road project. The general contractor, Standard Energy Solutions, has entered into an agreement with an engineering firm for the subdivision process. The subdivision process has a timeline of almost one year, which will include a public hearing and several meetings with the County's Department of Planning and Zoning.

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. While no responses to the RFP were received on May 24th, the Department is currently discussing proposed program revisions with an area lender. More information to follow.

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. Bridges helps low wage working households find affordable housing units and reduce their rent burden. As of 5/31/19, the Bridges Alliance program is renting 35 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 refers eligible returning citizens to the property for rent-free transitional housing for up to 24 months. This transitional housing unit fills an unmet need in the community and prevents potential homelessness for its residents. 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 County youths aging out of foster care.

OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was held on Saturday, May 11, 2019. The next workshop led by Making Change is scheduled for Saturday, June 1, 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

July 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.

Attachment: MIHU Report
