



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

March 2020



CONTENTS

Director's Note	2
Community Renewal Housing Initiatives	3
Grant Program Initiatives	4
Education and Outreach	7

DIRECTOR'S NOTE

There is a saying about the month of March. If it comes in like a lamb, it will go out like a lion. This certainly proved to be true for March 2020. In early March, news of the Coronavirus spreading throughout the United States and the magnitude of the impending health crisis required national, state and local government agencies to mobilize their Offices of Emergency Management. Governor Hogan issued an Executive Order declaring a State of Emergency for Maryland on March 5th. On March 15th, County Executive Ball issued a similar Executive Order declaring a State of Emergency in Howard County. Beginning March 16th, all County departments were instructed to allow as many employees as possible to work from home and ask only essential employees to report to the office as needed. County offices were closed to the public and departments instituted their Continuity of Operations Plans to provide essential government services remotely.

Prior to the Executive Orders, staff met with the County Executive on March 9th to review the department's FY21 operating budget request. The first public hearings on the FY21 operating budget are currently scheduled for Wednesday, May 6th. This schedule is subject to change based on the evolving pandemic situation. More information can be found on the County Council's webpage.

On March 12th, the Office of Purchasing and the Evaluation Committee conducted interviews for the short-listed credit counseling service candidates that responded to RFP 08-2020. The Evaluation Committee prepared and submitted an award recommendation to Purchasing on March 16th. The debarment check was completed and Purchasing notified the selected consultant of the award. While the homebuyer education workshops are currently cancelled, the Department would like to have the selected consultant under contract and ready to provide credit counseling services once the Executive Order is lifted.

On March 18th, the County's Office of Emergency Management began regular calls with County Administration and Department heads. These calls are an opportunity to share information between departments, coordinate responses and provide resources to address the needs in the community. On March 30th, the Governor issued a stay-at-home order for all residents that are not considered essential employees and reiterated the order for all non-essential businesses to close. About half of the department staff are teleworking full time. The other half are splitting their time between the office and teleworking. While County offices are closed to the public, we are continuing to work every day to provide housing resources and services to County residents. All staff are available by phone and email. For current information related to COVID-19 and the County's response, visit <https://www.howardcountymd.gov/Departments/COVID-19-Coronavirus-Countywide-Updates>.

Kelly Cimino, Director

COMMUNITY RENEWAL HOUSING INITIATIVES

MODERATE INCOME HOUSING UNIT PROGRAM

Please see the attached MIHU Report.

SETTLEMENT DOWNPAYMENT LOAN PROGRAM

The Settlement Downpayment Loan Program is used to assist potential homebuyers with the purchase of a home. The program is critical to the success of the MIHU program and helps increase the rate of homeownership in the County. Homebuyers must be income-eligible and demonstrate a need for downpayment and closing cost assistance. Potential homebuyers must attend a HUD-approved homebuyer pre-purchase workshop prior to closing.

For FY20 so far, 15 MIHU buyers received SDLP loans, including 8 Workforce Initiative loans, totaling \$324,607 and 25 non-MIHU buyers received SDLP loans, including 12 Workforce Initiative loans, for a total of \$403,542.

While the office is closed to the public, there are still funds available for SDLP loans. Mortgage lenders must email the Program Coordinator prior to sending an SDLP package for underwriting. The Department is accepting emailed SDLP packages and will process them as they are received. Lenders must allow the full 9 days from the date of receipt to provide adequate time for underwriting and funding. Online homebuyer education certificates from HUD-approved counseling agencies are acceptable to meet the SDLP homebuyer education certification requirement.

HOUSING REPAIR LOAN PROGRAMS

The Reinvest*Renovate*Restore Housing Repair Loan Program can help income eligible homeowners make repairs to enhance safety, accessibility and livability in their homes. The Department also processes applications for the State's Housing Repair Loan Programs. Applicants who are ineligible based on income or credit for either program are referred to Rebuilding Together for assistance.

HOUSING OPPORTUNITIES MASTER PLAN

The 3 workgroups of the Housing Opportunities Master Plan Task Force met as scheduled on March 17th, 18th and 23rd. Thanks to RCLCO, JMT and PRR, the meetings were conducted virtually through ZOOM conferencing. Each workgroup session was well attended, and participants provided good feedback to the consultant team. RCLCO provided preliminary data for the workgroups to consider and JMT/PRR facilitated goal setting with each workgroup. While the Department and the Consultant are working to keep the master plan moving forward under these challenging circumstances, we are discussing the possibility of an extension to the timeline to allow for face-to-face community engagement sessions and pop up events. The task force is also requesting more time to meet as workgroups and as a full task force. The Department will continue weekly update calls with RCLCO. Progress updates and materials are available at www.howardcountymd.gov/housingtaskforce.

GRANT PROGRAM INITIATIVES

FFY2020 – FFY2024 CONSOLIDATED PLAN (CON PLAN) and FFY2020 ANNUAL ACTION PLAN (AAP)

BACKGROUND:

Howard County, MD receives annual allocations of Community Development Block Grant (CDBG) and the HOME Investment Partnership (HOME) Program funding from the U.S. Housing and Urban Development (HUD). These funds are used for community development and affordable housing programs and activities to benefit low- and moderate income residents earning between 0-80% area median income (AMI). A key feature of these grants is that a grantee has the flexibility to choose how the funds will be used to serve at-risk populations based on the needs in the community. HUD requires Howard County to develop a 5-Year Consolidated Plan to determine the most pressing needs and develop an effective, place-based and market-driven strategy to address those needs.

TOP NEED IDENTIFIED – HOUSING AFFORDABILITY

The most common housing need in Howard County is housing affordability. According to the 2011-2015 American Community Survey, 44.8% all renter households were cost overburdened by 30% or more, 23.9% of owner households with a mortgage were cost overburdened by 30% or more, and 10.1% of owner households without a mortgage were cost overburdened by 30% or more.

Additional housing problems that were discussed in consultation with residents included a need for housing rehabilitation assistance, handicap accessible housing, and senior housing.

Housing Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30 - 50% AMI	>50 – 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50 – 80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,654	1,445	1,510	4,609	418	910	1,165	2,493
Large Related	405	267	195	867	120	193	353	666
Elderly	915	624	334	1,873	1,104	1,015	859	2,978
Other	775	850	750	2,375	210	233	510	953
Total need by income	3,749	3,186	2,789	9,724	1,852	2,351	2,887	7,090

Data Source: 2011 – 2015 CHAS

Housing Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30 - 50% AMI	>50 - 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50 - 80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,590	840	150	2580	410	685	605	1,700
Large Related	375	158	0	533	105	133	144	382
Elderly	735	389	94	1,218	930	558	349	1,837
Other	710	670	230	1,610	180	173	285	638
Total need by income	3,410	2,057	474	5,941	1,625	1,549	1,383	4,557

Data Source: 2011 – 2015 CHAS

CONCERN

Some housing characteristics that are linked with instability and increased risk of homelessness include single earner households with children and persons with a disability who are unable to obtain sustainable employment. Unexpected crises such as loss of income, loss of a second income earner to the household, and/or a medical or transportation emergency cost can contribute to destabilization of low- and moderate-income households. Many of these residents experience extreme rent burdens in Howard County and could face homelessness with a first-time crisis or loss of income.

POPULATIONS/HOUSEHOLDS MOST AFFECTED

Based on an analysis of information provided by the U.S. Census data: lower income renter and owner households; elderly persons; single person households; large families; victims of domestic violence, dating violence, sexual assault and stalking; and persons with disabilities were more affected by these housing problems.

NON-HOMELESS SPECIAL NEEDS POPULATIONS:

- Elderly Persons (65 years and older)
- Persons with mental, physical, and/or developmental disabilities
- Persons with Alcohol or Drug Addiction
- Persons with HIV/AIDS and their families
- Victims of domestic violence, dating violence, sexual assault, and stalking
- Homeless and Unaccompanied Youth

These special needs populations typically require a significant level of supportive services to maintain housing.

FACTORS IMPACTING AFFORDABILITY

The need for accessible, decent, safe, and sanitary housing exceeds the supply of housing especially for cost-burdened and low-income (6,039 households), very low-income (5,265 households), and extremely low-income (4,330 households) households in the County.

There is a need for lower cost rental and owner-occupied housing in the County, as well as accessible housing. The County's owner-occupied housing units exceed renter occupied units by a factor of 3 to 1. This places an additional housing affordability demand on the County's existing housing stock. Housing affordability is the primary barrier to households finding accessible, decent, safe, and sanitary housing.

Top Common Needs Identified

- Need for affordable housing
- Need for employment opportunities that pay a living wage
- Need for access to transportation
- Need for individualized supportive services and housing programs
- Need for comprehensive service referral network

30-Day Public Comment Period

The Draft CON PLAN and AAP was completed on February 21, 2020. The 30-Day Public Comment Period ended March 25, 2020 at 11:59 PM.

Two remaining Public Hearings will be held in April before the final plans are submitted to HUD on May 17, 2020.

Effective March 18, 2020, in response to the COVID-19 pandemic, Howard County non-emergency County offices and facilities, including the County Council office, were closed to the public until further notice. Government operations, including those of the County Council, are continuing remotely. To provide comments or concerns for the remaining two hearings, please use the email information below:

Thursday, April 09, 2020 – 6:00 PM - Housing and Community Development Board Meeting / Provide comments: housing@howardcountymd.gov

Monday, April 20, 2020 – 7:00 PM County Council Telework Session / Provide comments: councilmail@howardcountymd.gov

CDBG and HOME Program Combined

During the month of March, HOME program funds were used as down payment assistance for an income-eligible household. This was the fifth and final household to be assisted during this program year with these funds. These are households with incomes that do not exceed 80 percent of the HUD Baltimore's area median income, which is lower than the median income of Howard County. Of the households assisted, home prices ranged from as low as \$212,000 to \$348,000, with an average household size of 4 persons. The average assistance provided to each household was \$24,000. The maximum allowed is \$40,000.

The HOME Specialist has been working on drafting the grant agreements for the upcoming program year. The documents are being reviewed by the Office of Law staff for legal sufficiency.

EDUCATION AND OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was cancelled. The workshop previously scheduled for April 4th is also cancelled. Potential homebuyers are required to receive a homebuyer education certificate from a HUD-approved counseling agency to purchase an MIHU home and/or qualify for SDLP funding. Homebuyers with a signed contract of sale should contact their mortgage lender for a referral to an online homebuyer education class to receive their certification prior to closing.

Homebuyer education workshops sponsored by the Department will resume once the County Executive lifts the Executive Order. The 2020 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

The MIHU for sale pricing and rents changed on January 1, 2020. The next open enrollment period for the MIHU homeownership program will be in April. Staff is preparing now to provide additional MIHU program information on the website. The MIHU homeownership program application will be posted on the Department's website from April 1 – April 30. The Department can only accept applications online or by mail during this period. Applicants are not permitted to drop off applications at the office. Applications for MIHU rental units are available throughout the year. Visit our website for pricing, standards or more information at www.howardcountymd.gov/departments/housing.
