



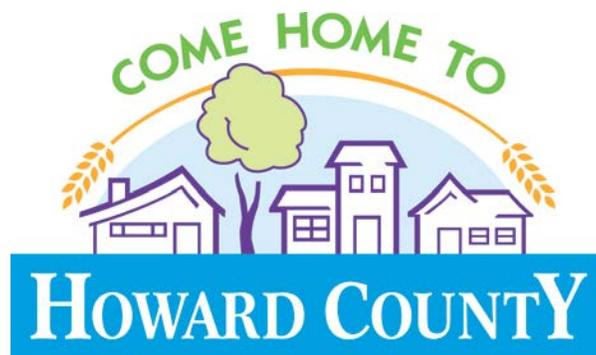
HOWARD COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT  
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# Director's Report

November 2018



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## **DIRECTOR'S NOTE**

The Columbia Downtown Housing Corporation (CDHC) is committed to ensuring that affordable housing is incorporated into the redevelopment of Downtown Columbia. The Live-Where-You-Work (LWYW) program is a critical component of the affordable housing legislation. The Department attends monthly meetings with CDHC to discuss the progress of affordable housing projects as well as the LWYW program. The LWYW program is a residential rental program that will provide incentives for eligible employees to live in Downtown Columbia. These incentives will accommodate those interested in renting within the Downtown Columbia footprint and who also work for local employers who have agreed to participate in the Program. LWYW rents will make downtown units affordable to households earning up to 60% of the Howard County area median income. The Department is working with CDHC on forms and processes that resemble the MIHU rental program that can be used for administration of the LWYW program. The Department will provide administrative support for the program. Discussions with a few downtown employers are underway and an announcement regarding the program launch is expected in the Spring 2019.

On Tuesday, November 27<sup>th</sup>, the Department hosted a rental property manager's training session. Property managers and leasing staff representing eight (8) of the fifteen (15) MIHU rental communities, as well as the new asset manager for the Housing Commission, attended the training. Staff reviewed the MIHU rental process from the recording of the MIHU Agreement and Declaration of Covenants on the property through the monitoring and compliance process with attendees. Because of previous feedback from the property managers, the MIHU rental application was revised and new forms were created to help ensure compliance in all communities. Turnover in leasing offices tends to be frequent so we are planning to present these trainings on an annual basis.

The Department of Planning and Zoning launched the Rt. 1 Corridor Master Plan with a series of stakeholder meetings, a business roundtable, and open houses in 2018. Howard County's new Rt. 1 Corridor Master Plan will activate transportation, infrastructure, land use and economic development implementation strategies to improve vibrancy and livability throughout the Rt. 1 Corridor. On, Thursday, November 29<sup>th</sup>, I met with the master plan consultant, RKG Associates, to provide input as they develop their conceptual development/design scenarios and implementation tools for the Rt. 1 Corridor. I appreciated the opportunity to discuss housing data and affordability, as well as concerns regarding future development, with the consultant and DPZ.

November 6<sup>th</sup> marked a change in leadership for Howard County. Congratulations to the new County Executive, Calvin Ball, and the new County Council members, Liz Walsh, Opel Jones, Christiana Mercer Rigby, Deb Jung and David Yungmann! We are looking forward to working with you to continue to make Howard County "a great place to come home to"!

*Kelly Cimino, Director*

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## **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 35 non-MIHU buyers received SDLP loans, including 18 Workforce Initiative loans, for a total of \$613,453. The Department will continue to fund MIHU buyer loans through the end of the fiscal year in June 2019. Funding for non-MIHU buyer loans is likely to run out at the end of December. An announcement regarding availability of funds will be made in January.

### **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. Two (2) new applications were received in November. Any applicants who are denied due to income or credit are referred to Rebuilding Together and/or the Maryland Whole Home Program. Currently there are six (6) applications in process for loan consideration. The construction work from the September loan closing is nearing completion and the last draw will be requested in December. Another loan is scheduled to close in early December.

### **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 announced the availability of new funding on July 1<sup>st</sup>. There are four (4) applications currently in underwriting with the State. 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.

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## **COMMUNITY PLANNING AND GRANTS DIVISION**

The Community Planning and Grants Division will officially kick off its planning for Howard County's FFY19 Annual Action Plan, the upcoming application to HUD, with a Public Needs Hearing on December 6, 2018. This session will be an opportunity for human service agencies and advocates to inform the County concerning client needs and document the broad spectrum of needs encountered by service providers in the continuum serving vulnerable, at-risk sub-populations in the County. Registration is underway and the grants team expects a good turnout.

The attendees will be given an opportunity to brief department staff about their agency initiatives and client related needs for the populations they serve. The intended goal of the hearing is to begin to identify whether there are on-going, persistent needs since the last series of public needs hearings were conducted for the County's FFY18 Annual Action Plan or if there are new needs that have been identified over this past year. Participants will be asked to complete a survey at the needs hearing as a follow up to the discussion.

### **Annual Action Plan Survey**

The Department's staff has again created an online survey to acquire additional feedback from human service and housing providers, as well as advocates serving clients in Howard County, as part of the planning phase for the County's FFY2019 Annual Action Plan. Anyone interested in taking the survey can access the online link on the Department of Housing and Community Development's Community Planning and Grants division web page. The survey will be accessible until February 4, 2019.

### **FFY2019 Annual Action Plan Dates of Interest:**

#### **January 10, 2019** – *Public Needs Hearing # 2*

Application workshop – Request for Proposals announced and application posted to the department's website

#### **February 4, 2019** – *Deadline for Submission of FFY2019 CDBG & HOME Program Applications*

#### **February 25, 2019** – *30-Day Public Comment Period begins- continues through March 26<sup>th</sup>*

#### **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 15, 2019** (*tentative*) – *Public Hearing # 5* – at County Council Hearing

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

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

### **HOME Program**

In the current program year, \$160,000 of HOME funds can be used to help up to four (4) income-eligible families purchase their first home. Each household could receive up to \$40,000 in assistance. Two (2) income eligible households were awarded HOME program funds to be used for settlement and down payment assistance this month. The Department is pleased that these families will be *home* for the holidays!

### **Affirmative Marketing Training**

The Grants team will host affirmative marketing training in early January. This training will serve to not only educate and update the County's staff on affirmative marketing, it will be an opportunity to provide technical assistance to the County's non-profit partners and landlords that lease Moderate Income Housing Units (MIHU) and those involved in the Bridges' Connections program. Any non-profits that apply for CDBG and HOME program funds will be required to submit a substantial affirmative marketing plan as part of their funding request. This training will also assist County staff in completing and addressing any potential deficiencies in the Consolidated Annual Performance and Evaluation Report (CAPER) for HUD. The training will be a half day with class instruction and materials provided by International Development and Planning, LLC. The firm has worked extensively with government organizations and has over 50 years of experience in training, planning and project management. Attendees will be given first hand instruction in using various data sources, identifying protected classes for special marketing outreach and consideration, marketing resources and media outlets and so much more. The department is very excited to host this event in 2019.

## **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 from eligible mortgage lending institutions ("Lenders") to participate in a neighborhood revitalization loan program, Revitalizing Neighborhoods EveryWhere in Howard County "RENEW Howard" (referred to as the "Program") whereby Lenders will be incentivized to make low-interest loans to homebuyers to acquire and improve aging homes in Howard County, Maryland. The purpose of the Program is to encourage new investment in and revitalization of neighborhoods throughout the County.

To incentivize Lenders, Howard County, Maryland (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 pre-application conference to discuss and answer questions related to the Program was held on Thursday, September 13, 2018. Representatives from M&T Bank, Old Line Bank and The Columbia Bank attended. 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. Department staff met with the Program Administrator on November 27<sup>th</sup> to discuss potential changes to the RFP to entice banks to participate. An amendment to the RFP will be released in early 2019.

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## **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. We expect the Bridges Alliance to acquire at least 4 units with FY19 funding. Two units were purchased in September.

## **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. Documents were signed in November to provide HILP (Housing Initiative Loan Program) funds to Bridges to cover the operating expenses for this transitional housing unit from 2019-2022. 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.

## **OUTREACH**

### **HOMEBUYER EDUCATION WORKSHOP**

This month's Homebuyer Education Workshop was held on Saturday, November 10, 2018. The next workshop led by Making Change is scheduled for Saturday, December 8, 2018, from 9:00 a.m. – 3:00 p.m. at the George Howard building. Pre-registration is required. The Department's website provides ongoing workshop dates through 2018 and FAQs. The 2019 workshop calendar will be posted in December. Prospective homebuyers can register to attend a workshop by sending an email to [homebuyerclass@howardcountymd.gov](mailto:homebuyerclass@howardcountymd.gov).

### **MIHU WORKSHOP**

October was an open enrollment period for the MIHU homeownership program. The Department held informational workshops for potential MIHU renters and homebuyers during that time. The next open enrollment period will be in January. Applications for MIHU rental units are available throughout the year. Visit our website for more information at [www.howardcountymd.gov/housing](http://www.howardcountymd.gov/housing).

Attachment: MIHU Report

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