



Howard County

HOUSING



Director's Report

April 2016

Department of Housing and Community Development
Howard County Housing Commission

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DIRECTOR'S NOTE

On April 4, the County Council voted unanimously to enable the separation of the Howard County Housing Commission and Department of Housing and Community Development. The separation will allow the Commission to (a) attract and retain the best workers for its specialized business, (b) avoid ethical and legal conflicts that arise when the County and Commission are both parties to a transaction, and (c) allay confusion and public misperception about the role and function of the Commission vis-à-vis the County. With separate staff, the Commission can be more efficient, flexible, and nimble in pursuing its mission.

After much discussion, the Administration and Council decided not to merge the remaining housing programs into the Department of Citizen Services. Those programs, administered by the Divisions of Housing Opportunities (e.g., MIHU, SDLP) and Grants Management (e.g., CDBG, HOME), will remain in the Department of Housing and Community Development. This structure will ensure that County housing programs are easily accessible to County residents and that housing policy remains a clear County government priority.

The retained Department will continue to manage all the current County housing programs as it does now. A new Director of Housing position will be filled and it is anticipated that a few new staff will be added to support fiscal and administrative expertise/functions that will be lost with the shift of approximately 26 employees to the Commission. The re-organization will take effect July 1.

We are looking forward to this exciting transition. I fully anticipate that the respective staffs of the Commission and Department will continue to coordinate and collaborate to make quality affordable housing opportunities available to those who live and want to live in Howard County. Together, as a team, we will continue to strive to make Howard County a great place to come home to, for everyone.

Thomas P. Carbo
Director/Executive Director

PROJECT DEVELOPMENT & ASSET MANAGEMENT

BURGESS MILL STATION

On August 5, 2015, the Commission issued its tax-exempt general obligation bonds to finance Phase Two of the Burgess Mill Station development, which consist of the redevelopment of the 60-unit Ellicott Terrace Apartments into a new 60-unit, mixed-income community. All 17 households that were remaining on the property have been relocated. Demolition/construction is expected to commence in the summer of 2016.

SUPPORTIVE HOUSING/DAY RESOURCE CENTER

On May 2, 2013, the County announced plans for a supportive housing facility (SEA) and a non-residential Day Resource Center (DRC) to be located on Guilford Road near the intersection of Route 1 and Route 32. The project will be constructed and managed through a partnership with Volunteers of America Chesapeake (VOAC), a leading provider of housing and services for the homeless. The DRC will replace the existing facility located in close proximity to the new site and offer 35 efficiency apartments to fill a sorely-needed gap in the County's housing stock. Howard County acquired eight acres for the project for \$3.25 million in July 2013.

Ownership of the 3-acre portion of the site that will house the SEA/DRC will be transferred by the County to the Housing Commission. VOAC will develop, build and provide case management services at the facility. To date, the County has received approval of a State bond bill that will provide \$250,000 toward the cost of the DRC. This amount will be matched by County funds. The Department will also allocate \$225,000 in CDBG funds towards the SEA/DRC development costs. In July 2014, the Commission issued \$4.25 million in bonds to help fund the DRC portion of the facility. Recently, the project was awarded a \$500,000 grant from the Federal Home Loan Bank Board. VOAC has submitted an application to the Maryland Department of Housing and Community Development (DHCD) for Partnership Rental Housing Program and Transitional Housing Program funds.

Following review of project plans by the County's Design Advisory Panel, in June 2014, the Environmental Concept Plan was approved. The Site Development Plan has been approved as technically complete by the County. Subdivision plats are also in process.

The Salvation Army, owner of an adjacent parcel, executed a land exchange agreement for 0.61 acres, allowing the County to gain access to the remaining 5-acre portion of the property, once the subdivision process is complete.

The Commission issued an RFP to award 35 project-based vouchers for the creation of a supportive housing facility to serve formerly chronically homeless persons. The Commission received a response from VOAC, which proposed to utilize the PBVs for the SEA portion of the project. On November 18, 2014, the Board of Commissioners authorized the development of SEA/DRC project and approved VOAC as the contractor for the administration of the project-based vouchers.

In January, during a community meeting held at Carroll Baldwin Hall in Savage, amid community concerns regarding the project, County Executive Allan H. Kittleman expressed his support for the proposed SEA/DRC for the homeless in Jessup. According to press secretary Andy Barth, the County Executive said building the center was "the right thing to do."

In February, the County Council approved the transfer of the 3-acre parcel from the County to the Commission (CR124-2014). The Planning Board approved the project's site development plan at its May 7, 2015 meeting.

CDA's Housing Finance Review Committee has approved both \$4.65M requests for a combination of Partnership and Transitional funds. This project was presented and approved by the Board of Public Works on August 26.

In December, staff and VOA met with Howard County review planners to discuss the project. Based on their recommendations, our plans were revised and resubmitted for pending approval. It is anticipated that closing will occur in April 2016.

RIVERWATCH

The Commission received a donation of land in Elkridge as part of an MIHU alternative compliance. It has ground leased the parcel to a partnership created by Kirby Development, of which the Commission is a member. The partnership will develop the land into an 84-unit mixed-income community. Project financing closed on October 21, 2015 and is currently under construction. Completion is anticipated by October 2016.

ACQUISITION/REHAB PROGRAM

The Department's FY15 budget includes funds for the acquisition and rehabilitation of existing scattered site properties. The Commission has entered into a Master Lease Agreement with Bridges to Housing Stability, Inc., a local non-profit housing agency, to use some of these funds to provide much-needed permanent supportive housing for the community.

The Commission has purchased, renovated, and leased eight condos to Bridges for this program. These units have been turned over to Bridges for rental to households earning up to 60% of Howard County area median income. Renovations on two recently acquired units are almost complete so the units can be turned over to Bridges for new tenants once the rental licenses are issued. Another unit in Columbia is under contract for closing in April. The line of credit with Howard Bank is financing the new acquisitions.

HOUSING OPPORTUNITIES

MODERATE INCOME HOUSING UNIT PROGRAM

Please see the attached MIHU Report.

SETTLEMENT DOWNPAYMENT LOAN PROGRAM

The Department's FY 2016 budget includes funding for the Settlement Downpayment Loan Program for both MIHU buyers and the public at large. In FY 2016, 19 MIHU buyers have received SDLP loans for a total of \$419,802. These low-interest, deferred payment loans are important to the success of the MIHU homeownership program.

Beginning in July 2015, the Department also made \$400,000 available through its Settlement/Downpayment Loan Program to help working families to buy non-MIHU homes in Howard

County. The Department will use the funds to make deferred second mortgage loans that can be used to pay for the settlement costs and down payments needed for home purchases. For FY16, 12 non-MIHU buyers have received loans to assist with closing costs under the Homestarter and Workforce SDLP programs. In recent years, funds in the program were only available to households purchasing properties through the County's Moderate Income Housing Unit (MIHU) program.

Funds are available now and offered on a first-come, first-serve basis. As of April 1, the available balance for new non-MIHU purchasers is \$233,254. A Lender training will be scheduled soon and area lenders will be invited to learn more about the program. Interested homebuyers should contact a participating first mortgage lender to begin the application process. The Department's website has been updated to provide current information about the program.

NEIGHBORHOOD STABILIZATION PROGRAM

The \$750,000 program is focused on purchasing foreclosures in zip codes 21045 (East Columbia) and 20723 (North Laurel) to help stabilize those areas. All four of the homes purchased with the grant funds have been renovated and resold. Program income from the sale of the previous homes was used to purchase a fifth property last year. Rehab of the home is complete and the Commission is making plans to sell this home to an income-eligible family this spring.

MARYLAND HOUSING REHABILITATION PROGRAM

The Maryland Housing Rehabilitation Program (MHRP) can be used to assist eligible homeowners in securing low interest loans 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. Applications are available by phone, mail and online. Homeowners must be current on their mortgage, insurance and property tax payments to be eligible for the program. As of April 1, the Department is processing three (3) MHRP applications.

COMMUNITY PLANNING AND GRANTS MANAGEMENT

FFY2016-FFY20 CONSOLIDATED PLAN (5YR PLAN)/WITH FFY16 ACTION PLAN

Urban Design Ventures (UDV), the Department's consultant for the planning and writing of the 5-Year Consolidated Plan, submitted the *draft* version of the FFY2016-FFY2020 Consolidated Plan/FFY2016 Annual Action Plan to Howard County on March 21, 2016 for review. The 30-Day Public Comment Period for the *draft* phase of 5-Year Consolidated Plan began March 31, 2016 and will run through April 29, 2016.

Top Need Identified – Housing Affordability:

The most common housing problem in Howard County is housing affordability. It is the primary barrier to households finding accessible, decent, safe, and sanitary housing.

- 46.8% of all renter households are cost overburdened by 30% or more
- 30.5% of homeowner households with a mortgage are cost overburdened by 30% or more
- 11.8% of homeowner household without a mortgage are cost overburdened by 30% or more

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

FFY2016 CDBG activities being submitted to HUD:

The primary objective of the CDBG Program is for the development of viable urban communities. The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. The following activities are being proposed for funding next year:

1. Roger Carter Recreation Center – \$200,000.00 - Howard County invests annually under an acquisition by long-term lease arraignment 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 arraignment of a public facility. This activity will ensure the safety of Howard County residents struggling with situations of domestic violence.
3. Help End Homelessness Howard County (HEH) - \$100,000.00 – Affordable Homes for the Homeless – HEH will use CDBG for acquisition and rehab of a single family unit which will house a homeless Howard County family.
4. Affordable Housing Initiative - \$211,192.47 – Howard County will allocate funds at a future date to provide funding for CDBG eligible, i.e. acquisition, rehabilitation, disposition, activities related to development of affordable housing.
5. Rebuilding Together – Homeowner Rehab - \$150,000.00 – Rebuilding Together will use CDBG funding to provide free home repairs to income-eligible Howard County residents
6. Route One Day Resource Center - \$47,000 – Grassroots Crisis Intervention Center will use CDBG funding for leasing and utility expenses associated with the day center. The center provides critical social and support services to both shelter and unsheltered homeless.
7. Making Change - \$15,000.00 – Making Change will use CDBG funding to provide financial education seminars and financial coaching for income-eligible applicants to Howard County's MIHU Program
8. Hope Works of Howard County – 23,621.13 – Hope Works will use CDBG funding to provide partial salary for the Transitional Housing Victims Advocate and partial utility payment for their transitional house.
9. The Community Action Council (CAC) – Housing Stability - \$71,000.00 – CAC will use CDBG funding to provide housing stability services to income-eligible Howard County residents.
10. Bridges to Housing Stability - Fair Housing Services Activity - \$100,000.00 – Bridges to Housing Stability will use CDBG funding for a fair housing initiative through education and outreach that is aimed at engaging private landlords to rent to income-eligible Howard County households with high housing barriers. This activity is funded out of the 20% administration cap.

11. CDBG Admin. - \$106,953.40 – Howard County will use CDBG funds towards the administration of the CDBG program.

FFY2016 HOME program activities being submitted to HUD:

The HOME Program provides funding that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is designed exclusively to create affordable housing for income-eligible households. The following activities are being submitted for funding net year:

1. CHDO Reserve - \$49,875.60 – Howard County will award a certified Community Housing Development Organization (CHDO) the CDDO reserve allocation of FFY2016's award. These funds can be used for the acquisition, rehabilitation or development of at least one affordable housing unit for an income-eligible Howard County household.
2. Homebuyer Assistance Program – Settlement and Down Payment Assistance - \$149,378.00 – Howard County will use HOME funding to issue deferred loans or grants to income-eligible first-time homebuyer for settlement and down payment assistance.
3. Living in Recovery Project - \$100,000.00 – Living in Recovery will use HOME funds to acquire one property in Howard County that will house up to 8 individuals in a group home setting providing decent, safe affordable housing drug and alcohol free with peer support and personal accountability.
4. HOME Admin - \$33,250.40 – Howard County will use HOME funds toward the administration of the HOME Program.

Two remaining Public Hearings will be held during the 30-Day Public Comment Period:

- April 14th – Public Hearing # 2 – Howard County Housing Board Meeting
- April 18th – Public Hearing # 3 – County Council Hearing

The *draft* version of the FFY2016-FFY2020 Consolidated Plan/FFY2016 Annual Action Plan can be accessed on Howard County Housing and Community Development's Community Planning and Grants Management division's webpage at <https://www.howardcountymd.gov/Departments/Housing/Community-Planning-and-Grants-Management>.

RENTAL ASSISTANCE

WAITING LIST

On July 1, 2012, the waiting list for the Housing Choice Voucher program was officially closed. Closing the list prevents false hope among families that assistance will be available in the near future. As a reminder, the program will remain open for emergency preferences in accordance with the Administrative Plan. There has been little change in the waiting list numbers over the past year. Staff is recommending that the waiting list remain closed as there are still over 5,000 families waiting for assistance.

HOUSING CHOICE VOUCHER PROGRAM

The 2016 Funding Notice was recently received from HUD. Funding for 2016 remained constant at \$10,034,665. The Commission was funded at \$10,171,699 in 2015. The average Housing Assistance Payment for voucher units in 2015 was \$1,114.59 per unit month.

The public hearing for the Commission's Annual Plan for HUD programs is scheduled for 4:30 p.m. on April 18, at the Housing Choice Voucher office located at 5575 Sterrett Place, Suite 360, in Columbia, Maryland. The Annual Plan is the document that outlines policies and procedures for administration of federal housing programs and examines local resources available to low-income and moderate-income families. This document also serves as a plan of action for the Commission to address local housing needs. The Commission will review the plan at its March meeting and will take final action on the plan in April. In conjunction with the approval of the Annual Plan, the Commission will also be taking action on some proposed changes to the Housing Choice Voucher Administrative Plan.

HOPWA (HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS)

The Commission is currently spending FY2014 funding in the amount of \$228,337.00. The Commission has been awarded funding in the amount of \$233,886 for FY 2015. The Commission has three calendar years from the contract effective date to expend HOPWA funding. Referrals for HIV positive families come from the Howard County Health Department. The Health Department has referred nine (9) for eligibility interviews thus far in 2016. Two families are pending eligibility screening, six (6) families were found to be ineligible and one family declined the voucher. Reasons for ineligibility included citizenship status, criminal background, residency status, and failure to complete the process.

HOUSING STABILITY SUBSIDY PROGRAM (HSSP)

The Housing Stability Subsidy Program (HSSP) is a component of the Coordinated System of Homeless Services (CSHS) and provides a housing subsidy for residents that have exhausted all the services of local homeless prevention, housing stability, rapid re-housing and/or shelter programs available in Howard County and continue to be unable to secure affordable, stable housing due to extreme and often multiple barriers to conventional, permanent housing. To date, 16 rental subsidies have been provided to eligible Howard County households. There are currently two vacant slots in the HSSP Program due to two recent terminations. One family was recently issued a voucher by Anne Arundel County, and the other family is being terminated from the program for violation of program obligations. Two families have been identified and determined eligible to fill the vacant slots. One family moved into a unit last month and the other family's unit is pending inspection.

AUDIT & SEMAP (SECTION 8 MANAGEMENT & ASSESSMENT PROGRAM) CERTIFICATION

The Housing Choice Voucher team has submitted all of the required documentation for the annual audit. The audit is complete and there were no findings or corrective action required. Part of the audit process involves drafting the HUD SEMAP Certification which rates housing authority performance during the fiscal year. The Howard County Housing Commission was rated as a high performer during the most recent rating period.

PUBLIC HOUSING RAD CONVERSION

Howard County's 50 Public Housing units have been converted to Rental Assistance Demonstration (RAD) Project-Based Vouchers effective December 1, 2015. The RAD program allows Housing

Authorities across the county to upgrade their Public Housing stock by transferring ownership to the Housing Authority, which subsequently allows the Authority to obtain private loans to finance property upgrades. The completion of the RAD Conversion culminates 18 months of extensive preparation by Housing staff under the leadership of Samit Paul, who served as the Project Manager. All 50 RAD units are currently undergoing renovation.

OUTREACH

10TH ANNUAL “COME HOME TO HOWARD COUNTY HOUSING FAIR”

The 10th annual “Come Home to Howard County” Housing Fair was held on Saturday, April 9, 2016, from 10 a.m. to 3 p.m., at a new venue - Howard High School. More than 1,200 people pre-registered for the event seeking to connect with the 57 exhibitors, attend the 30 educational workshops, and participate in the rental and for-sale property bus tours of six developments. Persons attending the Fair participated in prize drawings, and games and activities for their children. This year's event provided attendees a chance to speak with experts from more than a dozen real estate agents, four banking institutions, six mortgage lenders, six apartment communities, and more than 11 County and State housing agencies.

This year's educational session offered vital information on the process of buying a home, improving credit, available loan programs, the advantages of having a pre-approved loan, and opportunities to pay for home repairs, among other topics. Guidewell Financial Solutions, formerly known as CCCS, offered individualized credit score review and credit counseling. Finally, the day's events culminated into the drawing for the grand prize -- a chance to purchase a townhome in Howard County at below-market prices. This year's Lottery House is located in the Village Towns community of Elkridge.

Staff members worked hard for the wonderful turnout of area residents and persons interested in learning more about the opportunities of living in Howard County.

HOMEOWNERSHIP WORKSHOP

This month's Homebuyer Education Workshop is scheduled for Monday, April 18, 2016, from 6-9 p.m., at the Columbia Gateway building. Pre-registration is required. The Department's website provides ongoing workshop dates through 2016 and FAQs.

MIHU WORKSHOP

April is an open enrollment month. An MIHU information session is scheduled for Monday, April 12th at the Columbia Gateway building from 6:00 – 8:00 pm. Staff is available to partner with builders and non-profits to present MIHU workshops throughout the year. Interested partners or applicants should visit our website or call 410-313-6343 for more information. Staff continues to search for opportunities to promote MIHU and homeownership informational sessions to employees of businesses in the County.

“REBUILDING TOGETHER”

One home. One neighbor. One Community at a time. Approximately 1,000 volunteers will donate their time and talents to **Rebuilding Together Howard County** on Saturday, April 23, 2016, to make sure their neighbors live in a safe and healthy home. With their help and the help of corporate partners, skilled trades associations, and government and non-government organizations, Rebuilding Together will provide free home repairs to 28 houses.

This year, HCHC is sponsoring Rebuilding Together Howard County. We have assembled a talented team of twelve volunteers to assist a needy Howard County resident with home repairs while making a direct and lasting impact on their community. We are looking forward to participating in this exciting volunteer opportunity!

Attachment: MIHU Report
