



HOWARD COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT  
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Voice/Relay

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# Director's Report

December 2016



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## **DIRECTOR'S NOTE**

The County and Department are collaborating on programs and resources to help existing homeowners age in place, encourage new homebuyers to consider purchasing homes in older neighborhoods, and revitalize communities through various tax incentives and initiatives. The RENEW Howard program is one effort that could increase the rate of homeownership in the County and increase property values at the same time. See the press release below:

### Howard County Housing Department seeking nonprofit to administer RENEW Howard program

December 8, 2016

**Media Contacts:**

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ELLCOTT CITY, MD – Howard County Executive Allan H. Kittleman and the Howard County Department of Housing and Community Development (DHCD) are seeking a nonprofit organization to administer the County's RENEW Howard program.

RENEW Howard, an acronym for REvitalizing Neighborhoods EveryWhere in Howard County, is designed to create an incentive for homebuyers to purchase and renovate older homes by offering low-interest mortgages with funds built-in for home improvements.

Kittleman said the selected nonprofit will receive a \$2 million grant from the County to establish a loan loss reserve fund that could potentially leverage \$20 million in funds from private banks to provide mortgage loans as part of this program. There are more than 7,000 homes in Howard County that meet the program's general eligibility requirements. There are no income restrictions for the homebuyers though they must intend to live in these homes to be eligible for the program.

"Helping people buy and restore older homes is critical to maintaining the vitality of our older communities," said Kittleman. "This program will help restore older communities by giving new homeowners a chance to fix up homes that might need some tender loving care."

The County will host a pre-application conference on Tuesday, Dec. 20 at 11:00 am in the Housing Conference room at the Columbia Gateway building. Questions may be submitted to the housing office at [dgillen@howardcountymd.gov](mailto:dgillen@howardcountymd.gov), through Dec. 23. Responses will be posted on the Howard County website on Dec. 29. The application is available at [www.howardcountymd.gov/Departments/Housing/Publications](http://www.howardcountymd.gov/Departments/Housing/Publications) and must be submitted Jan. 9, 2017. The selected nonprofit will be announced by mid-January.

The Department's FY18 budget request has been submitted. The phone tree was recently updated so staff is easier to reach. The priority for the next few months will be to fill the 3 vacant positions, reconfigure the office space and reorganize the information on our website pages. Stay tuned for details.

*Kelly Cimino, Director*

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## **HOUSING OPPORTUNITIES**

### **MODERATE INCOME HOUSING UNIT PROGRAM**

Please see the attached MIHU Report.

### **SETTLEMENT DOWNPAYMENT LOAN PROGRAM**

The Department's FY 2017 budget includes funding for the Settlement Downpayment Loan Program (SDLP) for both MIHU buyers and market rate homebuyers. For FY17, 25 MIHU buyers have received SDLP loans, including 8 workforce loans, for a total of \$627,591. These low-interest, deferred payment loans are essential to the success of the MIHU homeownership program.

Beginning in July 2017, the Department also made \$400,000 available through the 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 FY17, 23 non-MIHU buyers have received loans to assist with closing costs under the Homestarter and Workforce SDLP programs for a total of \$314,506. In recent years, funds in the program were only available to households purchasing properties through the County's Moderate Income Housing Unit (MIHU) 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 program information.

### **NEIGHBORHOOD STABILIZATION PROGRAM (NSP)**

The NSP program 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. Rehab of the 5<sup>th</sup> property is complete and the Commission is making plans to sell this home to an income-eligible family. The NSP grant will be closed out once the last home is sold.

### **MARYLAND HOUSING REHABILITATION PROGRAM**

The Maryland Housing Rehabilitation Program (MHRP) can be used to assist eligible homeowners secure 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. A recent MHRP loan on a home in Columbia closed in December. Repairs are scheduled to begin in early January.

## **COMMUNITY PLANNING AND GRANTS**

### **FFY2017 ANNUAL ACTION PLAN**

The Community Planning and Grants Division officially kicked off its planning for writing the County's upcoming application to HUD with a Public Needs Hearing on December 1, 2016. This session was an opportunity for human service agencies and advocates to inform the County concerning the needs of their

clients. The group represented a broad spectrum of needs which service providers in the continuum encounter while serving vulnerable, at-risk sub-populations.

The attendees were given an opportunity to brief staff about their agency initiatives and client related needs for the populations they serve. The intended goal of the hearing was to begin to identify whether there are on-going, persistent needs or new needs since the last series of public needs hearings conducted during Howard County's 5-Year Consolidated Plan. Along with the comments taken during the needs hearing, a survey was completed by each participant.

**FFY2017 Action Plan Dates of Interest:**

January 5, 2017 – Public Needs Hearing # 2 – Application workshop – Request for Proposals announced and RFP's and application onto website

January 27, 2017 – Deadline for FFY2017 CDBG & HOME Program Applications

February 14, 2017 – 30-Day Public Comment Period begins, running through March 15<sup>th</sup>

March 14, 2017 – Public Hearing # 3 – Department of Housing and Community Development office

April 13, 2017 – Public Comment # 4 - Housing and Community Development Board Meeting

April 17<sup>th</sup> or 18<sup>th</sup> – Public Hearing # 5 – County Council Hearing

May 1, 2017 – County Council votes on resolution regarding Con Plan

May 17, 2017 – County submits the FFY2017 Action Plan to HUD

**Anticipated Entitlement Amounts Howard County will be applying for based upon FFY2016 awarded amounts:**

CDBG: \$1,034,767.00

HOME: \$ 334,275.00

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

The Division provided CDBG funds to Bridges to Housing Stability, Inc. to acquire two (2) units for the Bridges Alliance program. The Division had several meetings with Bridges to review the Sub-recipient Grant Agreements and determine financial disbursement scheduling before closing. The units will be leased to low income households at affordable rents for a minimum of 10 years.

**HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM**

As the year 2016 ended, the HOME Program Specialist began preparations for the statutorily required Annual Action Plan hearings. The first two hearings were held on December 01, 2016, and on January 05, 2017.

For the planning phase of the upcoming FFY2017 Action Plan, the Grants division decided to create a survey which is available in print as well as online. The online version of the survey was created using Survey Monkey. The survey was designed to garner feedback from local non-profits and other service providers that work within the housing community. The survey was launched on December 01, 2016, and has had 21 respondents to date. The results of the survey will be posted on the Department's

website at the end of the survey period, which ends on February 10, 2017. These survey results will help to inform the writing of the Annual Action Plan draft.

In preparation for the second hearing, the grant team prepared a Power Point presentation which will review in detail the federal funding sources that are part of the upcoming application process. Attendees will also learn of local examples of projects that have been successfully funded with Federal funds. Lastly, the upcoming application will be released to attendees of the second Annual Action Plan hearing.

## **COUNTY FUNDED PROJECTS**

### **SUPPORTIVE HOUSING/DAY RESOURCE CENTER**

The Leola Dorsey Community Resource Center on Guilford Road in Jessup is under construction and is expected to be completed in June 2017. The Housing Commission, along with the support of the Department, its partners, stakeholders and neighbors, is proud of this project's progress and looks forward to its opening. When completed, the three-story center will provide services three days a week by Grassroots Crisis Intervention Center; and offer homeless persons access to meals, showers, laundry, check email, and visits to the center's pantry to receive donated necessities. Medical, counseling and social services will also be made available.

The project is owned by the Housing Commission and will be operated by Volunteers of America, Chesapeake, Inc. Construction has begun and the building is 30% complete. The target completion date is June 2017.

### **RIVERWATCH**

The Housing Commission received a donation of land in Elkridge as part of an MIHU alternative compliance plan. The developer of Annapolis Junction Town Center project in Savage transferred 31 MIHUs to this project. Project financing closed on October 21, 2015. A ribbon cutting ceremony was held on October 26, 2016. The 84-unit, mixed income rental community is 90% complete. The units are leasing up and there is a waiting list for interested tenants.

### **ACQUISITION/REHAB PROGRAM**

The Department's FY17 budget includes funds for the acquisition and rehabilitation of existing scattered site properties. The Housing Commission 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.

As of November 30th, the Housing Commission has purchased, renovated, and leased thirteen 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.

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## **OUTREACH**

### **HOMEBUYER EDUCATION WORKSHOP**

This month's Homebuyer Education Workshop was held on Monday, December 19, 2016. The next workshop is scheduled for Monday, January 23, 2017, 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. Call 410-313-6328 for more information.

### **MIHU WORKSHOP**

January is the next open enrollment month for the MIHU homeownership program. An MIHU Information Workshop is scheduled for January 18, 2017, from 6:00 pm – 8:00 pm at the Columbia Gateway building. Staff is available to partner with builders and nonprofits 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 present MIHU and homeownership informational sessions to employees of businesses in the County.

Attachment: MIHU Report

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