



HOWARD COUNTY DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT
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Voice/Relay

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Director's Report

November 2016



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DIRECTOR'S NOTE

Prior to the legislation that the County Council considered in November, the County's zoning regulations did not require MIHUs in the New Town district (Downtown Columbia). This legislation will lead to the creation of more affordable housing units in the County. See the County Executive's comments below:

Statement from Executive Kittleman on passage of affordable housing and TIF legislation for Downtown Columbia

November 9, 2016

Media Contact:

Deidre McCabe, Director of Communications, Office of Public Information, 410-313-2022

ELLCOTT CITY, MD – Passage of the affordable housing and tax increment financing (TIF) legislative package is a tremendous step forward for Downtown Columbia, helping to move the 2010 Downtown Columbia Plan closer to reality.

I commend the County Council, County staff, Howard County Housing Commission, Columbia Downtown Housing Corporation, Howard Hughes Corporation, Merriweather Post Pavilion supporters, Downtown Columbia Arts and Cultural Commission and countless others who have given their time, energy, ideas and expertise to develop the best plan possible.

Passing this comprehensive legislative package will guarantee the development of affordable housing for residents of all income levels, as well as the construction of critical infrastructure, including a public parking garage to support the growing Downtown.

Tonight, we are one step closer to the development of a vibrant, urban downtown, as we prepare for nearly 13 million square feet of new commercial, residential and retail space. The TIF will ensure development proceeds in a coordinated, timely manner, putting in place needed infrastructure, such as the parking garage, roadway improvements, stormwater management and water and sewer lines.

As development moves ahead, the County now will be able to keep up with planned growth and provide support for a new arts and cultural center, library, fire station, transit center and elementary school. This package ensures a bright future for Downtown Columbia and its many amenities, including Merriweather Post Pavilion.

The Department will work with the Howard County Housing Commission and Howard Hughes Corporation to make affordable units a reality in downtown Columbia over the next 10 years. The legislation will provide opportunities for people of all income levels to live and work in Howard County.

Kelly Cimino, Director

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, 16 MIHU buyers received SDLP loans, including 4 workforce loans, for a total of \$382,019. 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, 20 non-MIHU buyers received loans to assist with closing costs under the Homestarter and Workforce SDLP programs for a total of \$269,155. 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 5th 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. One new loan was approved in September. After settlement, repairs can begin on the home in Columbia.

COMMUNITY PLANNING AND GRANTS

FFY2015 CONSOLIDATED ANNUAL PERFORMANCE & EVALUATION REPORT (CAPER)

The CAPER is the annual reporting Howard County submits to HUD after the conclusion of the program year. This CAPER is reporting on accomplishments in the fifth and final year of the previous 5-Year Consolidated Plan (FFY2010-FFY2015 Consolidated Plan).

The FFY15 CAPER was delivered to HUD on September 28, 2016. The Department received HUD Acceptance of the CAPER on November 15, 2016.

FFY2017 ACTION PLAN

The Community Planning and Grants division has begun the initial planning for the upcoming FFY2017 Annual Action Plan to HUD. The timeline for planning, writing and submission has been set. The initial activities in the process will be two Public Needs Hearings scheduled for December, along with the release of the FFY2017 CDBG and HOME Program Applications. All dates, times and events have been confirmed on the Division Schedule. The first Public Needs Hearing will be on December 1, 2016.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

The Department is working with County Finance to ensure funding allocations regarding all reprogrammed funds. The Department held a Public Hearing on November, 15, 2016 from 6 – 7 pm at the Columbia Gateway building to discuss \$468,143.00 in CDBG Program Income funds and the \$36,348.77 of FFY15 unspent CDBG funds. Staff is also working in IDIS, the HUD financial management system, to enter, fund and complete new activities based on Current Year and reprogrammed funding.

HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM

In October 2016, the HOME Program Specialist receipted \$50,000 of program income into the Integrated Disbursement Information System (IDIS). IDIS is used by grantees, as well as HUD, to track and manage the use of Federal funds for any given fiscal year. This system allows grantees to draw down monies spent, as well as report on completed activities.

The repayment of a prior HILP loan funded with HOME funds will essentially create a surplus in the County's annual HOME Program allocation. Staff will determine the best use of these funds by examining the current Action Plan and applying these funds to where the greatest need exists. Following the determination of the use of these funds, the County will provide information through a public hearing and public comment period.

COUNTY FUNDED PROJECTS

SUPPORTIVE HOUSING/DAY RESOURCE CENTER

A groundbreaking ceremony for the Leola Dorsey Community Resource Center was held on Wednesday, June 8, 2016 at 10 a.m. next to the center's construction site at 10390 Guilford Road in Jessup. 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 20% 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.

OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was held on Monday, November 21, 2016. The next workshop is scheduled for Monday, December 19, 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. Call 410-313-6328 for more information.

MIHU WORKSHOP

January will be the next open enrollment month for the MIHU homeownership program. An MIHU Information Workshop will be scheduled on 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 information workshops to employees of businesses in the County.

Attachment: MIHU Report
