



Howard County

HOUSING



Director's Report

October 2015

Department of Housing and Community Development
Howard County Housing Commission

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DIRECTOR'S NOTE

News and notes, facts and figures...

- **HUD Fair Market Rents**: Thanks to quick and forceful action by County Executive Kittleman, our County Council members, Senator Mikulski, and the County's entire Congressional delegation, we have staved off a potentially disastrous change in federal housing policy that would have severely restricted the housing choices available to low income households in one of the region's areas of greatest opportunity.

Last month, HUD proposed new Fair Market Rents (FMRs) for FFY16 that would have (a) significantly reduced the maximum FMRs allowed to Housing Choice Voucher (HCV) recipients in the Baltimore metropolitan area, and (b) eliminated the Columbia FMR "subarea." The impact of these changes would have reduced the maximum monthly subsidy available to HCV recipients in Columbia by approximately 25%. Of the 1,328 families in Howard County currently using rental assistance based on HUD's FMRs, about 90% would have experienced a significant increase in their tenant rent, with about 60% experiencing a monthly tenant rent increase of more than \$300.

The average monthly rent for a two-bedroom unit in Columbia is currently in excess of \$1,483, not including utility costs. Considering that these subsidies are used by families to pay both rent and utilities, it is clear that many HCV recipients would be priced out of, or forced to move from, a large segment of our area's rental housing market into lower rent, less desirable communities with fewer services and amenities, and with larger concentrations of poverty. This result is contrary to Howard County's and HUD's goal of providing diverse, integrated communities and affirmatively furthering fair housing.

The County and the Housing Commission were joined by the Baltimore Metropolitan Council,

the Baltimore Regional Fair Housing Group, the Columbia Downtown Housing Corporation, the Columbia Association, and the Association of Community Services, among others, in protesting this proposal. These comments and meetings among HUD and our elected officials resulted in a decision by HUD last week to delay implementation of the proposal for one year pending further study and discussion with stakeholders.

Howard County offers tremendous opportunities for education, jobs, child and health care, transportation, and quality of life. However, as market rents in our area continue to rise, the affordability gap for lower income families grows. Preserving their ability to live and work in quality, inclusive communities should be of utmost importance. Fortunately, our County Executive and our elected officials have clearly demonstrated that they consider it among their top priorities.

- Inclusive Communities Toolkit: Speaking of inclusive communities, the National Housing Conference has created a website with strategies, case studies, and resources for making communities more inclusive. See <http://inclusivepolicy.org/>.
- Comings and Goings: Howard County Housing is pleased to welcome several new faces to our team. Nkechi Animashaun is the Department's new HOME Program Coordinator. David Morris and Craig Spicer have joined the Asset Management team. And, Chris Oxenham and Nancy Smith have begun their first terms as a Housing Commission member and Housing and Community Development Board member, respectively. We look forward to their valuable contributions.

Regrettably, we must also report that two of our most valued team members are leaving us. Mike Riemer, who has served as either a Commission member or HCD Board member for the last 20 years, is no longer eligible for re-appointment. Mike has served selflessly and expertly with the utmost of dedication and distinction. He will be sorely missed.

And, Howard County Housing's Deputy Director, Shirelle Bennett, has announced that she is leaving County service at the end of October to pursue a new career. Shirelle has served the County for 14 years in a variety of capacities, from Planning and Zoning to Citizens Services to Housing. In each role, she has been a model of dedication, innovation, and efficiency. As Deputy Director of Housing, she not only "kept the trains running on time," but instituted many new policies and procedures to make our operations smoother and more efficient. She also applied her teambuilding expertise to motivate and inspire staff. For my part, she has been an invaluable confidant, advisor, and friend. We wish her all of the very best.

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. The 17 households currently remaining on the property will receive relocation benefits. Demolition is expected to occur this fall, with new construction commencing by spring 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 three-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 DRC/SEA 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 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 DRC/Sea 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 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 26th. It is anticipated that closing will occur on or before November 2015.

BEECHCREST MOBILE HOME PARK

All eligible residents have been relocated from the mobile home park to other comparable housing opportunities. The site has been secured for future redevelopment.

VERONA AT OAKLAND MILLS

On October 21, 2013, the Commission added to its portfolio of high quality affordable and market rate housing by acquiring the 251-unit Verona at Oakland Mills apartment complex located on Whiteacre Road in Columbia. The Commission issued approximately \$40 million in bonds to finance the purchase.

The Commission operates Verona as an 80% market rate, 20% affordable property, with the affordable units being rented at Moderate Income Housing Unit (MIHU) levels. When the project's financing is eligible for refinancing, the Commission expects to either rehabilitate or redevelop the property as a high-quality, mixed-income community.

In cooperation with Verona's property management firm, Greystar, and approval from the village board, the Commission has completed significant property enhancements, including: the installation of new signage for the community, replacement of leasing office awnings, extensive landscaping, as well as installation of a new playground, benches and pergola. A security company was also hired and operates on-site. A grand re-opening to showcase these new features was held in November, 2014. Ongoing meetings are held with community stakeholders discussing ideas and efforts to redevelop the property and the overall village.

COTTAGES AT GREENWOOD/GREENWOOD VILLAGE

The Cottages model home was sold in June and settled on July 2, 2015. All 10 homes are now occupied. Staff is working with the project engineer to assess current road conditions and prepare an RFB to find a contractor to make repairs to the previous pavement on Glenrobbin Place.

RIVERWATCH

The Commission received a donation of land in ElkrIDGE as part of an MIHU alternative compliance. It will ground lease the parcel to a partnership created by Kirby Development, of which the Commission will be a member. It is anticipated that the partnership will develop it into an 84-unit mixed-income community. Closing on the project financing is expected in October.

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 six condos to Bridges for this program. All six units have been turned over to Bridges for rental to households earning up to 60% of Howard County area median income. Three more units are undergoing renovations and will be turned over to Bridges in October.

The Commission closed on a new \$2,000,000 line of credit with Howard Bank on October 8, 2015. This line of credit will be used to purchase additional units for the Bridges program.

HOUSING OPPORTUNITIES

MODERATE INCOME HOUSING UNIT PROGRAM

Please see the attached MIHU Report.

SETTLEMENT DOWNPAYMENT LOAN PROGRAM

The County enacted an FY 2016 budget that includes funding for the Settlement Downpayment Loan Program. For FY 2016, 12 MIHU buyers have received SDLP loans for a total of \$262,831. These low-interest, deferred payment loans are important to the success of the MIHU homeownership program.

For the second time this calendar year, the Department will make \$400,000 available through its Settlement/Downpayment Loan Program to help working families buy 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, 5 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. Staff will continue to market the program to area realtors and lenders. 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 on December 23, 2013. The rehab plan for this property was approved by the community's architectural review committee. Upon completion of the renovations, the home will be resold to an income-eligible family. Once the home is sold, staff will close out the NSP grant with HUD.

MARYLAND HOUSING REHABILITATION PROGRAM

The Department began accepting applications for the Maryland Housing Rehabilitation Program (MHRP) on December 16, 2013. The program 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.

DHCD recently increased the number of loan processing days for a MHRP loan to 195 days. This change in the number of “cumulative days to start construction” could negatively impact homeowners that request assistance for emergency repairs (i.e. furnace stops working during cold weather days). The Department received five inquiries for MHRP in August and September. One loan is currently in process; two inquiries were referred to Citizens Services and one inquiry was referred to the State’s BeSmart Home Loan Program.

COMMUNITY PLANNING AND GRANTS MANAGEMENT

FFY 2014 CAPER

The submission date for the FFY14 Consolidated Annual Performance and Evaluation Report (CAPER) was changed and is now due on October 5, 2015. The Draft CAPER was posted for Public Review and Comment from September 4, 2015 to September 21, 2015 (15 days). The document was posted at all Howard County Libraries and on the Howard County Government web-site.

HOME INVESTMENT PARTNERSHIP - PROGRAM MONITORING

The Division has completed its HOME Program Monitoring by the U.S Department of Housing and Urban Development (HUD). The subject of the monitoring visit was that of the completed Burgess Mill Station project which includes 9 HOME-assisted units. The monitoring visit was extremely successful and we expect to receive a favorable report from HUD by the end of October.

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 Commission recently received the 2015 funding notice from HUD. Funding for the Housing Choice Voucher Program increased from \$9,366,949.00 to \$9,775,735. Most of the increase in funding is the result of the addition of 60 Deep Run Opt Vouchers that were recently transferred to the Commission for administration. The first 15 vouchers issued in 2015 have been reserved for homeless families. Thus far, all 15 families have been interviewed and 11 vouchers have been issued. It has been

determined that two (2) families are over-income, one (1) family was denied for criminal history, and one (1) family could not prove a previous Howard County residency. Eight (8) families have located units and have been placed under lease.

A public hearing was held on April 8, 2015, to solicit public comment on the Public Housing Program Annual Plan. The Annual Plan serves as a plan of action for the Commission to address local housing needs. It also outlines policies and procedures for administration of federal housing programs and examines local resources available to low-income and moderate-income families. The public hearing was also used as a forum to address proposed changes to the Housing Choice Voucher Administrative Plan and to provide comment on proposed Capital Fund expenditures for the Public Housing Program. The plan was approved by the Commission at its April 13th meeting and approved by HUD on June 24, 2015.

DEEP RUN OPT-OUT

Deep Run is a mobile Home Park in Elkridge consisting of 60 HUD-subsidized units. The units were converted to Enhanced Vouchers effective January 1, 2015. The Housing Commission has assumed administration of the Enhanced Vouchers and has leased 59 of the 60 participating families. One family declined the voucher.

RENTAL ALLOWANCE PROGRAM (RAP)

The County received FY2014 RAP funds in the amount of \$40,000. Ten (10) families were issued certificates for FY2014 funding. Seven (7) of the families leased units and the remaining three (3) RAP Certificates expired. All of the FY2014 RAP funds have been obligated.

Administration of the RAP funds will be transferred to the Community Action Council (CAC) beginning with the FY15 award. The requirements of the program and the limited funding available per household makes the program a better fit with other programs currently being administered by CAC.

HOPWA (HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS)

The Commission is currently spending FY2014 funding in the amount of \$228,337.00. The contract for FY 2015 funding is in the process of being executed. The Commission has been awarded funding in the amount of \$233,886 for FY 2015. The Commission has three (3) calendar years from the contract effective date to expend HOPWA funding. Referrals for HIV positive families come from the Howard County Health Department. Seven (7) families have been referred for eligibility interviews thus far in 2015.

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.

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

The Housing Choice Voucher team is currently providing program information and undergoing file reviews for the Annual Audit. Part of that process also involves drafting the HUD SEMAP Certification which rates housing authority performance during the fiscal year. The Howard County Housing Commission has consistently been rated as a high performer since inception of the federally mandated scoring mechanism.

OUTREACH

HOMEOWNERSHIP WORKSHOP

This month's Homebuyer Education Workshop is scheduled for Monday, October 19, 2015, from 6-9 p.m., at the Columbia Gateway building. Pre-registration is required. The Department's website continues to provide ongoing workshop dates and FAQs.

MIHU WORKSHOP

The quarterly MIHU Workshop was held on Wednesday, October 14, 2015, from 6-8 p.m., at the Columbia Gateway building. The workshop provided an overview of the MIHU rental and homeownership programs to those in attendance.

50+ EXPO FAIR

Howard County Housing (HCH) will host a vendor booth at the 50+ Plus Expo, sponsored by the Howard County Office on Aging. This event is scheduled for Friday, October 16, 2015, and will be held from 9 a.m. – 4 p.m. at Wilde Lake High School in Columbia. HCH will provide targeted marketing information for the 55+ audience on affordable living in Howard County, and its programs of moderate income homeownership and home repair assistance.

HOWARD COUNTY BOARD OF EDUCATION PARTNERSHIP

Howard County Housing and the Howard County Board of Education will celebrate its official partnership during a reception on Wednesday, October 14, 2015 at the Sheraton Columbia Town Center Hotel. HCH Director Tom Carbo and Community Relations Specialist Famebridge Witherspoon will attend.

This partnership evolved when, in September, Senior Homeownership Specialist Lisa Jenkins presented the MIHU program to Howard County Public School administrators and educators.

As an official partner, HCH is now permitted to meet with HCPSS educators and support personnel to inform them of ongoing MIHU opportunities as well as tips for homeownership in Howard County. Jenkins will continue seeking such opportunities to meet with interested HCPSS employees.

HOUSING MINI-FAIR

The 4th annual Housing Matter Mini-Fair was held on Saturday, September 19, 2015, at the Ascend One Howard County Public Schools Conference Center. Participants of the Fair included 12 industry-related vendors: The Columbia Bank, 1st Mariner Bank, KLR Real Estate, George Mason Mortgage, Guidewell Financial Solutions and Integrity Title & Escrow, among others. The Columbia Association and the

Howard County Community Action Council also participated. Housing experts from the state's Department of Housing and Community Development (DHCD), the Maryland Insurance Administration, and county representatives of the Office of Human Rights and Office of Workforce Development led workshops and met with Fair attendees throughout the day.

More than a dozen workshops instructed attendees on a variety of related topics, including: how to qualify for a mortgage, managing finances from a lender's perspective, landlord responsibilities, the housing settlement process, and the home inspection. With over 202 workshop registrations and close to 120 attendees, sessions were filled with good questions and thoughtful discussions.

This year's Fair was predominately promoted via social media, and also through emails and flyers. This social media campaign – via FaceBook and Twitter – was quite successful, reaching more than 40,000 viewers, with hundreds of 'likes' and dozens of 'shared' posts and tweets.

Attachment: MIHU Report
