



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

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DIRECTOR'S NOTE

The Department is committed to serving households earning up to 80% of area median income and providing tools to help maintain affordability and prevent homelessness. Nearly half of renter households (49%) and a third of homeowners with mortgages (31%) spend 30 percent or more on housing costs. Households that spend more than 30 percent of their income on housing are considered cost burdened and may have difficulty affording other necessities such as food, clothing, transportation and medical care. One of the concerns about cost burdened households is that families can become unstable and face homelessness with a first-time crisis, loss of income or health issues.

The Department is working with the Department of Community Resources and Services and area non-profits to evaluate the outcomes of the 2010 Plan to End Homelessness and to update it to reflect the changes needed for the next 5 years. One key strategy of the plan is to use available resources to help low income households remain in their current homes to prevent them from becoming homeless. By avoiding homelessness, these households are not competing for the scarce homeless resources available in the County. Homelessness prevention is an essential element of the plan. Strategies that prevent homelessness can also help maintain housing affordability.

Owner-occupied homeownership units exceed renter occupied units by a factor of 3 to 1. The lack of rental units creates additional housing affordability demands on the County's housing stock. The Department is working with income eligible households to repair their credit, create a savings plan for a downpayment, and provide homebuyer education so they can move towards the goal of homeownership. Providing opportunities like these may help some families move from rental units into homeownership units, and subsequently, increase the supply of rental units for new families.

The Department is currently working on a new mission statement. In the coming months, we will be submitting a new budget for FY18, hiring some new staff and reorganizing the office space. I welcome ideas and feedback so contact my office anytime. Stay tuned for updates.

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, 13 MIHU buyers received SDLP loans, including 1 workforce loan, for a total of \$302,983. 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, 15 non-MIHU buyers received loans to assist with closing costs under the Homestarter and Workforce SDLP programs for a total of \$205,790. 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 should receive HUD Acceptance of the CAPER by 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 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 is hosting 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., one of the nation's largest and most comprehensive human services organizations. 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. The 84-unit, mixed-income rental community was completed earlier this month. The units are already leased up and there is a waiting list for interested tenants. County Executive Allan Kittleman, Executive Director Tom Carbo, Councilman Jon Weinstein and the developer, Jeff Kirby all spoke at the ribbon cutting ceremony on October 26, 2016, at the property site. Staff from the State and County housing departments were also present for the ceremony.

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 October 31st, the Housing Commission has purchased, renovated, and leased twelve 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. One unit is undergoing renovations and will be turned over to Bridges in late November. Two other units are under contract.

OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was held on Monday, October 17, 2016. The next workshop is scheduled for Monday, November 21, 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

October was an open enrollment month for the MIHU homeownership program. 65 new applications were received. An MIHU Information Workshop was held on Thursday, October 20, 2016, 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 search for opportunities to promote MIHU and homeownership informational sessions to employees of businesses in the County.

Attachment: MIHU Report
