



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

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CONTENTS

<u>Director's Note</u>	2
<u>Housing Opportunities Programs Division</u>	3
<u>Community Planning and Grants Division</u>	3
<u>County Funded Projects</u>	5
<u>Outreach</u>	6

DIRECTOR'S NOTE

Thanks to everyone that attended the Open House for the Community Resources Campus on Thursday, September 20th from 2:00 – 4:00 pm at 9820 Patuxent Woods Drive in Columbia. Guests had the opportunity to tour the offices of the agencies located on the campus (Department of Community Resources and Services, Office of Human Rights, Department of Housing and Community Development and the Community Action Council). After a brief presentation and video at 3:00 pm, the Department held an MIHU lottery to award an MIHU townhouse in Lennar's River Overlook community at Oxford Square in Hanover. The home features 3 bedrooms, 2 full and 1 half baths, over 1,655 square feet of living space and a 1-car garage. The MIHU price of this home is \$246,088. This represents a savings of over \$93,000 below the market rate price of \$340,000. There were 6 income-eligible families participating in the drawing. Applicants did not have attend the drawing to be awarded. The names of 1 winner and 1 alternate were chosen at the event. The winner will meet with the builder to sign a contract on the home. The alternate will be considered for future lottery drawings. You are invited to check out the video on the department's webpage to see the actual drawing. It was an exciting way to end the open house event!

The Howard County Community Resources Campus in Columbia was established by the Kittleman Administration to reinvent the way human services are delivered in Howard County. When completed, the campus will be a central location where residents can access county and state agencies, as well as nonprofits offering human services, in an easier and more effective manner. The campus is on an RTA bus route to provide better access for all residents. The Non-Profit Collaborative, located in the heart of the campus, opened in April 2017. Currently, 16 nonprofit agencies have offices and provide services there. If you are interested in learning more about the campus or any of the agencies located here, please contact our office.

On September 13th, the Department held a pre-proposal conference for the RENEW Howard program. This was an opportunity for potential lenders to ask questions about the Request for Proposals that was released in August. The deadline for submissions is October 15th. See page 6 for additional details.

I was invited to attend a picnic at Grace Community Church in Fulton on September 22nd. The picnic was sponsored by the MD Chin Baptist Church community. The Department has worked with community leaders over the past 7-8 years to help Chin families find affordable housing options in the County. The Department has already awarded MIHU homes to several families in the community. The leaders are preparing to start an organization that will help the families with housing, credit counseling, jobs, childcare and more. We look forward to working with the community to help them "call Howard County home".

Howard County's Diversity Day Celebration was held on September 26th from 10:00 am – 2:30 pm at the Meadowbrook Athletic Complex. This event was a great way for employees to celebrate the diversity that makes Howard County Government such a great place to work every day! Thank you to the Diversity Day committee, including the department's Nkechi Animashaun, for planning a fun event for all of us!

Kelly Cimino, Director

HOUSING OPPORTUNITIES PROGRAMS DIVISION

MODERATE INCOME HOUSING UNIT PROGRAM (MIHU)

Please see the attached MIHU Report.

SETTLEMENT DOWNPAYMENT LOAN PROGRAM (SDLP)

The Settlement Downpayment Loan Program is funded by the Department's Community Renewal fund. This program is responsible for increasing homeownership in the County and is critical to the success of the MIHU program. Homebuyers must be income-eligible and demonstrate a need for downpayment and closing cost assistance.

We are pleased to announce that FY19 funding is now available. A notice announcing the new funding was sent to all participating lenders on July 2nd. The Department has budgeted \$600,000 for MIHU homebuyer loans. Another \$500,000 has been budgeted for non-MIHU homebuyer loans again this year.

For FY19 so far, 6 MIHU buyers received SDLP loans, including 4 Workforce Initiative loans, totaling \$116,044, and 20 non-MIHU buyers received SDLP loans, including 12 Workforce Initiative loans, for a total of \$349,696. We are cautiously optimistic that funding will be adequate for the entire fiscal year.

REINVEST*RENOVATE*RESTORE HOUSING REPAIR PROGRAM (RRR)

The Reinvest*Renovate*Restore Housing Repair Program is funded by the Department's Community Renewal fund. This program can help income eligible homeowners make repairs to enhance safety, accessibility and livability in their homes. Five (5) new applications were reviewed this month. Any applicants who are denied are referred to Rebuilding Together and/or the Maryland Whole Home Program. Currently there are five (5) applications in process for loan consideration. One loan closed in September and construction on this project has begun.

MARYLAND WHOLE HOME PROGRAM

The Maryland Whole Home Program (formerly known as 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. Homeowners must be current on their mortgage, insurance and property tax payments to be eligible for the program. The State announced the availability of new funding on July 1st. There are three (3) applications currently in underwriting with the State.

COMMUNITY PLANNING AND GRANTS DIVISION

FFY2017 CONSOLIDATED ANNUAL PERFORMANCE & EVALUATION REPORT (CAPER)

The FFY2017 Consolidated Annual Performance and Evaluation Report (CAPER) describes Howard County's affordable housing and community development activities carried out over the past program year running from July 1, 2017, through June 30, 2018. The CAPER also provides the community with a concise breakdown of the use of federal funds for activities that were undertaken during the program year

and an evaluation of the County's progress of carrying out the goals and objectives as stated in the Four-Year Consolidated Plan FFY 2016-2019 and the FFY2016 Annual Action Plan.

Over the past year, Howard County worked to preserve and retain the affordable housing stock through housing rehabilitation and to increase the availability of affordable permanent rental housing for homeless families in our community.

In addition to those activities, Howard County worked with income-eligible residents to provide financial coaching to focus on credit score improvement and debt reduction with the goal of moving the household towards homeownership; and provided access to downpayment assistance to make home purchases more affordable.

Howard County's progress towards our Consolidated Plan goals over the last year:

- Added 1 additional unit of homeless rental housing through acquisition of real property with CDBG funding to create affordable housing for 1 homeless family.
- Assisted 20 households with critical repairs to their homes. Most of these funds assisted homeowners with incomes below 60% AMI (60% of the repairs assisted female-headed households and 65% of the repairs helped elderly homeowners remain housed in safe housing). Through this activity, 12 income-eligible homeowners received a new roof.
- Through CDBG public service funding, 153 people were diverted from homelessness with housing stabilization funding, 218 homeless individuals accessed critical social and support services to both sheltered and unsheltered homeless, and 237 victims of domestic violence/human trafficking were provided safe sheltering after fleeing situations of violence.
- Provided downpayment loans to 5 income-eligible households to make homeownership more affordable through HOME Program and provided financial education seminars and financial coaching through the CDBG program with intention of paying down debt to move 33 individuals toward homeownership.

Howard County CAPER Submission to HUD

On Monday, September 24, 2018, ahead of the September 27th due date to HUD, the County submitted its FFY2017 CAPER to HUD and met the reporting compliance requirement.

CDBG PROGRAM

Update on the Affordable Housing Project Written into The FFY17 Annual Action Plan

The Affordable Housing Initiative - **\$239,604.47**. Howard County wrote into the FFY2017 Annual Action Plan that a project would be identified at a future date to provide funding for a CDBG eligible project, i.e. acquisition, rehabilitation, disposition or activities related to development of affordable housing.

Through the FFY2018 Annual Action Plan planning process, the following projects were awarded the funding:

Funding Moved Off FFY18 onto FFY17 Available

\$239,604.47	FFY17 Affordable Housing Initiative (AFI)
\$175,000.00	Help End Homelessness HC
<u>\$64,604.47</u>	Bridges to Housing Stability

Help End Homelessness Howard County will use **\$175,000.00** of CDBG funds for acquisition of one (1) unit of existing real property to provide affordable rental housing for a homeless family.

Bridges to Housing Stability will use **\$64,604.47** of the FFY2017 CDBG funding and combine it with **\$164,250.88** in FFY2018 CDBG funding for a **total CDBG award of \$228,855.35**. Funds will be used to acquire one (1) unit of existing real property in FFY18 to provide an affordable rental for persons working in Howard County earning between 30-60% of HUD Baltimore AMI.

Bridges to Housing Stability

FFY2017 AFI Funds	\$ 64,604.47
FFY2018 Funds	<u>\$164,250.88</u>
Total Award	\$228,855.35

HOME PROGRAM

In September, the U.S Department of Housing and Urban Development (HUD) issued a notice regarding homebuyer program policies. As a result, the HOME Program Specialist will update the existing homebuyer policies. The Grants team will apply an affirmative marketing lens to this review to ensure that all aspects of the homebuyer program are equitably marketed to persons least likely to apply for homeownership opportunities in the County.

The Grants team is always available to meet with non-profit partners. During the month of September, the Grants team met with two (2) such groups to provide information on the Request for Proposals (RFP) as per the regulations of the Uniform Guidance, 2 CFR Pt. 200.

COUNTY FUNDED PROJECTS

RENEW HOWARD PROGRAM

August 15, 2018 Announcement. The Real Estate Charitable Foundation of Maryland, Inc., a 501 (c)(3) non-profit corporation (the “Administrator“), a supporting organization of the Community Foundation of Howard County, also a 501(c)(3) nonprofit corporation (“Cfhoco”) announces that it is soliciting competitive applications from eligible mortgage lending institutions (“Lenders”) to participate in a neighborhood revitalization loan program, Revitalizing Neighborhoods EveryWhere in Howard County “RENEW Howard” (referred to as the “Program”) whereby Lenders will be incentivized to make low-interest loans to homebuyers to acquire and improve aging homes in Howard County, Maryland. The purpose of the Program is to encourage new investment in and revitalization of neighborhoods throughout the County.

Available Funds. To incentivize Lenders, Howard County, Maryland (the “County”) has provided grant funds to the Administrator to be used as a Loan Loss Reserve Fund for this proposed mortgage program

in the amount of approximately \$2,000,000. It is anticipated that this level of funding will be sufficient to induce a private Lender or Lenders to contribute loan funds of as much as \$20 million to the Program.

Pre-Application Conference. A pre-application conference to discuss and answer questions related to the Program was held on Thursday, September 13, 2018. Representatives from M&T Bank, Old Line Bank and The Columbia Bank attended.

Dates. Applications must be received by the Administrator by 4:00 p.m. EPT, October 15, 2018. Notification of the successful applicant should be made by mid-November.

ACQUISITION/REHAB PROGRAM

There are funds in the Department's FY19 budget for the acquisition and rehabilitation of existing scattered site properties to be leased to low-income individuals and families in Howard County. For the second year, the Department granted funds directly to Bridges. Bridges will acquire units to lease them to households earning up to 60% of Howard County area median income as part of their Bridges Alliance program. Last year Bridges acquired 4 units for the Bridges Alliance. We expect the Bridges Alliance to acquire at least 4 units with FY19 funding. Two units were purchased in September.

RENTAL ASSISTANCE FOR SPECIAL POPULATIONS

The Department can use MIHU fee in lieu funds to provide rental assistance to populations at risk of homelessness such as youths aging out of foster care and inmates leaving the County's detention center. In 2017, the Department funded the acquisition of a property by Bridges to Housing Stability to house ex-offenders when they are released from the detention center. The home is currently occupied by the full-time staff person and potential tenants will be moving in soon.

Staff met with the Department of Social Services and Bridges to Housing Stability this past spring to continue discussions regarding potential housing options for youths aging out of foster care. Options currently being discussed include providing rent subsidies or purchasing a house for single room occupancy. Bridges is continuing discussions with all partners to determine next steps.

OUTREACH

HOMEBUYER EDUCATION WORKSHOP

This month's Homebuyer Education Workshop was held on Saturday, September 8, 2018. The next workshop led by Making Change is scheduled for Saturday, October 13, 2018, from 9:00 a.m. – 3:00 p.m. at the George Howard building. Pre-registration is required. The Department's website provides ongoing workshop dates through 2018 and FAQs. Prospective homebuyers can register to attend a workshop by sending an email to homebuyerclass@howardcountymd.gov.

MIHU WORKSHOP

October is the next open enrollment period for the MIHU homeownership program. The Department will hold informational workshops for potential MIHU renters and homebuyers during that time. Applications for MIHU rental units are available throughout the year. Visit our website for more information at www.howardcountymd.gov/housing.

Attachment: MIHU Report