FEBRUARY 2016 MINUTES

HOWARD COUNTY HOUSING AND COMMUNITY DEVELOPMENT BOARD
February 11, 2016
Gateway Building, Third Floor, Housing Conference Room

HCDB Members Present
Caroline Harper, ***Chairperson***
Mitra Basu
Linda Skelton
Nancy Smith
David Vane
Maurice Zeitler, ***Vice Chair***

HCDB Members Absent/Excused
Ike E. Okoye

Guests/Visitors Present
None

Recording Secretary
Susie Schappell

Staff Present
Thomas P. Carbo, ***Director***
Kelly Cimino, ***Chief, Housing Opportunities Programs***
Elizabeth Meadows, ***Chief, Community Planning & Grants Mgmt***
Linda Phillips, ***SDLP Coordinator***

I. CALL TO ORDER - 6:09 P.M.

With a quorum present, the February 11 2016 meeting of the Housing and Community Development Board was called to order at 6:09 P.M. by Chairperson Caroline Harper.

II. APPROVAL OF AGENDA

The February Agenda was approved as submitted.

III. INTRODUCTION OF GUESTS & COMMENTS

There were no guests present.

IV. ELECTION OF OFFICERS

February marks the month of the Election of Officers for the HCD Board for the role of Chairperson and Vice Chairperson. The floor was open for nominations.

Caroline Harper was nominated by Nancy Smith to continue her role as Chairperson and seconded by Linda Skelton. All were in favor. Ms. Harper accepted the role as Chairperson for calendar year 2016.

The floor was opened for Vice Chair. Maurice Zeitler was nominated to continue his role as Vice Chair and accepted the role for calendar year 2016. All were in favor.

2015 Elected Officers	2016 Newly Elected Officers
Caroline Harper, Chairperson	Caroline Harper, Chairperson
Maurice Zeitler, Vice Chairperson	Maurice Zeitler, Vice Chairperson

Following the election, it was noted that Ms. Harper has done an exceptional job as the Board Chairperson and members look forward to her continuing another year in that role.

V. APPROVAL OF JANUARY MINUTES

The January 2016 Minutes were e-mailed and distributed at the meeting for review and comment. Following a brief review of the minutes, Chairperson Harper entertained a motion to approve the Minutes. A motion was made by Mitra Basu and seconded by Maurice Zeitler to approve the January 2016 Minutes as presented. The motion passed 6-0.

VI. DIRECTOR'S REPORT

A copy of the Director's Report was e-mailed and mailed to each of the Board Members for review. The Report was briefly discussed with a question and answer period. One area of discussion was presented by the Director:

- The Reorganization CB-12 will go before the Council for review and vote. The Department of Citizen Services will be known by a new name – Community Resources and Services. Public Hearings on the Bill will take place Tuesday evening, February 16, 2016 at 8:00 P.M.in the Banneker Room of the George Howard Building.

The table was opened for questions and concerns. A copy of the Director's Report is attached.

VII. MIHU REPORT

Kelly Cimino, Chief of Housing Opportunities Programs, was present at the meeting to discuss the MIHU Report. A copy of the MIHU Report was provided to each of the Board Members for review. The Report consists of a detailed breakdown of categories on Program Summary, Homeownership, Rentals, Resale, Release and Fee in Lieu. Report highlights were as follows:

MIHU Report

- ➢ Approval for MIHU Prices/Rents for January 2016 became effective January 1, 2016;
- ➢ The approved Price and Rent summary covers the period of January through June 2016; the MIHU pricing will be re-visited on July 1, 2016;
- ➢ January was open enrollment month for the MIHU homeownership programs and 73 new applications were received;
- ➢ Two MIHU Workshops were held – one on January 21, 2016 at the Columbia Gateway Building of which 50 people were in attendance. The other was held on January 20, 2016 at Howard Community College of which 15 college employees attended;
- ➢ The MIHU Workshop for the Lennar Homes Community of Oxford Square in Hanover has been rescheduled for March 7, 2016 to focus on partnering with builders to market the program;
- ➢ Plans are underway for the 10th Annual Come Home to Howard County Housing Fair set for Saturday, April 9, 2016 at Howard High School.

Homeownership

- ➢ Making Change has submitted a request for CDBG funds to provide credit counseling and assistance to credit challenged applicants in the MIHU database. Staff will work with Making Change to identify credit challenged applicants most likely to be eligible for homeownership in a 1-3 year period. If awarded, the program could start in July 2016.

Rentals

- The area median income decreased in 2016 causing the MIHU rents to also decrease;
- Millers Grant, a continuing care community for seniors age 62 or older, is slated for completion and occupancy in February of 2016.
- Rentals are offered year round on a first-come, first-serve basis at participating communities.

Fee-In-Lieu

- Developers of condos and townhomes are not eligible to pay the fee in lieu. Most developers of single family detached units are choosing to pay the fee in lieu instead of providing affordable units.
- A fee in lieu revenue report was submitted to the County Council on February 1, 2016.

The floor was opened to members for questions and comments pertaining to the MIHU Report.

VIII. GRANTS REPORT & FFY 2016 ANNUAL ACTION PLAN SCHEDULE

Elizabeth Meadows, Chief of Community Planning & Grants Management, was on hand to discuss the FFY 2016 Annual Action Plan Schedule & Consolidated Plan. Ms. Meadows stated that the 2016 process has already started. The Five Year Consolidated Plan will describe Howard County's community development priorities and multi-year goals based on assessment of housing & community development needs, analysis of housing & economic market conditions and available resources. The Consolidated Plan is carried out through the Annual Action Plan and will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. It is our anticipation to show all achievements over the 5-year term and to bring all partners together.

The Plan is made available for a 30 day public review and comment period at the Housing Office, local libraries and on the Housing webpage. The Plan is also provided to the County Council for review during the Council Work Session and consistent with the County's Citizen Participation Plan. Public Hearings will be held to accommodate both the general public as well as service providers. The one-year Action Plan is included in the 5-Year Strategy Plan. The 5-Year Plan consists of new administration and new partnerships for a 5-year term.

The Plan consists of various updates and the document is organized based upon the HUD prescribed format. The Action Plan is the application that is submitted to HUD enabling the County to receive entitlement funds. The Plan assumes level funding and included projects similar to the current year, in addition to a few deletions.

Ms. Meadows highlighted several areas of concern:

- Howard County awarded money for CDBG and HOME (breakdown listed below);
- January 6, 2016 was the first Public Meeting for the Application for Funding (RFP);
- Annual Plan DRAFT is underway;
- The RFP submission deadline was February 11, 2016 for CDBG/HOME funded activities;
- Public Hearing #1 – Housing & Community Development on the evening of February 23, 2016 at The Gateway Building;
- Upon return of the RFP to the Housing Department, a final draft will be made available for public comment (30 day review period begins March 31,2016);

- Public Hearing #2 – the Consolidated Plan/Action Plan will be presented to the Housing Board on April 14, 2016 for review and action on Plan submission;
- Public Hearing #3 **-** a DRAFT Consolidated Plan will be presented at the County Council on April 18, 2016;
- Council vote will take place on May 2, 2016 for the Resolution of the DRAFT Consolidated Plan/Action Plan; and
- Submission of the final Consolidated Plan/Action Plan to HUD is May 13, 2106.

A copy of the funding for applications submitted under the RFP is listed below for Board review and comments. Applications will be reviewed by the Grants Review Committee, the Housing Director and County Administration for rating recommendations. Three staff persons have been selected to sit on the Grants Review Committee.

Applications Received

HOME Budget **-** CHDO Set-Aside	$ 52,000.00
CDBG Requests/Multi-Year Commitments	$768,371.13

Projected Funding Commitment for FFY2016
CDBG Budget

Roger Carter Recreation Center	$200,000.00
Emergency Public Facility	$ 24,000.00
Day Resource Center Leasing	$ 46,681.15

Entitlement Funding
FFY 2016
CDBG - $1,005,824.00
HOME - $ 310,681.00

The table was open for a question and answer period. At this point Board Member David Vane joined the meeting.

IX. PRESENTATION: OVERVIEW OF HOMEOWNERSHIP ASSISTANCE PROGRAMS – STATE PROGRAMS & COUNTY SDLP

Linda Phillips, SDLP Coordinator, facilitated a presentation on the homeownership assistance programs available from the State as well as the County.

STATE PROGRAMS:
DSELP
Downpayment Settlement Expense Loan Program in which first-time homebuyers approved for the Maryland Mortgage Program (MMP) may receive up to $5,000 in a no interest loan from the State for downpayment and settlement expenses.

Maryland Housing Rehab Program
The Maryland Housing Rehabilitation Program is funded by the State, but administered by the County. Loan funds can be used for repairs such as plumbing, heating, electrical, energy improvements,

weatherization, carpeting, fencing, and other interior or exterior updates. Participants must meet income eligibility requirements. Interested participants may contact their local housing office for information.

Accessible Homes for Seniors
In partnership with Maryland Department of Aging, the State's program provides services that allow the units to be handicap accessible and safe to seniors through updates such as installation of grab bars, new wheel chair accessible bathrooms, exterior ramps, new energy efficient windows, and more. The program provides deferred loans at 0% interest for a term of up to 30 years. Interested applicants may submit an application at their local Office on Aging. For Howard County residents they may contact Pam Bilal of Howard County Office on Aging at (410) 313-5980 to schedule an in-home appointment.

Partner Match Programs
This program provides additional down payment and closing cost assistance to qualified borrowers utilizing the Maryland Mortgage Program. Participating partners provide the established amount to homebuyers who meet the criteria established by the partner. Maryland Mortgage Program matches the funds up to a max of $2,500 in the form of a 0% deferred loan repayable at time of sale or transfer.

COUNTY PROGRAMS:
Settlement Downpayment Loan Program (SDLP)
- Can be used with the State's DSELP funds;
- The County's SDLP program began in 1992;
- More than 1,100 loans have been processed averaging $2.5 million to date.

The SDLP program has expanded its scope offering "would-be" homebuyers a choice of five different loan products depending on income and circumstances. The five loan products are listed as follows:

Home Starter Loan
- Loan is for settlement costs and lender's minimum downpayment;
- Income limit is 80% of Baltimore HUD area median income;
- Maximum loan amount is $40,000.

Home Steader Loan
- Loan is for settlement costs and lender's minimum downpayment;
- Income limit is 80% of Howard County area median income;
- Maximum loan amount is $25,000.

Dream Maker Loan
- Income limit is 100% of Howard County area median income;
- Maximum loan amount is $15,000.

Workforce Initiative Loan
- Household income limit is 110% of Howard County area median income;
- Loan will pay homebuyer's ½ of transfer and recordation taxes;

- The Loan is reduced by 10% each year and forgiven after ten years for homebuyers that work full-time in Howard County;
- Need not be a first-time homebuyer.

Revitalization Loan

- Maximum loan amount of $25,000 toward settlement downpayment costs for purchase of foreclosed homes;
- Household income limit is 110% of Howard County area median income;
- Need not be a first-time homebuyer.

For each five loan products – repayment of the loans is deferred until resale, refinance or default. Interest rates are set at 2% below the rate of the first mortgage except the Workforce. The loan rate is 0%.

Lending Participation

- First mortgage loan must be obtained from a lender or a financial institution in good standing and an approved seller of FHA (Fannie Mae, Freddie Mac, etc.);
- In FY 2016, 15 MIHU buyers have received SDLP loans for a total of $332,704;
- As of February 1, 2016 the available balance for new non-MIHU for sale unit purchases is $233,254.
- A print-out of the Approved SDLP lender list was provided to board members.

Future Outlook

Looking to initiate a Lender Training Program where area lenders would be invited to learn more about the program and the benefits offered.

The floor was opened to members for questions and comments pertaining to the presentation.

X. MEMBER COMMENTS

There were no Board Member comments.

XI. ADJOURNMENT

The February 11, 2016 Monthly Meeting of the Housing and Community Development Board adjourned at 7:06 P.M.

Respectfully submitted,

Susie Schappell

Recording Secretary

Upcoming Meetings:
Housing and Community Development Board: Thursday, March 10, 2016
Howard County Housing Commission: Tuesday, March 15, 2016
6:00 P.M