

Action Plan

Grantee: Baltimore County, MD

Grant: B-08-UN-24-0010

Grant Amount: \$ 2,596,880.00

Status: Reviewed and Approved

Funding Sources

Funding Source

HERA- HR3221

Funding Type

Other Federal Funds

Narratives

Areas of Greatest Need:

Baltimore County has been heavily impacted by foreclosures, delinquencies, and subprime lending predominately in the eastern and western sections of the county. According to the data that was used by HUD to determine NSP allocations, more than 28% of mortgages originated in Baltimore County between 2004 and 2006 were subprime loans. In the reporting period prior to the enactment of HR 3221, there were more than 42,000 foreclosure starts in Baltimore County. Further, the adjusted foreclosure rate for that same reporting period (18 months prior to June 2008) was 3.3%. Further, the data provided by HUD also indicates a 2.1% decrease in property values, largely due to the downturn in the economy and the impact of vacant and foreclosed properties. Based upon 3rd quarter data on foreclosure events as reported by RealtyTrac, provided by the Maryland Department of Housing and Community Development (DHCD), Baltimore County had 560 foreclosure events of which 402 or 72% were defaults facing a foreclosure event. DHCD has declared several communities within Baltimore County as Foreclosure Hot Spots. These Hot Spots are the communities that are impacted the most by the foreclosure crisis and it is within those communities that we propose to target NSP funds. Further, home sales prices in these communities have continued to decline while days on the for-sale market continue to increase. The Baltimore Sun Papers reports that home sales have fallen nearly 15% during the month of October while the average price fell nearly 5% in the Baltimore Region. The Sun Papers also reports that MRIS reports that sellers on average during the month of October 2008 got 90% of their asking price, a further indication that house prices are dropping as a result of the soft and shrinking economy. score incorporated several factors as required by the Federal Register Notice. The factors considered include a composite score for subprime loans, foreclosures, and delinquencies. An analysis of the data for the state indicates that there are several zipcodes in Baltimore County that rank within the top 15% of all zipcodes in the State of Maryland.

The prospective target areas have been determined by first analyzing which zipcodes have been impacted the most by foreclosure events and thereby have the greatest need as outlined in the Federal Register Notice. We then analyzed the census data provided by HUD to further determine those census tracts with the highest risk of abandonment due to foreclosure. The HUD data assigns a numerical risk factor from 0-10 (with ten being the highest) to census tracts based on the potential risk for foreclosures due to abandonment. Baltimore County's risk factors range from 0-8 rather than 0-10. We examined all of the ratings within the eligible LMMI census tracts to help with our targeting efforts. The census tracts with the highest risk ratings are

shown in Table 1.

Table 1

Census Tract	Zipcode	Community
401200	21244	Windsor Mill
nbsp;	21133	Old Court
421000	21222	St. Helena
421300	21222	Turner Station
430300	21227	Lansdowne
441000	21206	Garden Village
452300	21222/21224	Colgate
450600	21221	Foxridge

We note that all of the census tracts that were in the highest risk group all met the LMMI criteria. Upon further examination of the LMMI census tracts with the next highest risk factor for abandonment, it was noted that there were several census tracts in Randallstown (21133), Owings Mills (21117), Gwynn Oak (21207), Windsor Mill (21244), Hillendale (21234), and Dundalk (21222). Table 2 lists the census tracts with their corresponding zipcodes.

Table 2

Census Tract	Zipcode	Community
401101	21207	Security East
401302	21207	West Hills

402305	21207	Villa Nova
402403	21207	Gwynn Oak
402404	21207	Powhatton
402405	21207	Featherbed Lane
402303	21244	Rockdale
402306	21244	Randallwood/Stoneybrook
402506	21133	Randallstown
402405	21207	Dogwood
403100	21207	Campfield
403201	21207	Locheam
403202	21207	Locheam

404502	21136	Reisterstown/Glyndon
491401	21234	Hillendale
491402	21234	Hillendale
420402	21222	West Inverness
420500	21222	Dundalk
420600	21222/21224	Eastpoint/Dundalk
420702	21222	Holabird/Dundalk
420900	21222	Old Dundalk
421101	21222	Dunmanway/Dundalk
421200	21222	Watersedge/Dundalk
430100	21227	Lansdowne
452500	21219	Beechwood/Northpoint
450200	21221	Essex
450501	21221	Glen Mar
451500	21220	Hawthorne

Finally, we examined data provided by the Local Initiatives Support Corporation that was developed by the National Housing Conference, the Center for Housing Policy, KnowledgePlex, and the Urban Institute. LISC researchers calculated a foreclosure needs score for most US ZIP Codes that incorporates factors specified in the authorizing legislation. The foreclosure needsscore incorporated several factors as required by the Federal Register Notice. The factors considered include a composite score for subprime loans, foreclosures, and delinquencies. An analysis of the data for the state indicates that there are several zipcodes in Baltimore County that rank within the top 15% of all zipcodes in the State of Maryland.

After careful consideration, and a thorough analysis of data available, we are proposing to target our efforts to communities that have the highest foreclosure needs, the highest percentage of subprime loans, the highest delinquency rates and that are projected to have the highest rates of abandonment due to foreclosure. Those zipcodes are: Gwynn Oak &ndash 21207, Randallstown &ndash 21133, Dundalk &ndash 21222, Windsor Mill &ndash 21244, Essex &ndash 21221, Parkville &ndash 21234, Middle River &ndash 21220, and Owings Mills &ndash 21117.

Distribution and and Uses of Funds:

Baltimore County proposes to establish financing mechanisms for the purchase and rehabilitation of foreclosed upon homes and residential properties. We are proposing to provide financing mechanisms to assist eligible LMMI households earning up to 120% of the Area Household Median Income to purchase vacant foreclosed homes with clear title in the targeted areas; and we are proposing to provide financing mechanisms for the purchase of residential properties that will be used to provide affordable rental housing for homeless households with special needs. Details of these activities are provided below.

The homeownership activities proposed under the NSP initiative include two single-family loan products. The first product is a downpayment and closing cost loan and the second product is a purchase/rehab loan. The Office of Community Conservation piloted the highly successful Mortgage Assistance Loan Program during FY 2008 and continued the program into FY 2009. This product provides up to \$25,000 in downpayment and closing cost assistance utilizing HOME funds. We propose to both focus and expand this program to the targeted areas as described before by offering up to \$50,000 in downpayment and closing cost assistance or to assist with closing costs and some rehabilitation so that the house meets livability code. The purchase/rehabilitation loan will be companioned with a 203K lender that is an existing participating first mortgage lender with our existing soft second mortgage products.

Recognizing that NSP funds may be used to benefit Baltimore County's Continuum of Care, we are also proposing to set aside 25% of the NSP funds to assist with the acquisition and rehabilitation of vacant and foreclosed properties by nonprofit organizations to provide permanent affordable rental housing to homeless households with special needs within the areas of high risk of abandonment. These households must have household incomes of 50% or less of the Area Median Household Income as required by the enabling legislation HR 3221 and as outlined in the Federal Register Notice. Rents, including an allowance for utilities, may not exceed the lesser of Fair Market Rent as determined by the U.S. Department of Housing and Urban Development (HUD) from time to time, or that amount which would equal 1/12th of 30% of the income of a household at 80% of median, adjusted by family size. In making this determination, it will be assumed that an efficiency unit will be occupied by a single person, a one bedroom unit by two persons; a two bedroom unit by three persons; a three bedroom unit by four persons; and a four bedroom unit by a five person household. If the unit receives Federal or State project-based rental subsidy and the household pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project- based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
NSP09-01	Adminstration	NSO09-6401	Admin- Baltimore County
		NSP09-6402	ADMIN- HARBEL
		NSP09-6403	ADMIN-DIVERSIFIED HOUSING
NSP09-02	Acquisition /Rehab	nsp09-6404	rehab special needs- 50% OR below
NSP09-03	NSP- Acquisiton	NSP09-03-6405	ACQ- DIVERSIFIED HOUSING - 120%
		NSP09-03-6406	HARBEL HOUSING PARTNERSHIP-
NSP09-04	Purchase/Rehab	NSP09-6407	DIVERSIFIED HOUSING DEV.CORP-
		NSP09-6408	Harbel Housing Partnership-120% AMI

Activities

Grantee Activity Number: NSO09-6401
Activity Title: Admin- Baltimore County

Activity Type:

Administration

Activity Status:

Under Way

Project Number:

NSP09-01

Project Title:

Administration

Projected Start Date:

04/01/2009

Projected End Date:

07/30/2014

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Total Budget, Program Funds:

\$ 109,688.00

Other Funds Total:

\$ 0.00

Environmental Assessment:

COMPLETED

Total Funds Amount:

\$ 109,688.00

Benefit Report Type:

NA

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

BALTIMORE COUNTY

Proposed budgets for organizations carrying out Activity:

Responsible Organization

BALTIMORE COUNTY

Organization Type

Unknown

Proposed

\$ 109,688.00

Location Description:

N/A

Activity Description:

Administration funds for employees working with this program.

Grantee Activity Number: NSP09-03-6405
Activity Title: ACQ- DIVERSIFIED HOUSING - 120% AMI

Activity Type:
 Acquisition - general

Activity Status:
 Completed

Project Number:
 NSP09-03

Project Title:
 NSP- Acquisiton

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 421,993.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 421,993.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	16	15	1	100.00
# of Households	16	15	1	100.00
# of Permanent Jobs Created				0.0

Proposed Accomplishments	Total
# of Singlefamily Units	16
# of Housing Units	16
# of Parcels acquired voluntarily	
# of Parcels acquired by admin settlement	
# of Parcels acquired by condemnation	
# of buildings (non-residential)	
# of Properties	16

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 DIVERSIFIED HOUSING DEVELOPMENT CORPORATION

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
DIVERSIFIED HOUSING DEVELOPMENT CORPORATION	Unknown	\$ 421,993.00

Location Description:
 Targeted Communitas that are defined in admendment plan.

Activity Description:
 Deferred Closing cost and downpayment assistance loan up to 50,000.00

Grantee Activity Number: NSP09-03-6406
Activity Title: HARBEL HOUSING PARTNERSHIP-120% AMI

Activity Type:
 Acquisition - general

Activity Status:
 Completed

Project Number:
 NSP09-03

Project Title:
 NSP- Acquisiton

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 421,993.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 421,993.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	7	1	6	100.00
# of Households	7	1	6	100.00
# of Permanent Jobs Created				0.0

Proposed Accomplishments	Total
# of Singlefamily Units	7
# of Housing Units	7
Total acquisition compensation to owners	
# of Parcels acquired voluntarily	
# of Parcels acquired by admin settlement	
# of Parcels acquired by condemnation	
# of buildings (non-residential)	
# of Properties	7

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 Harbel Housing Partnership

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Harbel Housing Partnership	Unknown	\$ 421,993.00

Location Description:
 Defined targeted communités.

Activity Description:

Deferred closing cost and downpayment assistance loan up to 50,000.00

Grantee Activity Number: NSP09-6402
Activity Title: ADMIN- HARBEL

Activity Type:
 Homeownership Assistance to low- and moderate-income

Activity Status:
 Under Way

Project Number:
 NSP09-01

Project Title:
 Administration

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 79,500.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 EXEMPT

Total Funds Amount: \$ 79,500.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	17			0.00
# of Households	17			0.00

Proposed Accomplishments	Total
# of Housing Units	17

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Harbel Housing Partnership

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Harbel Housing Partnership	Unknown	\$ 79,500.00

Location Description:
 Defined targeted communities

Activity Description:
 Direct homeownership counseling in conjunction with a deferred loan product

Grantee Activity Number: NSP09-6403
Activity Title: ADMIN-DIVERSIFIED HOUSING

Activity Type:
 Homeownership Assistance to low- and moderate-income

Activity Status:
 Under Way

Project Number:
 NSP09-01

Project Title:
 Administration

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 70,500.00

Other Funds Total: \$ 0.00

Environmental Assessment:

Total Funds Amount: \$ 70,500.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	17			0.00
# of Households	17			0.00

Proposed Accomplishments	Total
# of Housing Units	17

Activity is being carried out by Grantee:

Activity is being carried out through:

No

Organization carrying out Activity:
 DIVERSIFIED HOUSING DEVELOPMENT CORPORATION

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
DIVERSIFIED HOUSING DEVELOPMENT CORPORATION	Unknown	\$ 70,500.00

Location Description:

DEFINED TARGETED COMMUNITIES

Activity Description:

Direct homeownership counseling in conjunction with a deferred loan product.

Grantee Activity Number: nsp09-6404
Activity Title: rehab special needs- 50% OR below

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 NSP09-02

Project Title:
 Acquisition /Rehab

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Total Budget, Program Funds: \$ 649,220.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 649,220.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	9	9		100.00
# of Households	9	9		100.00

Proposed Accomplishments	Total
# of Housing Units	9
# ELI Households (0-30% AMI)	
# of Properties	9

Activity is being carried out by Grantee: No
Activity is being carried out through:

Organization carrying out Activity:
 Empire Homes of Maryland, Inc

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Empire Homes of Maryland, Inc	Non-Profit	\$ 649,220.00

Location Description:

Purpose is to provide housing to residents whose incomes are at 25% or below of the area median income. Decision to use the HOME rental and income limits for qualification purposes for this project

Activity Description:

Acquisition / Rehabilitation of residential property to be used as rental housing for very low income homeless household with special needs.

Grantee Activity Number: NSP09-6407
Activity Title: DIVERSIFIED HOUSING DEV.CORP- 120% AMI

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Planned

Project Number:
 NSP09-04

Project Title:
 Purchase/Rehab

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 421,993.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 421,993.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	7	5	2	100.00
# of Households	7	5	2	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	7
# of Housing Units	7
#Sites re-used	7
# of Properties	7

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 DIVERSIFIED HOUSING DEVELOPMENT CORPORATION

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
DIVERSIFIED HOUSING DEVELOPMENT CORPORATION	Unknown	\$ 421,993.00

Location Description:
 Defined targeted communities. Diversified is the Non Profit organization that is providing the counseling an direct subsidy for these borrowers.

Activity Description:
 Deferred Purchase / Rehab Loan up to 50,000.00

Grantee Activity Number: NSP09-6408
Activity Title: Harbel Housing Partnership-120% AMI

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 NSP09-04

Project Title:
 Purchase/Rehab

Projected Start Date:
 04/01/2009

Projected End Date:
 07/30/2014

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 421,993.00

Other Funds Total: \$ 0.00

Environmental Assessment:
 COMPLETED

Total Funds Amount: \$ 421,993.00

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	8	1	7	100.00
# of Households	8	1	7	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	8
# of Housing Units	8
# of Properties	8

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Harbel Housing Partnership

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Harbel Housing Partnership	Unknown	\$ 421,993.00

Location Description:
 Defined targeted communities.

Activity Description:
 Deferred purchase /rehab loan up to 50,000.00

Action Plan Comments:

Reviewer - The Action Plan has been reviewed and approved.

Action Plan History

Version

B-08-UN-24-0010 AP#1

Date

05/05/2010