

**Grantee: Maryland**

**Grant: B-11-DN-24-0001**

## January 1, 2020 thru March 31, 2020 Performance Report

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<b>Grant Number:</b> B-11-DN-24-0001	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> Maryland	<b>Contract End Date:</b>	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$5,000,000.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> No QPR Contact Found
<b>LOCCS Authorized Amount:</b> \$5,000,000.00	<b>Estimated PI/RL Funds:</b> \$601,820.38	
<b>Total Budget:</b> \$5,601,820.38		

### Disasters:

#### Declaration Number

NSP

### Narratives

#### Summary of Distribution and Uses of NSP Funds:

In October 2010, the State of Maryland received notification of an award of \$5,000,000 of Neighborhood Stabilization Program (NSP) funds. These funds were from the third round of NSP funds and were awarded under the Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). For NSP3, HUD defined the areas of greatest need and provided the data for grantees to use. Grantees were to select projects and activities which would ensure a measurable impact within in a target area.

Using the data provided, the State sent out Requests for Proposals to governments, housing authorities and non-profits in the qualifying communities. From the submissions received, the State awarded \$4,500,000 to four subgrantees for housing activities within their eligible census tracts. Collectively, their efforts will impact 172 housing units and assist in the stabilization of 11 census tracts.

The State has targeted \$2,155,000 to be used for housing activities that benefit persons at or below 50% of the area median income. This represents 43% of the total award and exceeds HUD's 25% requirement. These targets funds will create homeownership and rental opportunities for 120 persons or households.

The State submitted the required Substantial Amendment to the Consolidation Plan to HUD on February 28th. The Amendment provided details as to the State's request for proposal process, evaluation criteria used, requirements and regulations for the selected subgrantees. The Amendment was approved on March 2nd.

The specifically funded project and activities are as follows:

Washington County:

1. Acquisition and Rehabilitation-\$255,000:

Acquisition and rehabilitation of 3 abandoned or foreclosed upon homes and residential properties that will be sold or rented to income qualifying individuals or families. The activities will be completed through a partnership of Habitat for Humanity of Washington County, Washington County, and the Washington County Community Action Committee, Inc.

2. Downpayment Assistance- \$145,000:

Provide downpayment assistance to eligible buyers of foreclosed or abandoned houses. The activities will be completed through a partnership with the City of Hagerstown, Washington County, and Hagerstown Neighborhood Development Partners, Inc.

Enterprise Housing Corporation:

1. Acquisition-\$800,000

Acquisition of a vacant and foreclosed property to be used for construction of 100 units for seniors and disabled persons. The activities will be carried out by Enterprise Housing Corporation.

Prince George's County:

1. Acquisition and Rehabilitation-\$1,057,500

Acquisition and rehabilitation of 20 abandoned and foreclosed upon homes and residential properties that will be sold to income qualifying, first-time homebuyers. The activities will be completed through a partnership of Prince George's County, the Redevelopment Authority, UCAP, and HIP.

2. Save Your Home Initiative-\$642,500

Acquisition of 8 foreclosed upon houses using HUD's NSP definition of foreclosed as part of a comprehensive pilot program to assist former homeowners wit

#### Summary of Distribution and Uses of NSP Funds:

h becoming the homeowner again. These activities will be completed through a partnership of Prince George's county and several nonprofit agencies.

East Baltimore Development Incorporated:

Acquisition and Rehabilitation-\$1,600,000

Acquisition and/or rehabilitation of 34 vacant properties that will be sold or rented to income qualifying individuals or



families. Activities to be carried out by East Baltimore Development Incorporated and TRF Development Partners.

### **How Fund Use Addresses Market Conditions:**

As part of the evaluation and selection process, the State considered how the proposed projects and activities would stabilize and revitalize target areas. The selected subgrantees will concentrate their projects and activities to impact neighborhoods affected by high vacancy rates and large numbers of foreclosures. Each provided strategies as to how they would address and improve market conditions with their efforts.

### **Ensuring Continued Affordability:**

Grantees are required to ensure that NSP assisted properties remain affordable to individuals and families at or below 120% of the area median income or at or below 50% of the area median income for the longest period possible. The affordability period and requirements will vary for each activity and are explained further below:

#### **ACTIVITY TERM**

##### **1. Acquisition and/or Rehabilitation:**

- Single Family Rental with less than \$15,000 of NSP investment requires that each unit is to remain affordable for a 10 year period;
- Single Family Rental with more than \$15,001 of NSP investment requires that each unit is to remain affordable for a 15 year period.

##### **2. Redevelopment of Property**

- Multi-Family Rental with less than \$100,000 of NSP investment requires that units are to remain affordable for a 15 year period;
- Multi-Family Rental with \$100,001 - \$500,000 of NSP investment requires that units are to remain affordable for a 25 year period;
- Multi-Family Rental with more than \$500,001 of NSP investment requires that units are to remain affordable for a 35 year period.

##### **3. Downpayment Assistance requires that the amount be repaid when the property is sold or transferred.**

- Acquisition and/or Rehabilitation and Resale requires that the subsidy be repaid when the property is sold or transferred. The affordability period is to be ensured with a Deed of Trust

### **Definition of Blighted Structure:**

Blighted Structure: A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare as defined by local code.

### **Definition of Affordable Rents:**

For a unit assisted with NSP funding that is rented to an individual or family with incomes at or below 50% of the area median income, the sum of the contract rent and utility costs can not exceed the current HOME LOW rent for the bedroom size of the unit. These rents are updated and will be provided annually by DHCD.

For a unit assisted with NSP funding that is rented to an individual or family with incomes at or below 120% of the area median income, the sum of the contract rent and utility costs can not exceed an amount that is 2 times the current HOME LOW rent for the bedroom size of the unit. These rents are updated and will be provided annually by DHCD.

### **Grantee Contact Information:**

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### **Housing Rehabilitation/New Construction Standards:**

At a minimum, under NCI, any rehabilitation done using NSP funds must meet current HOME rehabilitation standards which require houses to meet the livability standards and code for the county or city where activity is taking place. To the extent applicable to the rehabilitation work undertaken, older obsolete products and appliances must be replaced with Energy Star labeled products. Additionally, grantees must comply with federal and state Lead Paint regulations and conduct a termite inspection for each house.

Under NSP3, HUD requires that all gut rehabilitation or new construction of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes. All gut rehabilitation or new construction of mid or high rise multi-family housing must be designed to meet American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard. HUD also encourages the use of other energy efficient and environmentally-friendly green elements for rehabilitation. Further details will be provided to grantees.

### **Vicinity Hiring:**

As there are no local ordinances, the State will allow the grantee to give preference during the bidding process for the selection of a local business provided that business is qualified and the bid does not exceed the most competitive and qualified non-local bid by 10%. First preference will be given to local businesses located within census tracts and second preference to those located within the municipal boundaries. If employees are hired under the construction contracts, the grantee will work with the contractor to ensure that local, qualified persons are hired.



**Procedures for Preferences for Affordable Rental Dev.:**

As part of the Request for Proposal process, the State emphasized and encouraged the use of NSP3 funds for affordable rental development. Those planning to submit proposals were encouraged to seek the availability of foreclosed or vacant multi-family buildings as an element in their strategies to revitalize neighborhoods and provide a range of affordable housing choices. It was ultimately their decision to determine if rental development was a key element in their strategy and whether or not it would work in their target areas. The selected projects and activities will result in 116 rental units.

Overall	This Report Period	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$5,601,820.38
<b>Total Budget</b>	\$0.00	\$5,601,820.38
<b>Total Obligated</b>	\$0.00	\$5,601,820.38
<b>Total Funds Drawdown</b>	\$0.00	\$5,601,820.38
<b>Program Funds Drawdown</b>	\$0.00	\$5,000,000.00
<b>Program Income Drawdown</b>	\$0.00	\$601,820.38
<b>Program Income Received</b>	\$0.00	\$601,820.38
<b>Total Funds Expended</b>	\$0.00	\$5,458,320.38
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$22,263,751.00

**Progress Toward Required Numeric Targets**

Requirement	Target	Actual
<b>Overall Benefit Percentage (Projected)</b>		0.00%
<b>Overall Benefit Percentage (Actual)</b>		0.00%
<b>Minimum Non-Federal Match</b>	\$0.00	\$22,263,751.00
<b>Limit on Public Services</b>	\$750,000.00	\$0.00
<b>Limit on Admin/Planning</b>	\$500,000.00	\$388,500.00
<b>Limit on Admin</b>	\$0.00	\$388,500.00
<b>Most Impacted and Distressed Threshold (Projected)</b>	\$0.00	\$0.00
<b>Progress towards LH25 Requirement</b>	\$1,400,455.10	\$2,555,000.00

**Overall Progress Narrative:**

All activities are complete and all funds are drawn.

**Project Summary**

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NCI-11-03, Financial Mech.	\$0.00	\$0.00	\$0.00
NCI11-01, Administration	\$0.00	\$388,500.00	\$290,000.00
NCI11-02, Acquisition/Rehab	\$0.00	\$3,312,500.00	\$3,267,500.00
NCI11-04, Acquisition	\$0.00	\$1,900,820.38	\$1,442,500.00



## Activities

**Project # /** NCI11-02 / Acquisition/Rehab

**Grantee Activity Number:** NCI11-510003-25

**Activity Title:** Acq/Rehab/Resale-LH25-Prince George's County

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

NCI11-02

**Projected Start Date:**

04/01/2011

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Completed

**Project Title:**

Acquisition/Rehab

**Projected End Date:**

12/07/2018

**Completed Activity Actual End Date:**

**Responsible Organization:**

Prince George's County, Maryland

**Overall**

**Total Projected Budget from All Sources**

**Jan 1 thru Mar 31, 2020**

N/A

**To Date**

\$600,000.00

**Total Budget**

\$0.00

\$600,000.00

**Total Obligated**

\$0.00

\$600,000.00

**Total Funds Drawdown**

\$0.00

\$600,000.00

**Program Funds Drawdown**

\$0.00

\$600,000.00

**Program Income Drawdown**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$600,000.00

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$266,666.00

**Activity Description:**

Acquire and redevelop and resale 6 homes to LH25 households.

**Location Description:**

Suitland, MD.

**Activity Progress Narrative:**



## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/6
# of Singlefamily Units	0	6/6

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	6/6	0/0	6/6	100.00
# Owner Households	0	0	0	6/6	0/0	6/6	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

