

12 VISIONS



ANNUAL CONFERENCE 2019

Themes and Topics:

- Accessory Dwelling Units in Montgomery County
- Secondary Rental Units in Talbot County
- Market Feasibility and Investments regional
- Financing with tax credit programs through DHCD
- Issues with Special Group Zoning in Hagerstown

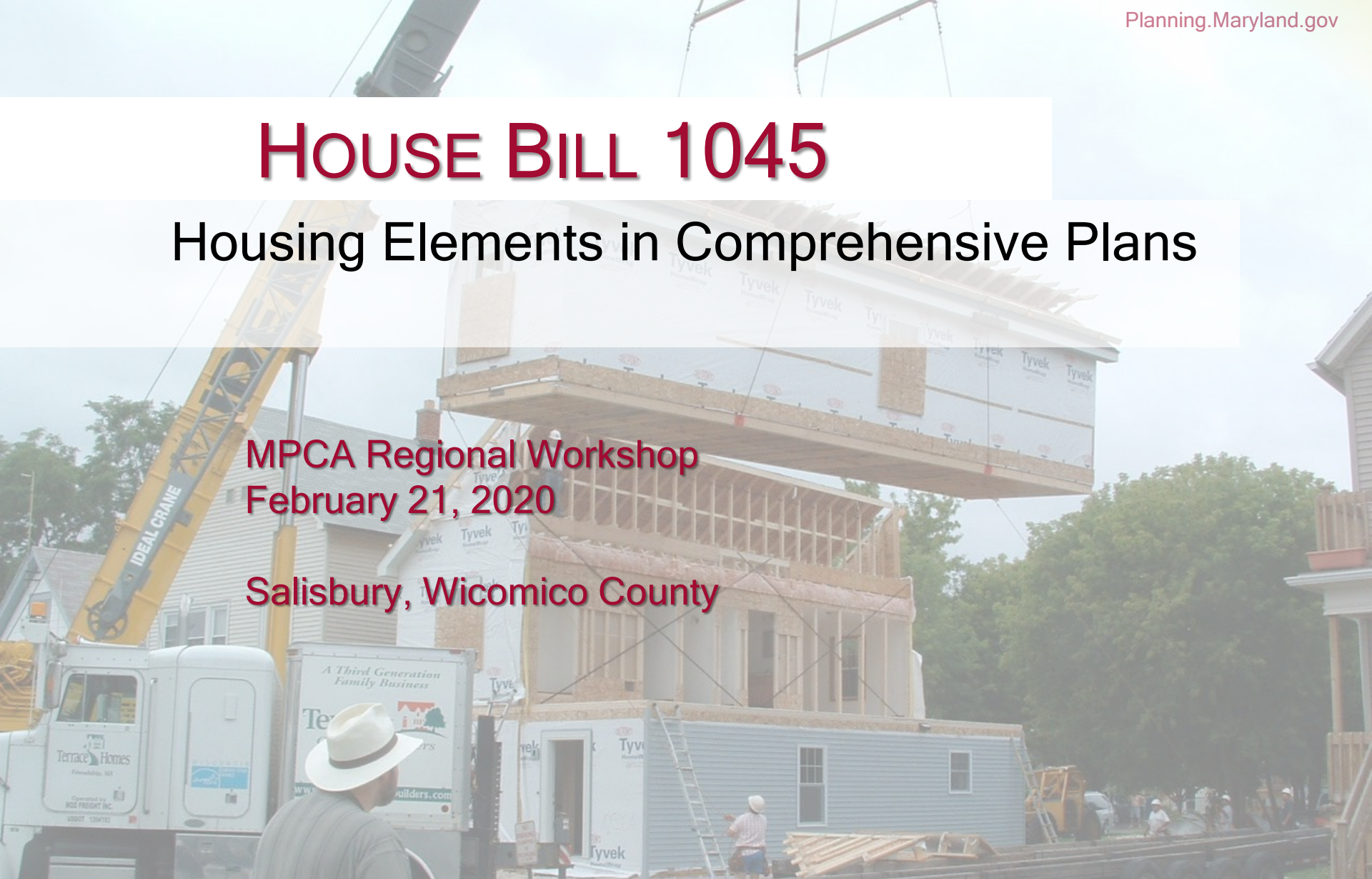


HOUSE BILL 1045

Housing Elements in Comprehensive Plans

MPCA Regional Workshop
February 21, 2020

Salisbury, Wicomico County



HB 1045 REQUIREMENTS (3-102)

A housing element shall address the need for affordable housing and will include:

1. Workforce Housing
2. Low-Income Housing

A housing element **MAY** include :

1. Goals
2. Objectives
3. Policies
4. Plans
5. Standards



CURRENT HOUSING PLANNING

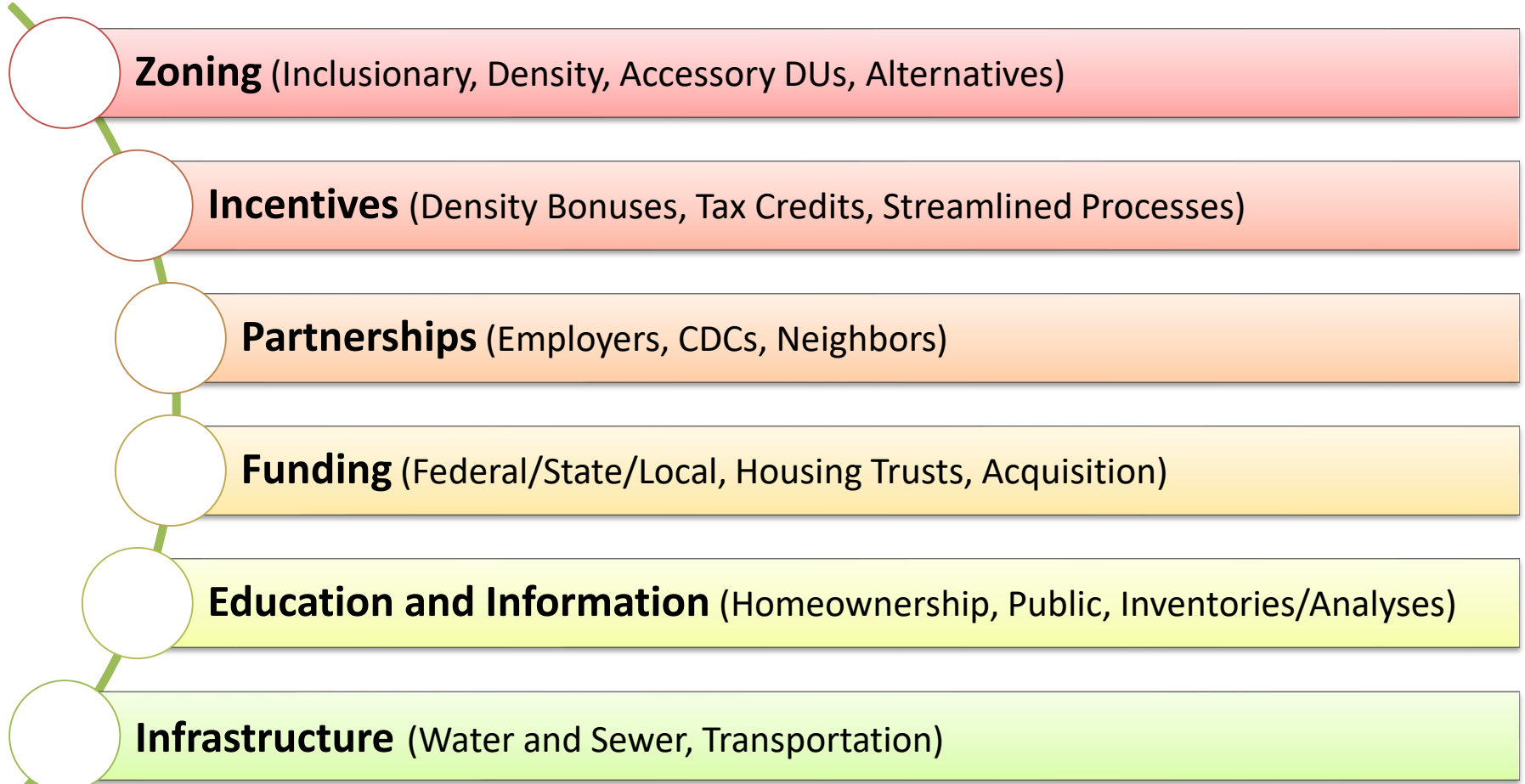
	Counties (24)	Municipalities (109)
Housing Element	100 %	51 %
Low Income	54 %	14 %
Workforce	83 %	27 %
Affordable	96 %	44 %



Figure 8-7 Concept of Proposed Obery Court Improvements Annapolis Comprehensive Plan



CURRENT HOUSING IMPLEMENTATION MEASURES



WORKPLAN

- Research / Inventory
 - Data Collection
 - Local / National Precedent
- Stakeholder Outreach / Engagement / Education
 - Participation, Input, Community Assistance
- Content / Synthesis
 - Useable & viable product for counties and municipalities



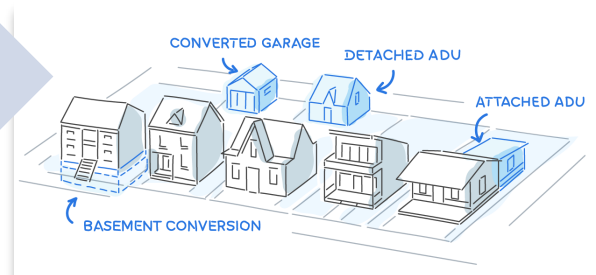
Workplan:
Fall 2019

Draft Product:
Spring 2019


Refinement, Maintenance and Additions:
Continuous

Draft Outline:
Winter 2020

Final Product:
June 2020



REGIONAL AFFORDABLE HOUSING



**Creating
Workforce /
Affordable
Housing**

Addressing the critical shortage of housing that is affordable at all income levels to purchase, rent, and maintain.



WHO IS PENNROSE



16,000
UNITS DEVELOPED

200+
DEVELOPMENTS

52
INDUSTRY AWARDS WON

\$3 billion
OF DEVELOPMENT COMPLETED

4th
LARGEST AFFORDABLE HOUSING DEVELOPER (2015)

400
EMPLOYEES

100+
PARTNERS

45
YEAR HISTORY

8,000+
UNITS MANAGED

15+
NEW DEVELOPMENTS EACH YEAR

80+
NON-PROFIT
PARTNERSHIPS

3,000+
RAD UNITS COMPLETED

25
HOPE VI PROJECTS
COMPLETED

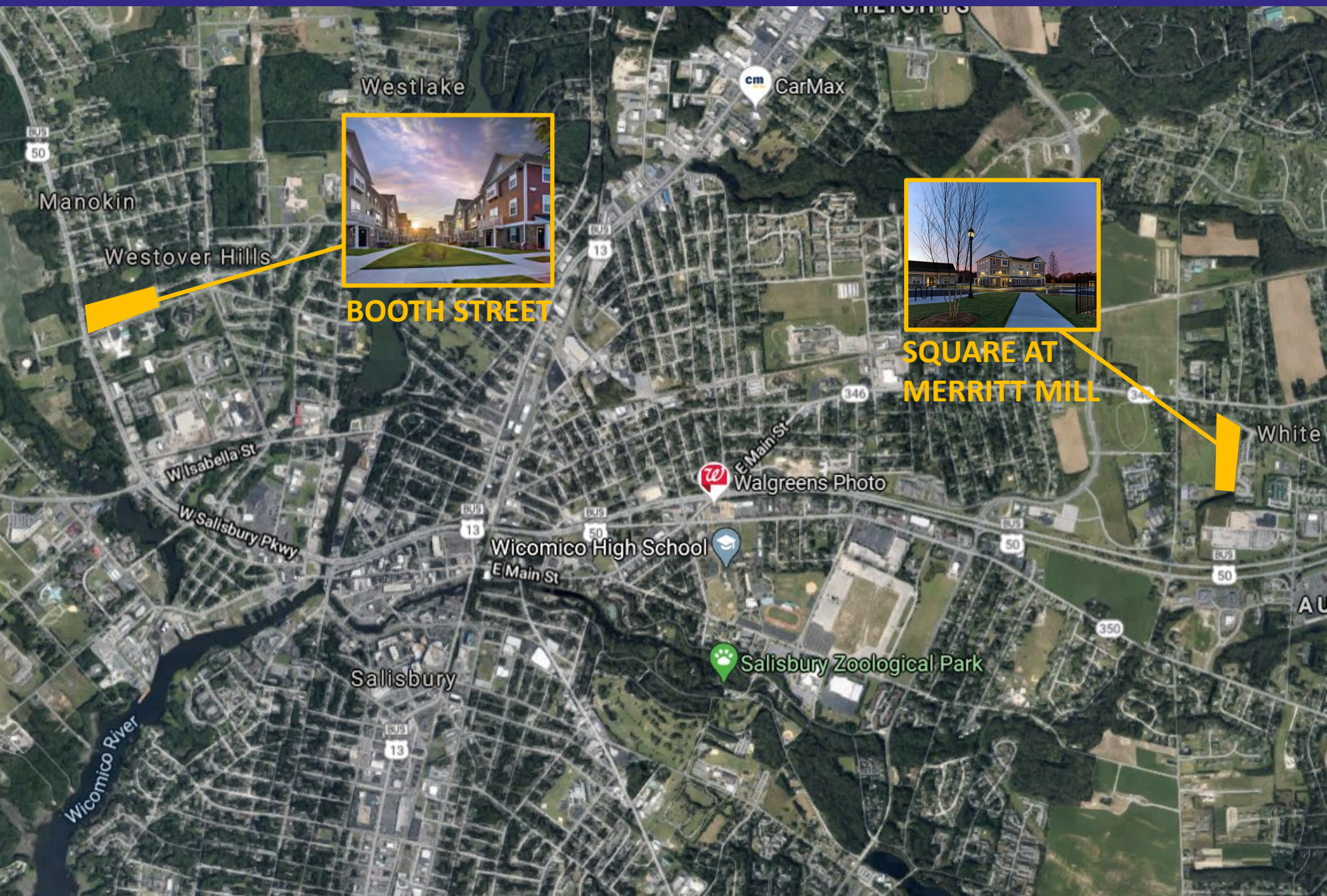
- Nationally acclaimed multifamily real estate developer and manager
- Specialists in multi-family, mixed-use, and mixed-income development
- Expertise in complex, multi-phase, mixed-finance, urban and suburban development

BRICKS & MORTAR

PENNROSE

HEART & SOUL

EASTERN SHORE PROJECTS



BOOTH STREET



SQUARE AT MERRITT MILL

BOOTH STREET REDEVELOPMENT

1960s era 100-unit Public Housing

High vacancy, disrepair

HUD Rental Assistance Demonstration (RAD) program – enabled leveraging private capital

Phase 1

“Stone Grove Crossing”

84 new affordable units

50 replacement units (RAD)

34 additional LIHTC

Renovated Community Clubhouse

Completed 2017

Public / Private Partnership (WCHA + Pennrose)

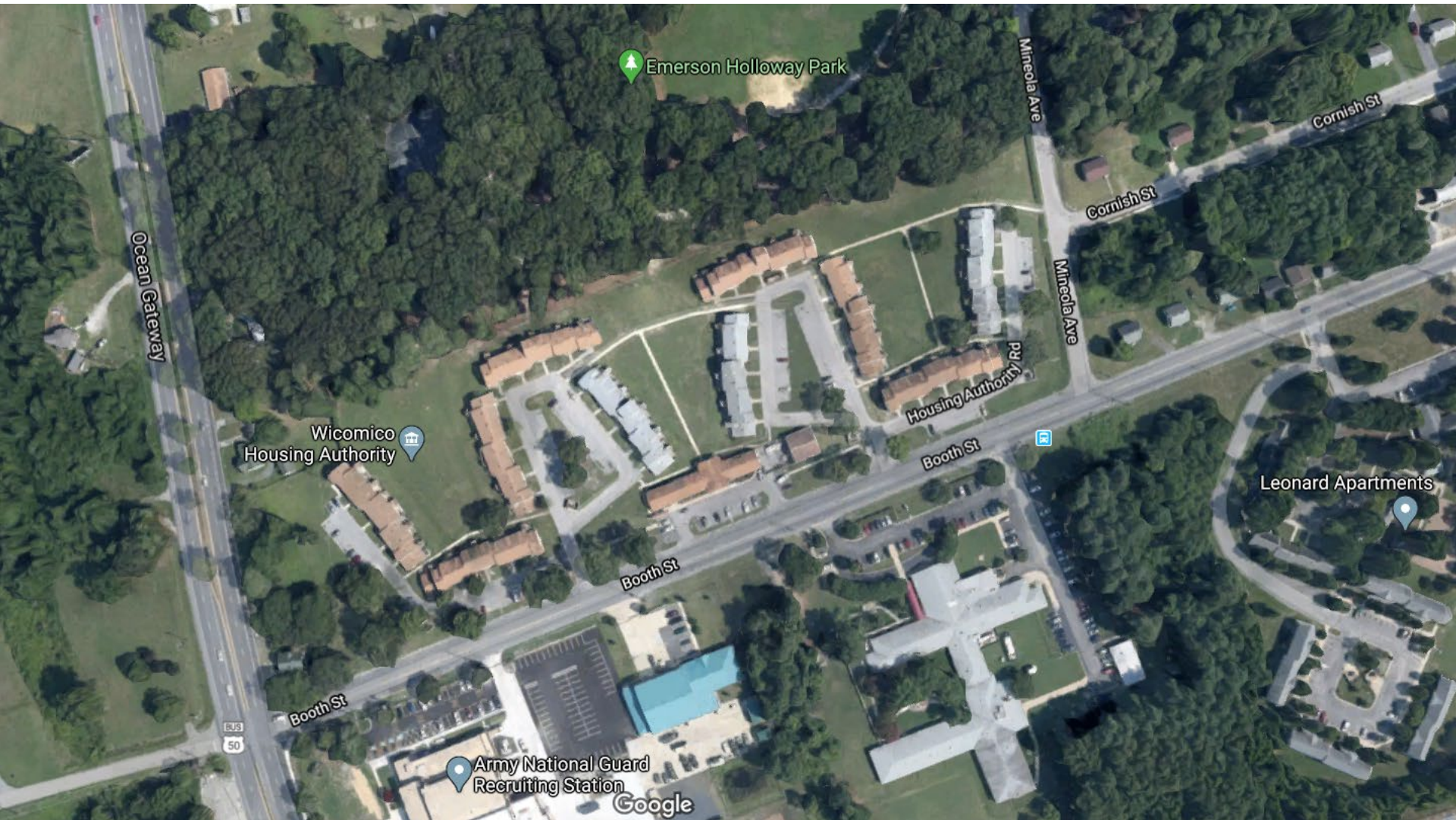


PENNROSE
Bricks & Mortar | Heart & Soul

*Wicomico County
Housing Authority*

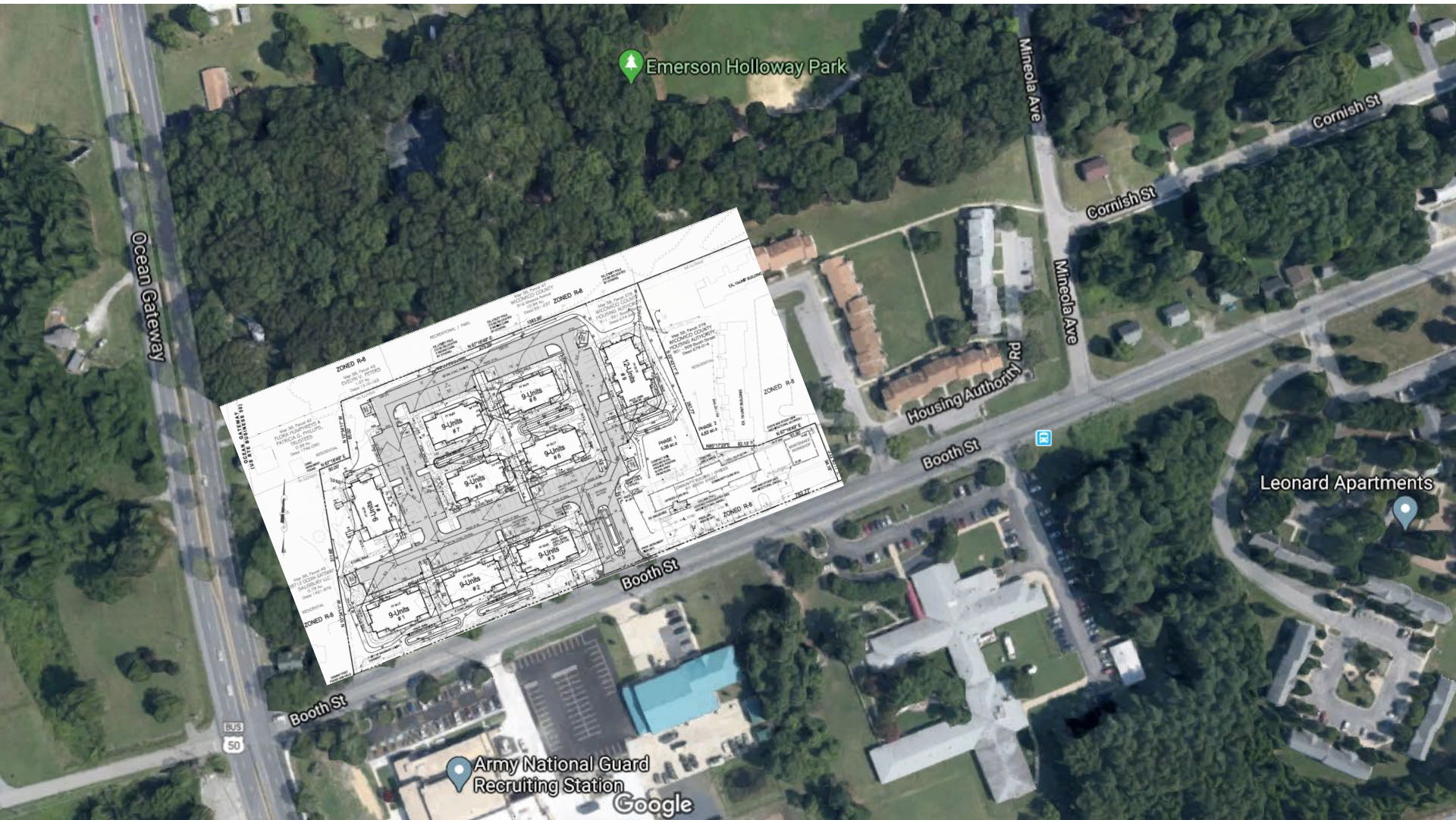
BOOTH STREET REDEVELOPMENT

Previously Existing Conditions - Aerial



BOOTH STREET REDEVELOPMENT

Proposed Site Plan



BOOTH STREET REDEVELOPMENT

BEFORE



AFTER



BOOTH STREET REDEVELOPMENT

Key Considerations / Challenges:

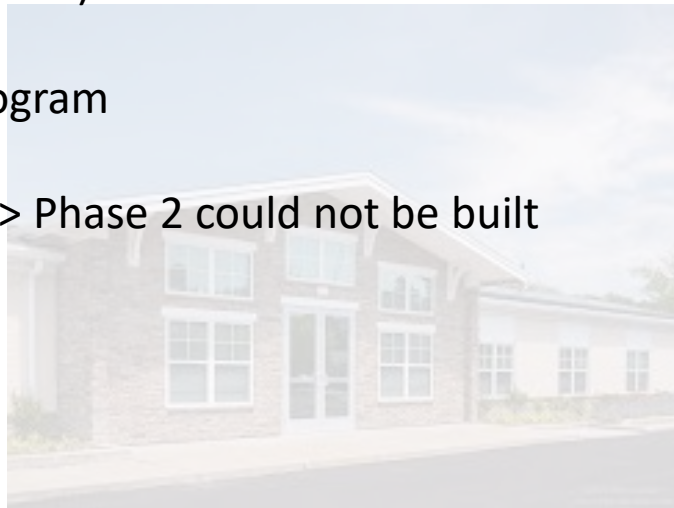
Housing Authority history

Financing / funding

Local Support (positive)

Navigating RAD program

HUD FHEO ruling >> Phase 2 could not be built on site



SQUARE AT MERRITT MILL

Off-site replacement housing for Booth Street Phase 2 (HUD Fair Housing)

Ground up new construction (green field)

Community of Opportunity

Site Annexed from Wic. County to Salisbury

75 new apartments

- 50 replacement units (RAD)

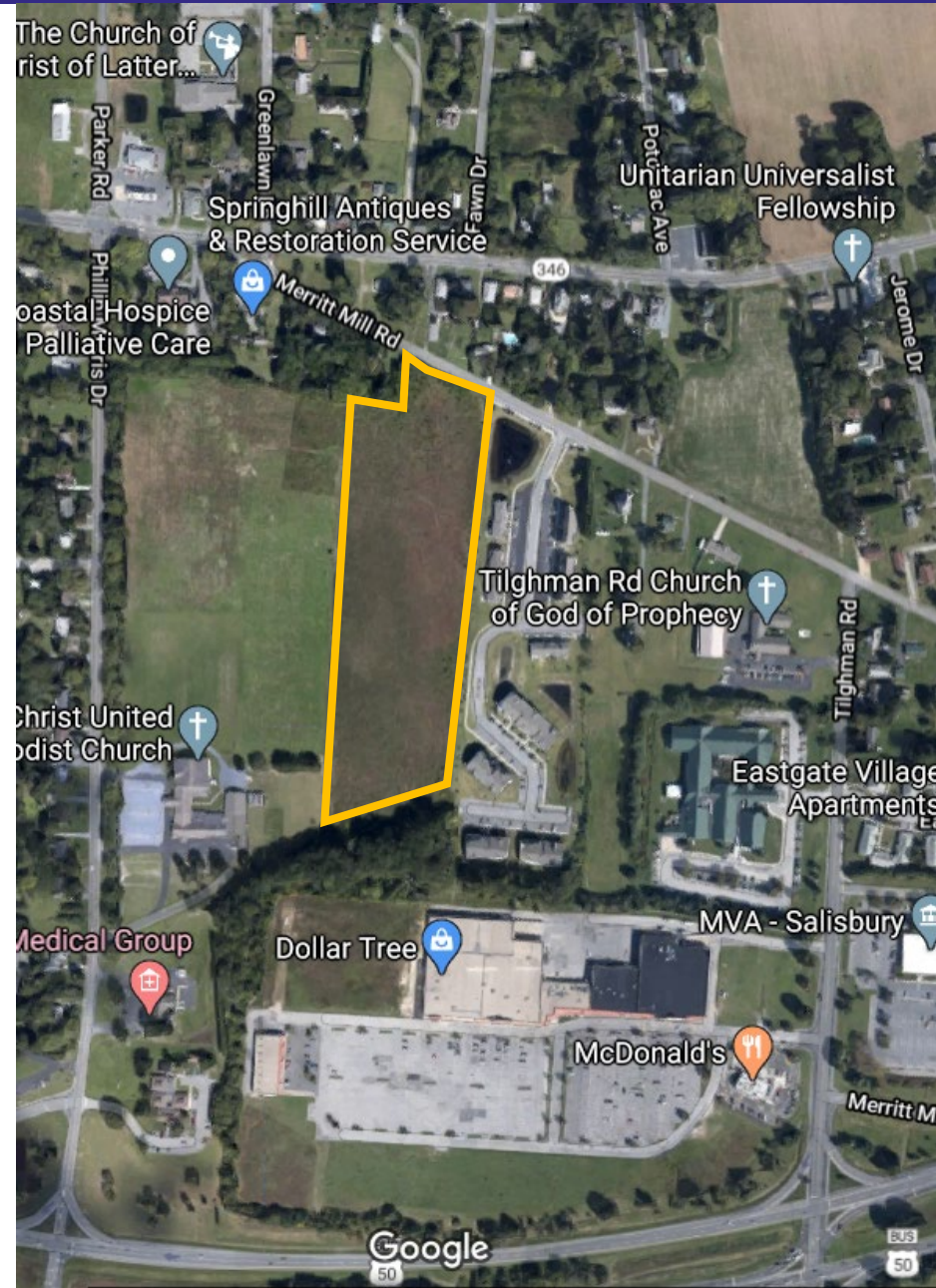
- 25 additional LIHTC

- 8 market-rate

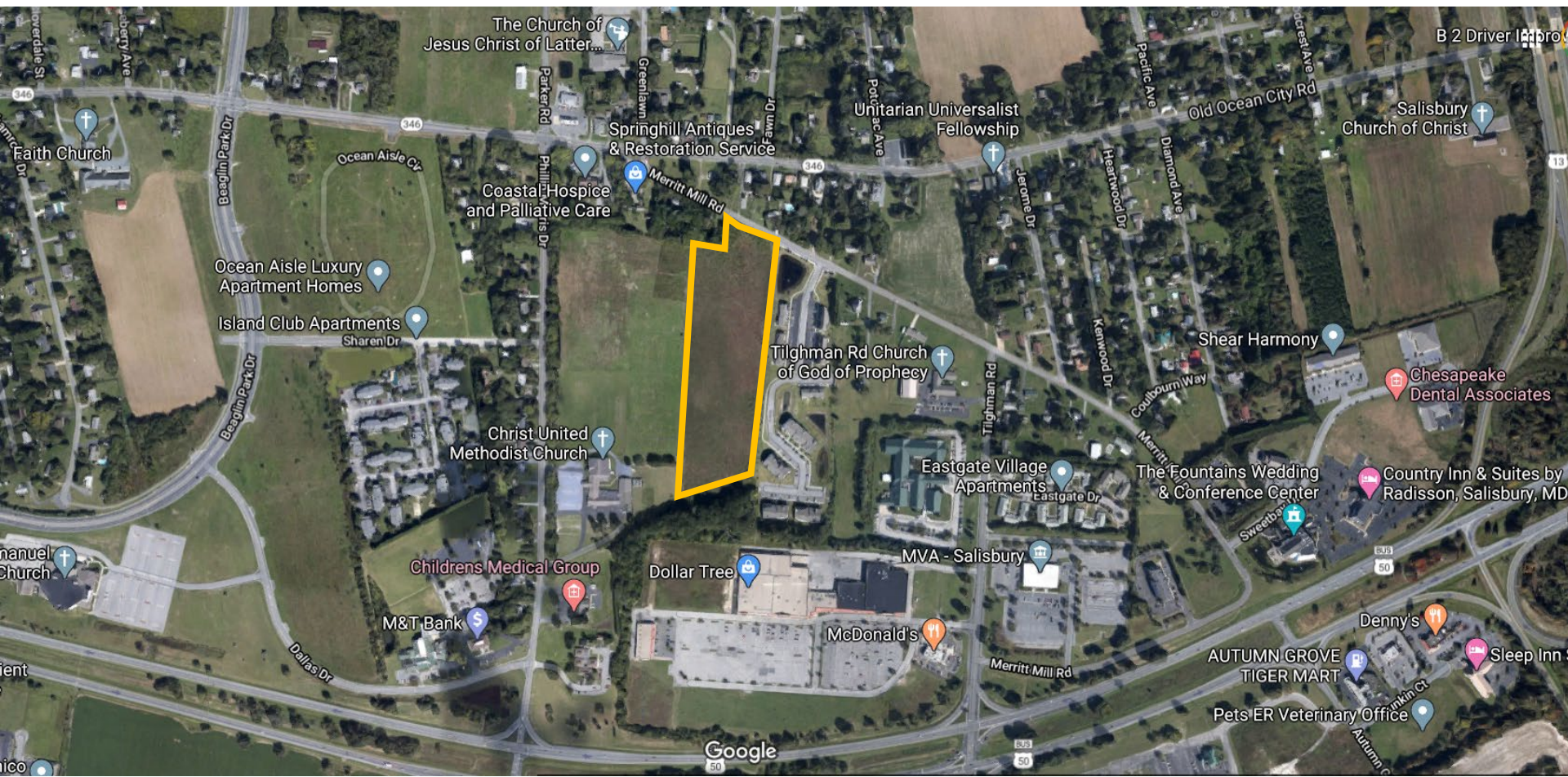
- 2,700sf Clubhouse

Completed 2019

Public / Private Partnership (WCHA + Pennrose)



SQUARE AT MERRITT MILL



SQUARE AT MERRITT MILL

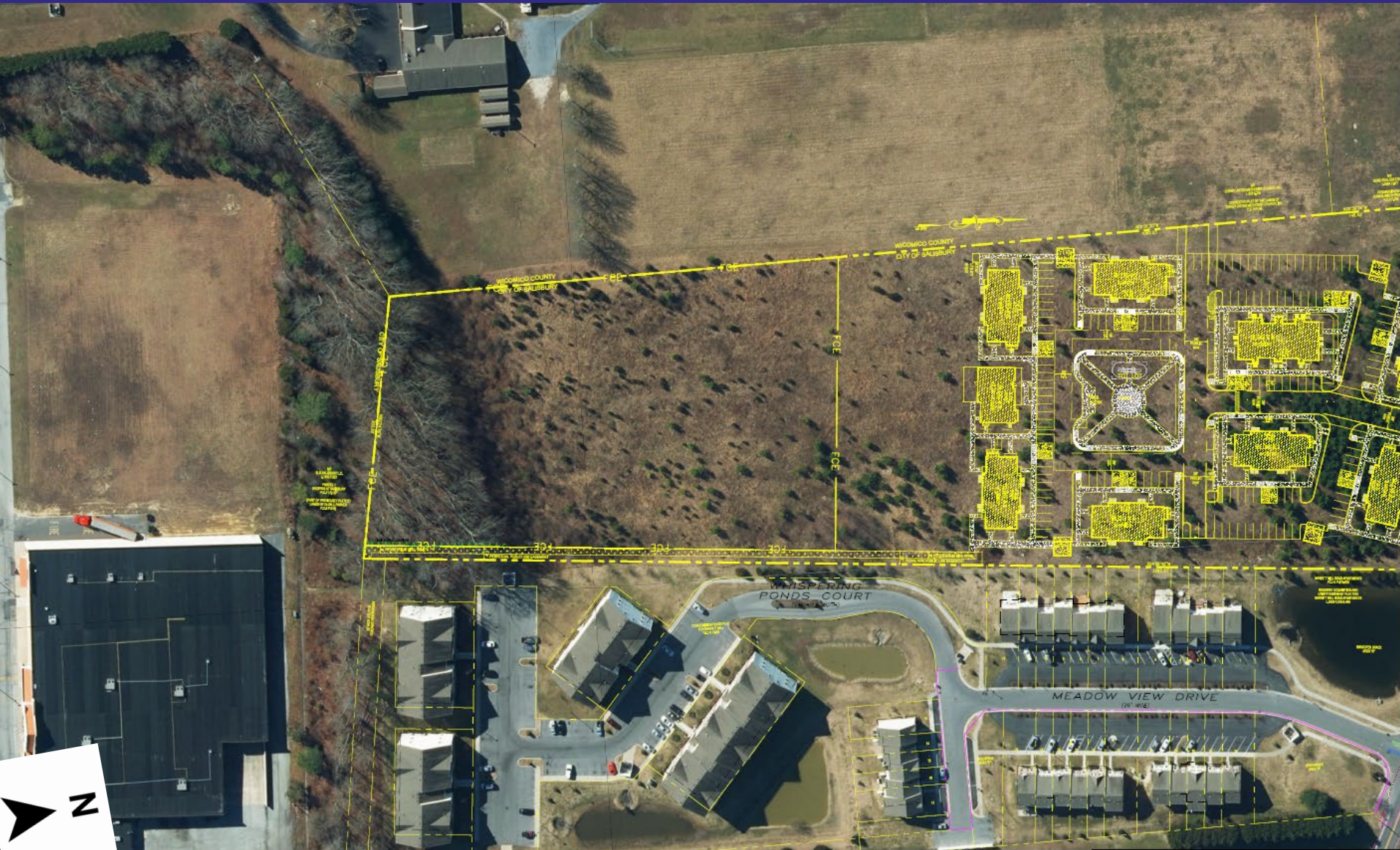
Concept Plan from Annexation Agreement

Called for disturbing / developing entire 11 acre site

Revising it Required Amendment (Planning Commission, City Council approval)



SQUARE AT MERRITT MILL



PENNROSE
Bricks & Mortar | Heart & Soul

*Wicomico County
Housing Authority*

SQUARE AT MERRITT MILL



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 marks thomas |  MOSELEY ARCHITECTS



PENNROSE
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*Wicomico County
Housing Authority*

SQUARE AT MERRITT MILL

Challenges:

Local opposition (adjacent residents)

Annexation

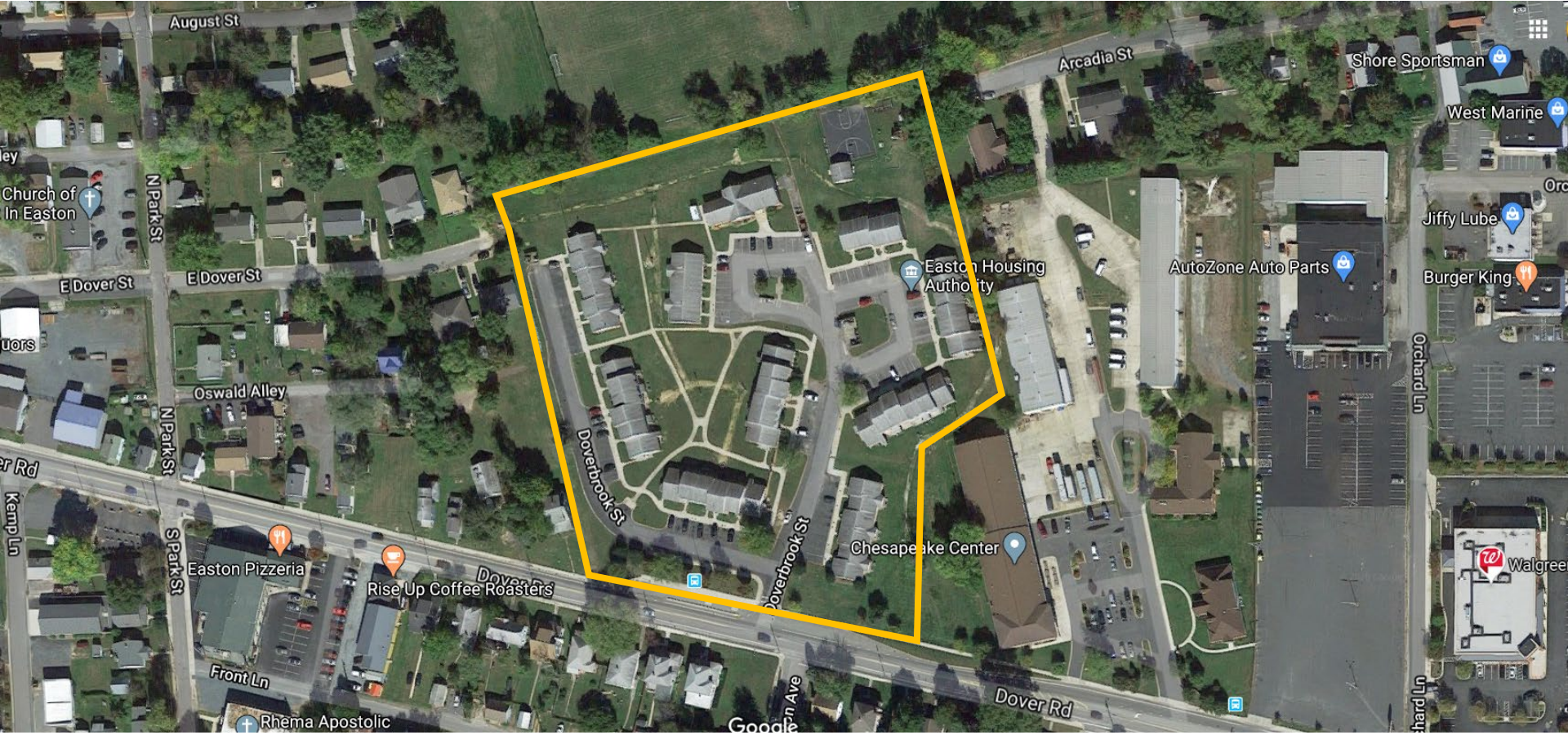
- City/County jurisdiction
- Annexation Agreement amendment
- Planning / Zoning department restructuring

Construction – weather related issues



DOVERBROOK – EASTON, MD

Site Location – Dover Rd, Easton



DOVERBROOK – EASTON, MD

~40+ year old, 50-unit Public Housing

Developing Revitalization Strategy in partnership with Housing Commission of Talbot

Conversion via HUD program to enable leveraging private capital

9% Competitive LIHTC – not awarded in 2019; re-evaluating

Key Challenge:

Aging public housing in need of modernization / revitalization

VS.

Dwindling federal resources





SALISBURY **NHS** Neighborhood
Housing Services INC.



NeighborWorks[®]

CHARTERED MEMBER

SNHS At A Glance

- ▶ 501 C3 non-profit organization, established in 1994
- ▶ Chartered by Neighborhood Reinvestment Corporation (NRC) dba NeighborWorks America
- ▶ One of 220+ NeighborWorks Organizations
- ▶ Certified HUD Counseling Agency
- ▶ Certified HECM Counseling Agency
- ▶ Certified Full-Cycle Lender
- ▶ NMLS licensed mortgage loan originators





Mission Statement

Cultivate sustainable neighborhoods with partnerships and lending that inspire self-reliance, growth and optimism.

Our Goals:



To Increase and Preserve Homeownership



To Reduce Neighborhood Blight



To Provide Resources for Home Improvement



To Encourage Private Investment by Banks, Homeowners, Commercial Users and Landlords



To Foster Sustainable Change Through Education, Training and Leadership Development



To Develop Self Sustaining Programs



Benefits of Homeownership

Financial Benefits

- ▶ Monthly mortgage payments are a “forced” savings helping to build net worth
- ▶ Leveraged investment
- ▶ Tax advantages
- ▶ Stable monthly payments, no rent increases

Social Stability

- ▶ Improved educational performance
- ▶ Lower crime rates
- ▶ Increased interactions with neighbors
- ▶ Businesses are able to attract and retain talent

THE REALITY



One in three US households struggle with housing costs.



16 million US households pay 50% or more of their income on housing.



Families must often choose between quality and affordability.



Families may be forced to live outside the city center which in turn leads to transportation problems, a disconnect from the area they work in, lack of responsibility to the community.

Challenges



Low inventory of homes for sale



Quality vs. Affordability - families forced to sacrifice one for the other



Finding credit worthy borrowers



Student loan debt



Cost of renovation often exceeds after market value



Historic District regulations



Expense of lead paint reduction

Opportunities



Interest rates remain low



Variety of programs available to help with downpayment/closing costs



Low unemployment rate



New manufacturing jobs coming to our area



Potential for new or expanded partnerships

Habitat of Wicomico County
Village of Hope
Salisbury University
Local government

Areas Served

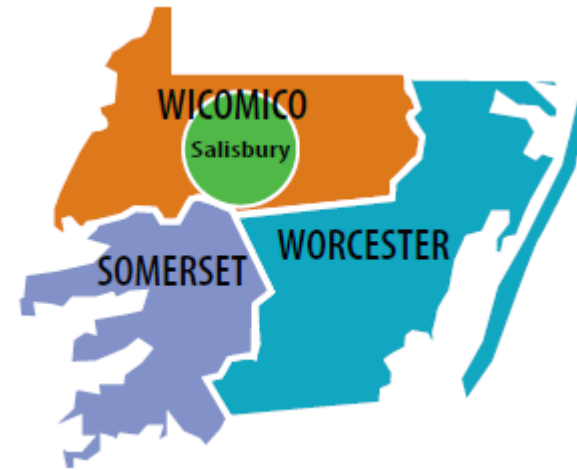
- ▶ City of Salisbury/Wicomico County

 - Target Neighborhoods

 - ▶ Camden Neighborhood
 - ▶ Westside Neighborhood
 - ▶ Doverdale/Church Street Neighborhood
 - ▶ Newtown/Johnsons Lake Neighborhood

- ▶ Somerset County

- ▶ Worcester County



SNHS Educational Programs and Services

- ▶ Homebuyer Education Workshops
 - ▶ Group Sessions
 - ▶ On-line at www.ehomeamerica.org
- ▶ Financial Fitness Workshops - *Free*
- ▶ Individual credit and budget counseling-*Free*
- ▶ Foreclosure Counseling and Intervention-*Free*
- ▶ HECM (Reverse Mortgage) Counseling-*Free*



Home Buyer Education is a comprehensive overview of the entire home purchase process. Our staff presents credit and budget counseling and delves into the intricacies of each aspect of the homebuying process. This course is required by many lenders and the certificate we present is valid for one year.



SNHS is presented with the 2018 Financial Literacy Luminary Award for providing and promoting effective financial education



SNHS Loan Products

- ▶ Tandem Loans - second mortgage of 20% of purchase price - available Countywide. Maximum loan amount is \$42,000. No income restrictions within the City limits of Salisbury, 120% AMI all other areas. ***Available in Wicomico County only.***
- ▶ Closing Cost Loans - up to \$15,000, interest rate will match the first mortgage rate. No income restrictions within the City limits of Salisbury, 120% AMI all other areas. ***Available in Wicomico, Somerset and Worcester counties***
- ▶ Rehab loans - only available in the City of Salisbury. Maximum loan amount is \$15,000 with an interest rate of 1%.

Salisbury/Wicomico County 120% of Area Median Income-2019

Number of Persons in Household	Area Median Income
1 person	\$57,540
2 person	\$65,650
3 person	\$73,850
4 person	\$82,100
5 person	\$88,650
6 person	\$95,200
7 person	\$101,800
8 person	\$108,350

Other Loan Eligibility Requirements

- ▶ Property must be owner-occupied
- ▶ Maximum LTV 105%
- ▶ 2 Years Stable employment history
- ▶ Satisfactory credit history - minimum credit score is 640

Other Homeownership Incentives

- ▶ Wicomico County CDBG Downpayment and Closing Cost Grants - up to \$10,000 - restricted to 80% AMI
- ▶ City of Salisbury CDBG Downpayment and Closing Cost Grants - up to \$10,000 - restricted to 80% AMI
- ▶ Salisbury University Live Near Your Work Program - up to \$2,500. - No income restrictions, only available to employees of SU.
- ▶ City Tax Abatement Program


Salisbury/Wicomico County CDBG Downpayment/Closing Cost Assistance Grants 80% Area Median Income-2019

Number of Persons in Household	Area Median Income
1 person	\$38,300
2 person	\$43,800
3 person	\$49,250
4 person	\$54,700
5 person	\$59,100
6 person	\$63,500
7 person	\$67,850
8 person	\$72,250

Rehab Programs for Existing Homeowners

- ▶ SNHS Rehab Loans - no income restrictions: Interest rate of 1%
- ▶ Maryland Housing Rehab Program (MHRP)
- ▶ Lead Hazard Reduction Grant and Loan Program (LHRGLP)
- ▶ Special Targeted Area Program (STAR)
- ▶ *All programs listed above are available Citywide*






SNHS 1% Renovation and Repair Loan

Our organization is committed to not only empowering home owners within our community, but supporting those current home owners who may need some assistance to make repairs and keep their properties safe and sustainable residences.

In that vein, we have created a loan product for those repairs. With a 1.99% APR and up to \$15,000, we hope that this loan product will make those larger projects more attainable to our neighbors.

This product is dependent on credit worthiness and Board approval and applicants must reside within the City limits of Salisbury




From Leaky Roofs to Rotting Floors

Complete that "to-do" list with our renovation and rehab loan product;
*1% interest for a loan of up to
\$15,000.

*1.99% APR. Limited time offer and based on available funds. Must be owner occupied, within city limits and dependent on credit. Contact SNHS for more details.




410.543.4626
560 Riverside Dr. Ste A102
Salisbury, MD 21801





Our commitment to reduce neighborhood blight has allowed us to acquire and rehabilitate many properties throughout the City of Salisbury. In the last 5 years, we have purchased or acquired 10 properties- 9 have been sold, 1 is in process.

Acquisition / Rehab

- ▶ Before and After











Architectural blueprints are unrolled on a light-colored wooden surface. The blueprints show various technical drawings with dimensions and labels. The background features a green geometric pattern on the right side.

New Construction

Partnership with Parkside High
School's CTE Program

Rose Street Blossoms

Our incredible relationship with Parkside High School's CTE program spans almost 2 decades. In that time, we have re-built the Rose Street neighborhood and added twelve new single family homes to the Westside neighborhood. Our most recent CTE home is on Delaware Avenue. This year's project will soon call Rose Street home.









QUESTIONS

SALISBURY
NHS
Neighborhood
Housing Services INC.



Cheryl Meadows
Executive Director



Jane Hoy
Assistant Director



Kiara Price
Home Ownership
Services Manager



Leah Dyson
Education Services
Manager



Amanda Smith
Marketing Officer

MPCA CONFERENCE 2019

HOUSING TRENDS IN MARYLAND - PRESENTATION HIGHLIGHTS

Prepared for: MPCA Regional Housing Workshop
Salisbury University
February 21, 2020

MPCA CONFERENCE 2019: HOUSING TRENDS HIGHLIGHTS

Presenters:

- Ed Steere, Valbridge Property Advisors
Affordable Housing from a Market Study and Planning Perspective
- Gregory Hare, MD Department of Housing and Community Development
Multi-family Affordable Housing Programs in Maryland
- Lisa Govoni, Montgomery County Planning
Accessory Dwelling Units (ADUs) in Montgomery County
- Kathleen Maher, Planning and Code Administration, Hagerstown
Local Zoning Codes and Fair Housing Laws
- Miguel Salinas, Talbot County Planning
Regulating Short-term Rentals (STRs) in Talbot County

ED STEERE - *AFFORDABLE HOUSING FROM A MARKET STUDY & PLANNING PERSPECTIVE*

- “Baby Boomers” retiring at rate of 10,000 per day across U.S., combined with even-larger Gen X and Millennial populations, means the number of people seeking affordable housing is seeing tremendous growth
- Conducting market analyses early in the process from idea to construction is vital in helping all the “players” make the risk decisions that are best for them and insuring the financial sustainability of a project into the future



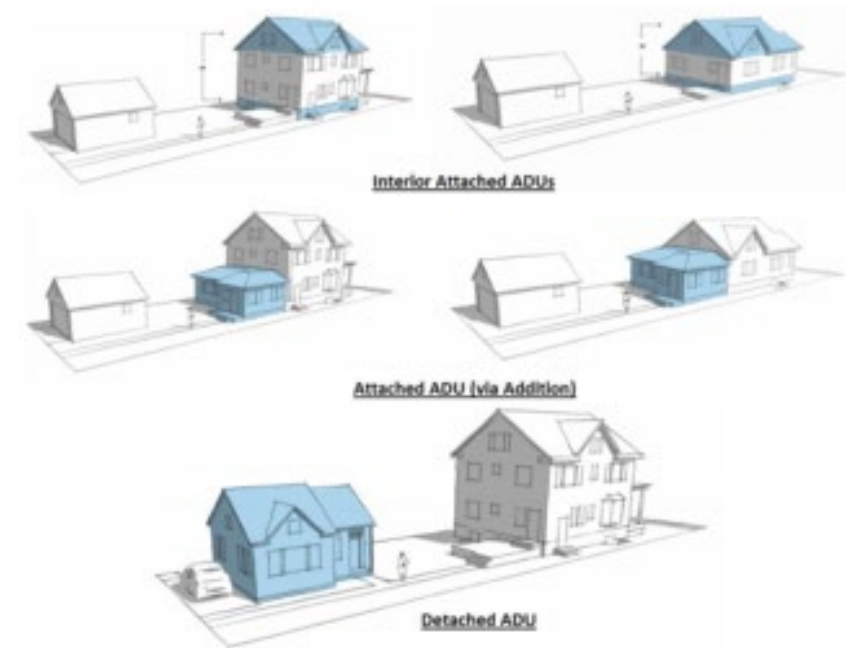
Courtesy of Ed Steere, Valbridge Property Advisors

GREGORY HARE - *MULTI-FAMILY AFFORDABLE HOUSING PROGRAMS IN MARYLAND*

- A misconception is that DHCD funds public housing; fundamentally it serves as a “community bank” that finances affordable housing to meet communities’ needs across the state
- DHCD’s Multi-Family Housing division seeks to incentivize private investment in affordable housing via two main programs:
 - **A competitive 9% tax credit program** in which approximately 70% of project costs are covered, 10-12 projects per year
 - **A non-competitive 4% multi-family bond program** in which approximately 30% of project costs are covered, 75% of all projects are funded through this program

LISA GOVONI - *ACCESSORY DWELLING UNITS (ADUs)* *IN MONTGOMERY COUNTY*

- As fully-outfitted second dwellings subordinate to existing one-family detached homes (such as an addition or basement), ADUs are important to communities as a means of:
 - Increasing the housing supply
 - Providing supplemental income to homeowners
 - Meeting the needs of a growing senior demographic as well as Millennials and Gen-Xers.
- Montgomery county learned some important lessons in revising ADU rules including: the need for understanding existing conditions; anticipating community needs; the importance of incrementalism, compromise and so-called “gentle density.”



Courtesy of Lisa Govoni, Montgomery County Planning

KATHLEEN A. MAHER - *ZONING CODES AND FAIR HOUSING*

- Zoning codes and fair housing directives can sometimes be in conflict with federal and state fair housing laws which identify protected classes of citizens:
 - Federal: race, color, religion, sex, disability (including those recovering from substance abuse), familial status and national origin
 - State: marital status, gender identification and sexual orientation
- If people in protected class are treated differently under zoning codes, local governments are subject to lawsuits
- Hagerstown resolved their zoning issues in a way that more closely follows the State's code and as other categories of protected landuses arise (e.g., "sober houses"), future revisions may be necessary

MIGUEL SALINAS - SHORT TERM RENTALS (STRs)

- Short term rentals, often defined as a lease agreement between a property owner and a lessee for ≤ 30 days*, are increasingly controversial across the U.S. with supporters and opponents claiming they are both beneficial and detrimental to their communities
- To address the controversy, Talbot County Council created some new parameters for what is and is not allowed as well as an STR review board with 5 planning staff and 2 code enforcement staff to:
 - Review new applications under a public hearing process
 - Review existing licenses where there have been continuous, verified complaints and apply abatement or penalties, if necessary