

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2016 Legislative Session

Legislative Day No. 15

Resolution No. 102-2016

Introduced by: The President of the Council at the request of the County Executive.

A RESOLUTION AUTHORIZING THE TRANSFER OF THE WICOMICO COUNTY 2016 HOUSING BOND ALLOCATION IN THE AMOUNT OF THREE MILLION, FIVE HUNDRED SEVENTY-ONE THOUSAND, SEVEN HUNDRED ONE DOLLARS (\$3,571,701) TO THE MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR USE IN ISSUING HOUSING BONDS.

WHEREAS, the County has been awarded volume cap authority in the amount of Three Million, Five Hundred Seventy-One Thousand, Seven Hundred One Dollars (\$3,571,701) permitting the issuance of bonds in order to raise capital for housing loans; and

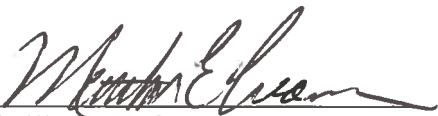
WHEREAS, the Maryland Department of Housing and Community Development has requested the transfer of the County's housing bond allocation to permit the Department to issue bonds to fund housing programs.

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Wicomico County, Maryland that the County Executive of Wicomico County, Maryland be authorized to execute on behalf of Wicomico County, Maryland a letter authorizing the transfer of the 2016 Bond Allocation to the Maryland Department's Community Development Administration and the Statement of Conditions. The letter authorizing the transfer and Statement of Conditions shall be in substantially the form attached hereto as Exhibit A and made a part hereof.

Done at Salisbury, Maryland, this 2nd day of August, 2016.


ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND


Matthew E. Creamer,
Council Administrator


John T. Cannon,
Council President

Executed and presented to the County Executive for approval this 9th day of August, 2016 at 2:00 a.m./(p.m.)


Matthew E. Creamer,
Council Administrator

BY THE EXECUTIVE:

ATTEST:



R. Wayne Strausburg,
Director of Administration

Approved: This 9th day of August, 2016



Bob Culver,
County Executive

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments _____, Failed _____, Withdrawn _____ by the County Council on August 2, 2016.

Certified by



Matthew E. Creamer, Council Administrator



Maryland Department of Housing
and Community Development

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lt. Governor

KENNETH C. HOLT
Secretary

ELLINGTON CHURCHILL, JR.
Deputy Secretary

The Honorable Robert L. Culver, Jr.
County Executive, Wicomico County
P.O. Box 870
Salisbury, MD 21803

July 18, 2016

Dear County Executive Culver:

The Department of Housing and Community Development ("The Department") invites Wicomico County to transfer its 2016 housing bond allocation to the Department. By doing this, the Department utilizes local government housing bond allocations to issue bonds to fund housing programs or to issue mortgage credit certificates. (Please note that a mortgage credit certificate may not be used in conjunction with a loan funded with the proceeds from the sale of a tax-exempt mortgage revenue bond issue). The allocation represents the amount of volume cap authority that would have been available to the local government should it choose to issue the bonds itself in order to raise capital for mortgage loans. In prior years, the annual housing bond allocation has been an extremely powerful and successful tool in creating affordable housing opportunities.

In order for the Department to utilize your housing bond allocation, a participating local government must transfer its allocation to the Department in writing on or before Friday, August 12, 2016. The housing bond allocation for your jurisdiction is \$3,571,701. Enclosed are two forms for your use in effecting the transfer. The first (Attachment I) is a form letter to be prepared on your letterhead authorizing the transfer of bond allocation to the Department's Community Development Administration (CDA). The second form (Attachment II) should also be completed on your letterhead to indicate how the funds are to be allocated.

We ask your cooperation in transferring your 2016 bond authority to the Department. Attachments I and II must be prepared on your letterhead and be returned no later than Friday, August 12, 2016 to the following address:



MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT ADMINISTRATION
Division of Development Finance

7800 Harkins Rd • Lanham, MD 20706 • dhcd.maryland.gov
301-429-7400 • 410-779-9029 • 1-800-756-0119 • TTY/RELAY 711 or 1-800-735-2258





Maryland Department of Housing and Community Development

7800 Harkins Road, Room 372

Lanham, Maryland 20706

Attn: Maddy Ciulu, CDA/Single Family Housing

Attached, for informational purposes only, are Attachment III – Federal Income Limits; Attachment IV – Program Maximum Acquisition Costs; Attachment V – Targeted Areas and Attachment VI - Maryland Mortgage Program Purchase Activity for FY 2013, 2014, 2015 and 2016, as of May 31, 2016. We look forward to your continued support of home ownership opportunities for residents of your County. Should you have any questions or need additional information, please contact Maddy Ciulu at 301-429-7778 or by email at maddy.ciulu@maryland.gov.

Thank you.

Sincerely,

Amy Grutzner, Director

Single Family Housing

- Enclosures:
- Attachment I Form Letter for Transfer of Allocation
 - Attachment II Statement of Conditions for Participation in CDA's Programs
 - Attachment III Federal Income Limits
 - Attachment IV Program Maximum Acquisition Costs
 - Attachment V Targeted Areas
 - Attachment VI Maryland Mortgage Program Purchase Activity for FY 2013, 2014, 2015 and 2016, as of May 31, 2016.

CC: Kristen Musallam, Deputy Director, Community Development Administration



ATTACHMENT I

FORM LETTER FOR TRANSFER OF ALLOCATION

[Date]

Maddy Ciulu, Deputy Director
Single Family Housing
Community Development Administration
Department of Housing & Community Development
7800 Harkins Road, Room 372
Lanham, Maryland 20706

Dear Ms. Ciulu:

Pursuant to Sections 13-801 through 13-807 of the Financial Institutions Article of the Maryland Annotated Code, [Name of Jurisdiction] hereby irrevocably transfers to the Community Development Administration, for use in issuing housing bonds or mortgage credit certificates on behalf of this jurisdiction, \$ _____ of its total \$ _____ tax-exempt housing bond allocation as set forth in 2016 allocation of the Maryland State Ceiling made by the Secretary of Business and Economic Development pursuant to the Article.

The attached form has been executed to indicate how the Community Development Administration is instructed to use this transferred allocation.

Very truly yours,

[Signature]

[Name & Title of Chief Elected Official]

Certificate of Counsel

This transfer of a tax-exempt bond allocation is duly authorized and executed and constitutes the valid, binding and irrevocable act of [Name of Jurisdiction].

[Signature]

[Name & Title of Attorney]

Attorney for: [Name of Jurisdiction]

Attachment: Statement of Conditions

ATTACHMENT II

STATEMENT OF CONDITIONS FOR PARTICIPATION IN COMMUNITY DEVELOPMENT ADMINISTRATION'S PROGRAMS

_____ (Name of Jurisdiction) has assigned its 2016 housing bond allocation to the Community Development Administration for use as follows:

- CDA Maryland Mortgage Program/ Maryland HomeCredit Program \$ _____
- Multifamily Rental Housing Development Programs \$ _____

The name of the project, location, sponsor, and mortgage amount for each rental housing project is:

[Attach this form to the Letter of Transfer]

FEDERAL INCOME LIMITS FY2016 ATTACHMENT III

HOUSEHOLD SIZE	NON-TARGETED AREA	TARGETED AREA
1 OR 2 MEMBERS	Baltimore-Columbia-Towson MD MSA ¹ \$104,040 (120% of <u>Area</u> Median)	Baltimore-Columbia-Towson MD MSA \$107,400 (120% of <u>Statewide</u> Median)
	Washington, D.C. HMFA ² \$130,320 (120% of <u>Area</u> Median)	Washington, D.C. HMFA \$130,320 (120% of <u>Area</u> Median)
	St. Mary's County \$97,000 (100% of <u>Area</u> Median)	
	All other areas of State \$89,500 (100% of <u>Statewide</u> Median)	All other areas of State \$107,400 (120% of <u>Statewide</u> Median)
3 OR MORE MEMBERS	Baltimore-Columbia-Towson MD MSA \$121,380 (120% of <u>Area</u> Median)	Baltimore-Columbia-Towson MD MSA \$125,300 (120% of <u>Statewide</u> Median)
	Washington, D.C. HMFA \$152,040 (140% of <u>Area</u> Median)	Washington, D.C. HMFA \$152,040 (140% of <u>Area</u> Median)
	St. Mary's County \$111,550 (115% of <u>Area</u> Median)	
	All other areas of the State \$102,925 (115% of <u>Statewide</u> Median)	All other areas of the State \$125,300 (140% of <u>Statewide</u> Median)

¹ Counties of Anne Arundel, Baltimore, Carroll, Harford, Howard and Queen Anne's and Baltimore City

² Counties of Calvert, Charles, Frederick, Montgomery and Prince George's

ATTACHMENT IV

PROGRAM MAXIMUM ACQUISITION COSTS

JURISDICTION	Newly Constructed & Existing Homes	
	Non-Targeted	Targeted
Allegany County¹		\$312,368
Anne Arundel County²	\$487,952	\$596,386
Baltimore City¹		\$596,386
Baltimore County²	\$487,952	\$596,386
Calvert County	\$589,785	
Caroline County¹		\$312,368
Carroll County	\$487,952	
Cecil County	\$357,831	
Charles County	\$589,785	
Dorchester County¹		\$312,368
Frederick County²	\$589,785	\$720,849
Garrett County¹		\$312,368
Harford County²	\$487,952	\$596,386
Howard County	\$487,952	
Kent County¹		\$335,301
Montgomery County²	\$589,785	\$720,849
Prince George's County²	\$589,785	\$720,849

continued on next page

ATTACHMENT IV

Queen Anne's County	\$487,952	
St. Mary's County	\$327,470	
Somerset County¹		\$364,458
Talbot County	\$361,085	
Washington County²	\$255,574	\$312,368
Wicomico County²	\$298,193	\$364,458
Worcester County	\$298,193	\$364,458

1 Entire jurisdiction is targeted – buyers do not have to be first-time home buyers

2 Jurisdiction contains certain targeted census tracts (refer to Targeted Areas attachment) in which buyers to not have to be first-time home buyers

ATTACHMENT V

TARGETED AREAS

Typically, borrowers under CDA's Maryland Mortgage Program are first-time home buyers. A first-time home buyer is defined as someone who has not had a "present ownership interest" in their principal residence at any time during the three years immediately preceding the date of the mortgage application. Borrowers purchasing in non-targeted areas must meet the first-time home buyer definition. Borrowers purchasing in targeted areas do not need to meet this definition. The first-time home buyer requirement is waived if one of the borrowers is an honorably discharged veteran and provides the lender with a copy of their DD-214 (Certificate of Release or Discharge from Active Duty) – this exemption may only be used once.

A targeted area is: (1) an area in which 70 percent or more of the families have income at or below 80 percent of the statewide median family income, or (2) an area of chronic economic distress as designated by DHCD and approved by the federal government.

TARGETED AREAS - ENTIRE COUNTIES

Allegany, Baltimore City, Caroline, Dorchester, Garrett, Kent and Somerset

TARGETED CENSUS TRACTS/CITIES WITHIN NON-TARGETED COUNTIES

Anne Arundel	7406.02			
Baltimore County	City limits of East Towson, Oella and West Catonsville, plus Census Tracts:			
	4009.00	4011.02	4013.02	4023.05
	4027.01	4210.00	4211.01	4213.00
	4301.01	4303.00	4505.03	4505.04
	4513.00	4523.00	4906.05	4914.01
Frederick	7503.00	7505.05		
Harford	3029.01	3065.00		
Montgomery	7007.24	7014.22	7016.01	7032.13

ATTACHMENT V

Prince George's

City limits of Brentwood, Capitol Heights, Colmar Manor,
Fairmont Heights, Mt. Rainier, North Brentwood and Seat
Pleasant, plus Census Tracts:

8002.10	8019.08	8020.01	8021.04
8022.01	8032.00	8034.01	8035.09
8035.25	8040.01	8043.00	8048.01
8048.02	8049.00	8051.01	8052.01
8056.01	8056.02	8059.06	8059.07
8059.08	8059.09	8067.13	

Washington

3.02	4.00	7.00	8.00
9.00			

Wicomico

1.00	3.00	5.00	102.00
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MARYLAND MORTGAGE PROGRAM

PURCHASE ACTIVITY

FOR

WICOMICO COUNTY

Fiscal Year	Regular MMP		Bond portion of HIDP ¹ loan	
	#	Loan Amount	#	Loan Amount
2013	21	\$2,518,322	0	\$0
2014	27	\$3,511,333	1	\$36,041
2015	70	\$9,068,597	0	\$0
2016 ²	113	\$14,669,618	0	\$0

¹ The Homeownership for Individuals with Disabilities Program (HIDP) blends bond funds with State Funds

² As of May 31, 2016