

COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2017 Legislative Session

Legislative Day No. 20

Resolution No. 111-2017

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

A RESOLUTION AUTHORIZING THE TRANSFER OF THE WICOMICO COUNTY 2017 HOUSING BOND ALLOCATION IN THE AMOUNT OF THREE MILLION, FOUR HUNDRED SEVENTY-FIVE THOUSAND, FOUR HUNDRED SIXTY-TWO DOLLARS (\$3,475,462) 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, Four Hundred Seventy-Five Thousand, Four Hundred Sixty-Two Dollars (\$3,475,462) 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 2017 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 15th day of August, 2017.

ATTEST:

COUNTY COUNCIL OF
WICOMICO COUNTY, MARYLAND



Laura Hurley,
Council Administrator



John T. Cannon,
Council President

Executed and presented to the County Executive for approval this 17th day of August, 2017 at 8:00 a.m./p.m.



Laura Hurley,
Council Administrator

BY THE EXECUTIVE:

ATTEST:


R. Wayne Strausburg,
Director of Administration

Approved: This 21st day of AUGUST, 2017



Bob Culver,
County Executive

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments ____, Failed ____, Withdrawn ____ by the County Council on August 15, 2017.

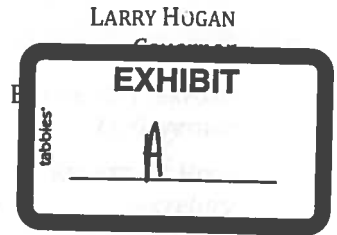
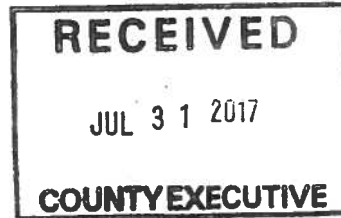
Certified by



Laura Hurley, Council Administrator



Maryland Department of Housing
and Community Development



TONY REED
Assistant Secretary

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

July 26, 2017

Dear County Executive Culver:

The Department of Housing and Community Development (“The Department”) invites Wicomico County to transfer its 2017 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 18, 2017. The housing bond allocation for your jurisdiction is \$3,475,462. 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 2017 bond authority to the Department. Attachments I and II must be prepared on your letterhead and be returned no later than Friday, August 18, 2017 to the following address:





Maryland Department of Housing
and Community Development

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lt. Governor

KENNETH C. HOLT
Secretary

TONY REED
Assistant Secretary

Maryland Department of Housing and Community Development

7800 Harkins Road,

Lanham, Maryland 20706

Attn: Karl Metzgar, 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 2014, 2015, 2016 and 2017, as of June 30, 2017. 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 Karl Metzgar at 301-429-7826 or by email at karl.metzgar@maryland.gov.

Thank you.

Sincerely,

Maddy Ciulu, 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 2014,
2015, 2016 and 2017, as of June 30, 2017.

CC: Kristen Musallam, Deputy Director, Community Development Administration



ATTACHMENT I

FORM LETTER FOR TRANSFER OF ALLOCATION

[Date]

Maddy Ciulu, 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 2017 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 2017 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 2017 ATTACHMENT III

HOUSEHOLD SIZE	NON-TARGETED AREA	TARGETED AREA
1 OR 2 MEMBERS	Baltimore-Columbia-Towson MD MSA ¹ \$109,320 (120% of <u>Area</u> Median)	Baltimore-Columbia-Towson MD MSA \$111,000 (120% of <u>Statewide</u> Median)
	Washington, D.C. HMFA ² \$132,360 (120% of <u>Area</u> Median)	Washington, D.C. HMFA \$132,360 (120% of <u>Area</u> Median)
	St. Mary's County \$99,600 (100% of <u>Area</u> Median)	
	All other areas of State \$92,500 (100% of <u>Statewide</u> Median)	All other areas of State \$111,000 (120% of <u>Statewide</u> Median)
3 OR MORE MEMBERS	Baltimore-Columbia-Towson MD MSA \$127,540 (140% of <u>Area</u> Median)	Baltimore-Columbia-Towson MD MSA \$129,500 (140% of <u>Statewide</u> Median)
	Washington, D.C. HMFA \$154,420 (140% of <u>Area</u> Median)	Washington, D.C. HMFA \$154,420 (140% of <u>Area</u> Median)
	St. Mary's County \$114,540 (115% of <u>Area</u> Median)	
	All other areas of the State \$106,375 (115% of <u>Statewide</u> Median)	All other areas of the State \$129,500 (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		\$310,211
Anne Arundel County	\$476,471	
Baltimore City₁		\$582,383
Baltimore County₂	\$476,471	\$582,383
Calvert County	\$585,714	
Caroline County₁		\$310,211
Carroll County	\$476,471	
Cecil County	\$349,412	
Charles County	\$585,714	
Dorchester County₁		\$310,211
Frederick County	\$585,714	
Garrett County₁		\$310,211
Harford County	\$476,471	
Howard County	\$476,471	
Kent County₁		\$327,412
Montgomery County	\$585,714	
Prince George's County₂	\$585,714	\$715,872

continued on next page

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

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
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	

ATTACHMENT V

Washington	3.02 9.00	4.00	7.00	8.00
Wicomico	1.00	3.00	5.00	102.00

MARYLAND MORTGAGE PROGRAM

PURCHASE ACTIVITY

FOR

WICOMICO COUNTY

Fiscal Year	Regular MMP		Bond portion of HIDP ¹ loan	
	#	Loan Amount	#	Loan Amount
2014	27	\$3,511,333	1	\$36,041
2015	70	\$9,068,597	0	\$0
2016	113	\$14,669,618	0	\$0
2017 ²	78	\$10,416,643	1	\$124,241

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

² As of June 30, 2017

MARYLAND MORTGAGE PROGRAM

PURCHASE ACTIVITY

FOR

ST. MARY'S COUNTY

Fiscal Year	Regular MMP		Bond portion of HIDP ¹ loan	
	#	Loan Amount	#	Loan Amount
2014	16	\$3,789,677	1	\$166,296
2015	62	\$13,466,941	2	\$227,859
2016	50	\$9,444,809	0	\$0
2017 ¹	45	\$9,820,608	0	\$0

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

ATTACHMENT IV

Queen Anne's County	\$476,471	
St. Mary's County	\$319,765	
Somerset County¹		\$355,882
Talbot County	\$352,589	
Washington County²	\$253,809	\$310,211
Wicomico County²	\$291,176	\$355,882
Worcester County	\$291,17	

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 do not have to be first-time home buyers