

DHCD

# HOUSING DEVELOPMENT PROGRAMS & TOOLS

DECEMBER 14, 2022



**Angela D. Alsobrooks**  
*County Executive*



# Affordable Housing Production Goals

## *Having a North Star....*

Support the **production of 26,000 new residential units, 75% of which would be committed as affordable** to households with income less than 120% of the area median.

Support the **preservation of 6,000 affordable** residential units.

Increase the number of new **multifamily construction** starts by 10,400 by 2030.



Sovren West Hyattsville project – under construction, completion expected in 2024



	30.00%	50.00%	60.00%
	\$29,910	\$49,850	\$59,820
	\$34,170	\$56,950	\$68,340
	\$38,430	\$64,050	\$76,860
	\$42,690	\$71,150	\$85,380

## DEFINING “AFFORDABLE”

- Standard Definition – Households pay no more than **30% of their income** on housing costs
- When costs exceed 30%, households are “**housing burdened**”
- When costs exceed 50%, households are “**severely burdened**”

# MULTI-FAMILY PRODUCTION TOOLS

- **HOME** - HOME Investment Partnership Funds, *Federal*
- **HITF** - Housing Investment Trust Fund, *Local*
- **PILOT** - Payment in lieu of Taxes, *Local*





# NEW CONSTRUCTION OUTCOMES

Past 4 years the County has supported new construction of **2,119** units that are different stages of the development process



Homes at Oxon Hill project – under construction with completion expected in 2023

**Closing in  
the next 12  
months: 6  
projects 751  
units**

**Recently  
completed:  
4 projects  
506 units**

**Under  
construction:  
5 projects  
862 units**

**4 projects located in TODs yielding 1,044 units**

# NOTICE OF FUNDING AVAILABILITY

Released on **December 9, 2022**;  
Webinar on **December 16, 2022**

## Priorities:

- Located within one mile of the Blue Line or Purple Line Transit Corridor
- Located within one mile of existing or planned metro station
- Conformance with housing priorities and guidance in the Prince George's County 2035 Adopted General Plan
- Affordable units at 50% and below Area Median Income
- Projects that include sustainable design, energy efficiency and green design standards



Coming Soon....

**Affordable  
Housing  
Dashboard**



***[https://www.princegeorgescountymd.gov/2935/  
Notice-of-Funding-Availability](https://www.princegeorgescountymd.gov/2935/Notice-of-Funding-Availability)***

# NOAH RESERVATION - RIGHT OF FIRST REFUSAL (ROFR)

**County Council Bill 27-2013** (Conversion of Rental Housing) **created the ROFR Program.**

Program is **overseen and implemented by DHCD** and detailed in **County Code 13-1110**

DHCD is authorized under the Code to exercise its ROFR rights and purchase multifamily rental properties with **20 or more units** in accordance with the timeframes and terms of the Code. DHCD assigns ROFR to third-party affordable housing developers.

DHCD has created a **programmatic structure** to systematically evaluate contracts of sale which are provided to the County under the ROFR Program.

Program website:

[www.princegeorgescountymd.gov/984/Apartment-Multifamily-Rental-Owners](http://www.princegeorgescountymd.gov/984/Apartment-Multifamily-Rental-Owners)

# ROFR OUTCOMES TO DATE (12/1/2020 – 9/1/2022)

**DHCD views ROFR as a valuable tool in its overall Affordable Housing Preservation strategy. Here are some summary stats since “re-launch” of ROFR in December 2020:**

- ❖ A total of **55 properties with 15,222** units have been reviewed by the County under the Right of First Refusal Program.
- ❖ The County has exercised or provided an exception to its Right of First Refusal for **30 properties** (25 properties for possible assignment and 5 properties for exceptions) with **8,336** units.
- ❖ A total of **6 properties** with 2,144 units (**with 1,213 units restricted for affordability**) have been preserved under the ROFR program.





## ROFR OUTCOMES – 1,213 UNITS PRESERVED TO DATE

- Restrictions are set based on existing rent roll / tenant profile
- Over 81% of units (988) – 60% AMI
- Balance at 50%, 70% and 80% of AMI

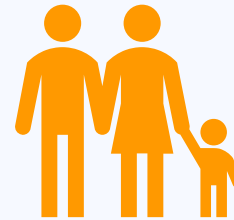
### **60% of AMI income per HH size**



Income: Up to \$59,820



Income: Up to \$68,340

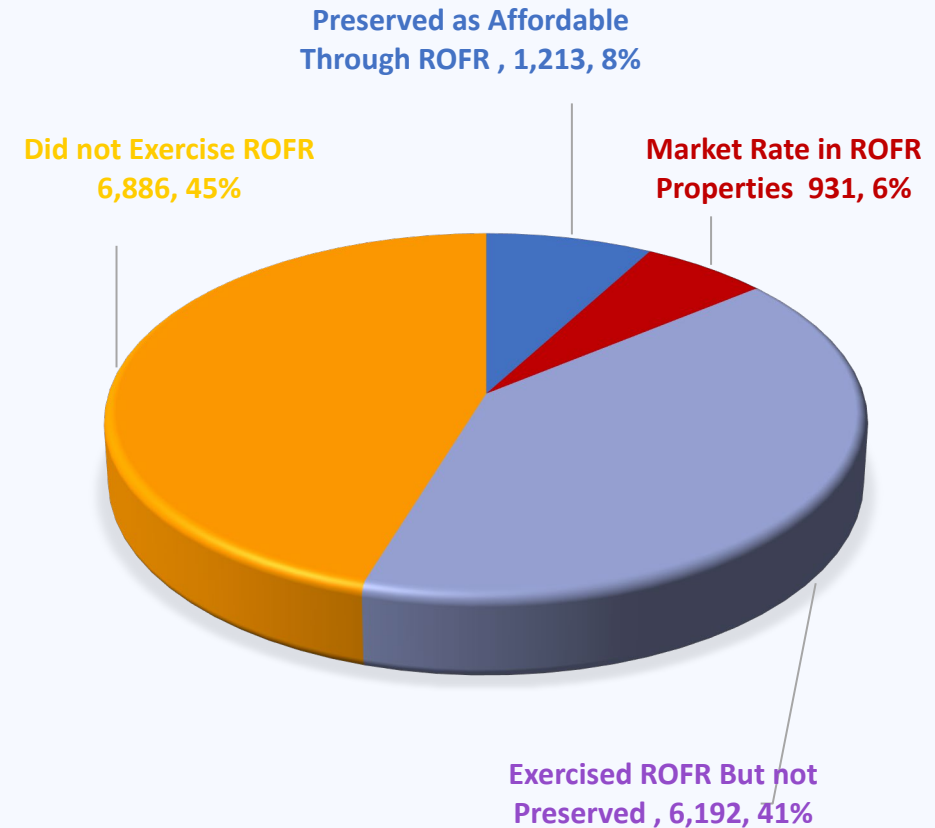


Income: Up to \$76,860

## ROFR OUTCOMES (12/1/2020 – 9/1/2022)

As of 9/1/2022, the County has preserved affordability for **1,213 units of the 8,336** units it expressed an interest in, or **14.5%**.

These 1,213 units represent **7.9% of all the units transacted** in the County (15,222) during the above-mentioned timeframe.



# ROFR PROGRAM UPDATES

DHCD continues to enhance the ROFR Program:

- **ROFR Developer Roster** – through an RFQ process, DHCD expanded the Roster from **15 to 28 companies** in early 2022.
- **Greater Use of Exception Provision of ROFR Code** -- Several recent ROFR transactions have involved **prospective Buyers agreeing to affordability set-asides** with the County prior to entering into a Purchase and Sale Agreement. In these cases (known as a “ROFR Exception”), the County has agreed to not pursue its Right of First Refusal to purchase in exchange for the pledge of affordability.
- **ROFR Preservation Loan Fund, Part 1** – **\$15 million from the County via Federal American Rescue Plan Act (ARPA)** to support acquisitions via ROFR was rolled out earlier this year. The first ROFR loan (\$7 million) closed in November 2022 for the Bedford and Victoria Station property. This tranche of funding is limited to properties located in Qualified Census Tracts (QCTs) as defined by HUD.
- **ROFR Preservation Loan Fund, Part 2** -- The County will shortly receive an additional **\$10 million from the State of Maryland** to enhance the scope and reach of the Fund. This tranche of funding will be available throughout the County.

# ROFR PROGRAM UPDATES, CONT'D

- **Real Estate PILOTs, Part 1** -- **State HB 1010** was passed in the **2021 State Legislative** Session to expand applicability for PILOTs to properties in the ROFR Program in Prince George's County. Several ROFR properties have received PILOTs since this law passed.
- **Real Estate PILOTs, Part 2** – **County Council Bill 087-2022: An Act Concerning Right of First Refusal PILOT Pre-Authorization** was passed recently. DHCD now has ability to provide up to \$1.5 million per year of PILOT authorization for ROFR properties on the same timetable as an acquisition under ROFR. DHCD must still provide Notice to County Council. This is not an entitlement; DHCD will target PILOT assistance to strategic properties that further its overall housing strategy.



# HOMEOWNERSHIP PRESERVATION PROGRAM (HOPP)

Homeowner occupied properties located in a Qualified Census Tract

- Special set aside for QCTs along the Purple Line Corridor

Households earning up to 80% AMI

- **Up to \$30,000** grant for health, safety, energy efficiency and accessibility repairs
- **Up to \$50,000** for households earning below 50% AMI

**Habitat for Humanity** Prince George's County **DHCD**

**Prince George's County Homeownership Preservation Program (HOPP)**

HOPP can provide up to \$30,000 in health, safety, energy efficiency and accessibility repairs in qualified, owner-occupied homes in Prince George's County.

Households under 50% of AMI can receive up to \$50K in services.

\*Cosmetic repairs cannot be covered\*

**To be eligible, one must:**

- Be a Prince George's County homeowner in a qualified census tract or within 1 mile of a future Purple Line stop (Habitat will verify)
- Occupy the home for which you are applying
- Have lived in the home for at least 1 year prior to applying
- Have and be able to provide proof of home-owners insurance
- Have gross household income less than 80% of the uncapped AMI
  - Priority will be given to households under 50% of AMI (see table)
- Have a demonstrated need for repairs, accessibility modifications or weatherization
- Intend to remain in the home for a minimum of 5 years post work

\*Home must be free of hoarding (items and pets), major structural/foundation issues, and pest infestations\*

**Services may include the following based on eligibility:**

- Roofing & Gutters
- Electrical Repair
- Plumbing Repair
- Tree Removal
- Deck Replacement/Repair
- Tub Cuts & Shower Conversions
- Stairlifts & Accessibility Equipment
- HVAC Replacement/Repair
- Water Heater Replacement/Repair
- Grab Bars & Railings
- Siding
- Flooring
- Insulation
- Ramps & More

Household Size	50% AMI	80% AMI
1	\$49,850	\$79,700
2	\$56,950	\$91,100
3	\$64,050	\$102,500
4	\$71,150	\$113,850
5	\$76,850	\$123,000
6	\$82,550	\$132,100
7	\$88,250	\$141,200
8+	\$93,950	\$150,300

This project is being supported, in whole or in part, by federal award number SLFRP2093 awarded to Prince George's County by the U.S. Department of the Treasury.

If you would like to participate in this program, please complete an inquiry form on our website; [www.habitatmm.org](http://www.habitatmm.org) or call 301-990-0014 x19

# HOUSING REHABILITATION ASSISTANCE PROGRAM (HRAP)

Homeowner occupied properties  
located County-wide

- Special set aside for properties located along the Blue Line Corridor

Households earning up to 80% AMI

- **Up to \$60,000** deferred loan for health, safety, energy efficiency and accessibility repairs



# LOOKING AHEAD

**Accelerate Housing Production of committed affordable units –  
develop dashboard to measure progress**

**Lower new rental units' price points (in some instances significantly)**

**Support more opportunities for affordable homeownership**

**Develop / enhance policies and programs to address  
redevelopment of NOAH properties**

**Revisit inclusionary zoning opportunities**

# THANK YOU!

DECEMBER 14, 2022

Affordable Housing Video



**Angela D. Alsobrooks**  
*County Executive*

