

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2017 Legislative Session

Resolution No. CR-44-2017
Proposed by The Chairman (by request – County Executive)
Introduced by Council Members Lehman, Turner, Davis, Glaros, Franklin, Taveras,
and Harrison
Date of Introduction June 6, 2017

RESOLUTION

1 A RESOLUTION concerning the

2 Fiscal Year 2017 Annual Action Plan for Housing and Community Development
3 For the purpose of amending the Prince George’s County Fiscal Year (“FY”) 2017 Annual
4 Action Plan for Housing and Community Development by adding the Pathway to Purchase
5 Program (formerly known as *My HOME* Program), an eligible activity not originally funded or
6 described in the FY 2017 Annual Action Plan, and reprogramming and reallocating two hundred
7 fifty seven thousand three hundred eighty-three dollars and forty-eight cents (\$257,383.48) in
8 HOME Investment Partnerships (“HOME”) Program funds from the FY 2012 Annual Action
9 Plans to support this project.

10 WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) requires
11 jurisdictions that receive assistance under certain community planning and development
12 programs to submit a five-year consolidated plan and an annual action plan to the Secretary of
13 HUD that outlines ways to develop viable communities by: providing decent housing, a suitable
14 living environment, and expanding economic opportunities principally for low- and moderate-
15 income persons; and

16 WHEREAS, each jurisdiction is required to adopt a citizen participation plan as part of its
17 five-year consolidated plan and annual action plans; and

18 WHEREAS, a citizen participation plan sets forth the jurisdiction’s policies and procedures
19 for citizen participation, and must provide for and encourage citizens to participate in the
20 development of the Assessment of Fair Housing, any revisions to the Assessment of Fair
21 Housing, the five-year consolidated plan, any substantial amendment to the consolidated plan,
22 and the performance report; and

1 WHEREAS, pursuant to Section 15A-107 of the Prince George’s County Code, the County
2 Executive and the County Council of Prince George’s County, Maryland adopted CR-8-2015,
3 which set forth the County’s FY 2016-2020 Consolidated Plan, along with the County’s FY
4 2016-2020 Citizen Participation Plan; and

5 WHEREAS, the County’s 2016-2020 Citizen Participation Plan requires the County to
6 submit to HUD any amendments to the County’s five-year Consolidated Plan or Annual Action
7 Plan that constitutes a “substantial change;” and

8 WHEREAS, pursuant to the County’s 2016-2020 Citizen Participation Plan, the following
9 decisions constitute a “substantial change”: (1) a change in the allocation priorities or a change
10 in the method of distribution of funds; (2) the addition of an eligible activity not originally
11 funded or described in the Annual Action Plan; (3) a change in the location, description,
12 regulatory reference, national objective citation, or status of an activity originally described in
13 the Annual Action Plan; and (4) a change in the use of Community Development Block Grant
14 (CDBG), HOME, or Emergency Shelter Grant (ESG) funds, exceeding twenty-five percent
15 (25%), from one existing activity to another existing eligible activity in any category within the
16 applicable Program Year; and

17 WHEREAS, the County Council shall hold a public hearing for public input on any
18 revision or amendment to the Consolidated Plan and the Annual Action Plan, and approve the
19 amendment by resolution pursuant to Section 15A-106 of the County Code; and

20 WHEREAS, pursuant to Section 15A-105(a)(2) of the County Code, the FY 2017 Annual
21 Action Plan must be amended to include the estimated cost of projects, the total cost to bring
22 them to completion, and an identification of the sources of funds; and

23 WHEREAS, the Pathway to Purchase Program will assist income eligible first time
24 homebuyers to purchase eligible residential properties by providing homeownership assistance as
25 needed for mortgage principle reduction, down payment and/or closing cost assistance; and

26 WHEREAS, Attachments “A1-A2,” describe the Pathway to Purchase Program activity, the
27 associated costs, and the sources of funding for the project, as attached hereto and made part
28 hereof; and

29 WHEREAS, Attachments “B,” includes a summary of the reprogramming and reallocation
30 of two hundred fifty seven thousand three hundred eighty-three dollars and forty-eight cents
31 (\$257,383.48) in HOME Program funds from the FY 2012 Annual Action Plans to support the

1 Pathway to Purchase Program, attached hereto and made part hereof; and

2 WHEREAS, Attachment “C,” consists of the County’s FY 2017 Annual Action Plan, as
3 modified on July 12, 2016 and attached hereto and made part hereof; and

4 WHEREAS, the addition of the Pathway to Purchase Program constitutes a “substantial
5 change” to the County’s FY 2017 Annual Action Plan because it is an eligible activity not
6 originally funded or described in the FY 2017 Annual Action Plan; and

7 WHEREAS, the reprogramming and reallocation of two hundred fifty seven thousand three
8 hundred eighty-three dollars and forty-eight cents (\$257,383.48) in HOME Program funds
9 constitutes a “substantial change” to the County’s FY 2017 Annual Action Plan because it is a
10 change in the allocation priorities and method of distribution of HOME Program funds in the
11 County’s FY 2017 Annual Action Plan; and

12 WHEREAS, the County Executive recommends the amendments to the FY 2017 Annual
13 Action Plan to include the addition of the Pathway to Purchase Program, and the reprogramming
14 and reallocation of two hundred fifty seven thousand three hundred eighty-three dollars and
15 forty-eight cents (\$257,383.48) in HOME funds to support these projects.

16 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
17 County, Maryland, that the FY 2017 Annual Action Plan for Housing and Community
18 Development, is hereby amended to include the Pathway to Purchase Program, and to reflect the
19 reprogramming and reallocation of two hundred fifty seven thousand three hundred eighty-three
20 dollars and forty-eight cents (\$257,383.48) in HOME Program funds, as described in
21 Attachments “A1 – A2,” “B,” and “C.”

22 BE IT FURTHER RESOLVED that upon the adoption of this Resolution, it shall be
23 transmitted to the County Executive by the Clerk of the Council to submit the amended Annual
24 Action Plan to the United States Department of Housing and Urban Development.

Adopted this 18th day of July, 2017.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Rushern L. Baker, III
County Executive

ATTACHMENT A-1

PROJECT INFORMATION SHEET

**Pathway to Purchase Program (formerly known as *My HOME* Program)
Largo, Maryland**

- PROJECT DESCRIPTION:** The Pathway to Purchase Program (formerly known as *My HOME* Program) will assist income eligible first time homebuyers to purchase eligible residential properties by providing homeownership assistance as needed for mortgage principle reduction, down payment and/or closing cost assistance.
- PROPOSED RECIPIENT:** Redevelopment Authority of Prince George’s County
- CONTACT:** Howard Ways, AICP, Executive Director
9200 Basil Court, Suite 504
Largo, Maryland 20774
- NEIGHBORHOOD/LOCALITY:** County-wide
- PROPOSED ASSISTANCE:** Up to \$10,000, as needed for households with an annual income between 50%-80% of Area Median Income (AMI)
- Minimum loan = \$1,000
Maximum sales price must not exceed the HOME Homeownership Value Limits as established and published annually by the United States Department of Housing and Urban Development (HUD)
The 2017 HOME Homeownership Value Limit is \$307,000 effective March 1, 2017

ATTACHMENT A-2**PROJECT INFORMATION SHEET****Pathway to Purchase Program (formerly known as *My HOME* Program)
Largo, Maryland****PROJECT DESCRIPTION:**

The Redevelopment Authority of Prince George's County, Maryland administers the operations of the County's Pathway to Purchase Program (formerly known as *My HOME* Program) ("Program"). The Program will assist income eligible first time homebuyers to purchase eligible residential properties by providing homeownership assistance as needed for mortgage principle reduction, down payment and/or closing cost assistance.

The minimum amount of HOME funds that must be invested per purchaser is One Thousand Dollars (\$1,000.00). The maximum amount of HOME funds that may be invested must not exceed the per-unit dollar limitations established under section 221(d)(3)(ii) of the National Housing Act. The participant must contribute a minimum amount of cash towards the purchase.

Program assistance will provide homeownership assistance up to \$10,000, as needed for households with an annual income between 50%-80% of the Area Median Income (AMI). The eighty percent (80%) income limits will be based on the "uncapped limits" as calculated by HUD for the Prince George's County jurisdiction. The down payment and closing cost assistance offered is in the form of a 10-year, 0% loan recorded as a second mortgage against the property. Purchaser will make no monthly payments on the loan. The loan will be forgiven upon maturity. The HOME loan is subject to the recapture provisions as described in 24 CFR 92.254 (5)(ii).

Applicants must comply with monthly housing costs burden and total debt ratio requirements set administratively by the Prince George's County Department of Housing and Community Development. The loan to value of the first mortgage provided by participating lenders must be a minimum of 65% of the value of the property. All properties must pass a Housing Quality Standards (HQS) Inspection.

Eligible properties for the Program include single family, townhomes, and condominiums. The property assisted with HOME funds must remain affordable for a minimum period,

depending on the amount of HOME funds provided. The affordability period for My HOME assisted housing is ensured through a regulatory agreement or covenant recorded in the land records of Prince George's County.