

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2021 Legislative Session

Resolution No. CR-37-2021
Proposed by The Chair (by request – County Executive)
Introduced by Council Members Hawkins, Turner, Taveras, Glaros, Franklin, Harrison,
Davis and Streeter
Date of Introduction April 6, 2021

RESOLUTION

1 A RESOLUTION concerning

2 Fiscal Year (“FY”) 2021 Annual Action Plan for Housing and Community Development
3 For the purpose of amending the Prince George’s County Fiscal Year (“FY”) 2021 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 2021 Annual Action Plan, and the reprogramming and reallocating of seven
7 hundred sixty-one thousand, five hundred fifty-three dollars (\$761,553) in HOME Investment
8 Partnerships (“HOME”) Program funds from the FY 2019 Annual Action Plan to support this
9 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
13 of HUD that outlines ways to develop viable communities by: providing decent housing, a
14 suitable living environment, and expanding economic opportunities principally for low- and
15 moderate-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 Citizen Action Plan of the Prince George's
2 County Code, the County Executive and the County Council of Prince George's County,
3 Maryland adopted CR-047-2020, which set forth the County's FY 2021-2025 Consolidated Plan,
4 along with the County's FY 2021-2025 Citizen Participation Plan; and

5 WHEREAS, the County's 2021-2025 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 2021-2025 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, and status of an activity originally described in
13 the Annual Action Plan; and (4) a change in the use of CDBG, HOME, Program Income, or ESG
14 funds, exceeding at least \$250,000 from one existing activity to another existing eligible activity
15 in any category within the applicable Program; all activities must have been in an approved
16 Annual Action Plan; and (5) designations for Neighborhood Revitalization Strategy Areas
17 (NRSAs); and (6) a change in the proposed uses of HUD 108 Loan Guarantee and Section 108
18 Program Income; and

19 WHEREAS, the County Council shall hold a public hearing for public input on any
20 revision or amendment to the Consolidated Plan and the Annual Action Plan, and approve the
21 amendment by resolution pursuant to Section 15A-106-Review and Approval of the Five-Year
22 Consolidated Housing and Community Development Plan and Action Plan of the County Code;
23 and

24 WHEREAS, pursuant to Section 15A-105(a)(2)-Plan Annual Housing and Community
25 Developmental Action Plan – content of the County Code, the FY 2021 Annual Action Plan
26 must be amended to include the estimated cost of projects, the total cost to bring them to
27 completion, and an identification of the sources of funds; and

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

31 WHEREAS, Attachments "A1-A2" describe the Pathway to Purchase Program activity, the

1 associated costs and the source(s) of funding for the project, as attached hereto and made part of
2 the record hereof; and

3 WHEREAS, Attachment “B” includes a summary of the reprogramming and reallocation of
4 seven hundred sixty-one thousand, five hundred fifty-three dollars (\$761,553) in HOME
5 Program funds from the FY 2019 Annual Action Plan to support the Pathway to Purchase
6 Program, attached hereto and made part of the record hereof; and

7 WHEREAS, Attachment “C,” consists of the County’s FY 2021 Annual Action Plan, and
8 attached hereto and made part of the record hereof; and

9 WHEREAS, the addition of the Pathway to Purchase Program constitutes a “substantial
10 change” to the County’s FY 2021 Annual Action Plan because it is an eligible activity not
11 originally funded or described in the FY 2021 Annual Action Plan; and

12 WHEREAS, the reprogramming and reallocation of seven hundred sixty-one thousand, five
13 hundred fifty-three dollars (\$761,553) in HOME Program funds constitutes a “substantial
14 change” to the County’s FY 2021 Annual Action Plan because it is a change in the allocation
15 priorities or a change in the method of distribution of funds; and

16 WHEREAS, the County Executive recommends the amendments to the FY 2021 Annual
17 Action Plan to include the addition of the Pathway to Purchase Program, and the reprogramming
18 and reallocation of seven hundred sixty-one thousand, five hundred fifty-three dollars (\$761,553)
19 in HOME funds to support this project.

20 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George’s
21 County, Maryland, that the Fiscal Year (“FY”) 2021 Annual Action Plan for Housing and
22 Community Development, a copy of which shall be marked for identification by the Clerk of the
23 County Council and maintained as a permanent record, is hereby amended to include the
24 Pathway to Purchase Program, and to reflect the reprogramming and reallocation of seven hundred
25 sixty one thousand, five hundred fifty-three dollars (\$761,553) in HOME Program funds, as
26 described in Attachments “A1 – A2,” “B,” and “C,” respectively, as attached hereto and made a
27 part hereof.

28 BE IT FURTHER RESOLVED that the County Executive or her designee is hereby
29 authorized and empowered as the official representative of Prince George’s County to submit the
30 amended FY 2021 Annual Action Plan to U.S. Department of Housing and Urban Development
31 (“HUD”), and to provide such additional information to HUD as may be required.

Adopted this 18th day of May, 2021.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Calvin S. Hawkins, II
Chair

ATTEST:

Donna J. Brown
Clerk of the Council

ATTACHMENT A-1

PROJECT INFORMATION SHEET

THE PATHWAY TO PURCHASE PROGRAM

PROJECT DESCRIPTION: The Pathway to Purchase (P2P) 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: Stephen Paul, Executive Director
9200 Basil Court, Suite 504
Largo, Maryland 20774

NEIGHBORHOOD/LOCALITY: County-wide

PROPOSED ASSISTANCE: Up to \$10,000, as needed for household with annual income not to exceed 80% of the 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 2020 -2021 HOME Homeownership Value effective April 1, 2020 is:
\$337,000 for resale properties
\$399,000 for newly constructed properties

ATTACHMENT A-2

PROJECT INFORMATION SHEET
PATHWAY TO PURCHASE PROGRAM

PROJECT DESCRIPTION:

The Redevelopment Authority of Prince George’s County, Maryland administers the operations of the County’s Pathway to Purchase 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 not to exceed 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 the assisted housing is ensured through a regulatory agreement or covenant recorded in the land records of Prince George’s County.