

HOC Opportunity Housing Dev Fund -- No. 767511

Category
Subcategory
Administering Agency
Planning Area

Housing Opportunities Commission
Housing
Housing Opportunities Commission
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 03, 2012
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY11	Est. FY12	Total 6 Years	FY13	FY14	FY15	FY16	FY17	FY18	Beyond 6 Years
Planning, Design, and Supervision	1,511	1,511	0	0	0	0	0	0	0	0	0
Land	2,989	2,381	608	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	4,500	3,892	608	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Revolving Fund - Current Revenue	4,500	3,892	608	0	0	0	0	0	0	0	0
Total	4,500	3,892	608	0							

DESCRIPTION

The Opportunity Housing Development Fund (OHDF) is a revolving loan fund from which Housing Opportunities Commission (HOC) is authorized to use up to \$4.5 million at any one time. The project provides funds to temporarily cover project planning, site improvements, building construction loan guarantees, construction financing, short-term financing (including second trusts), insurance for permanent financing, notes and bonds, and associated professional and financing fees for housing developments undertaken by HOC or its designees. Since a separate fund is established for site acquisition and Moderately Priced Dwelling Units (MPDU) acquisition, land and MPDUs shall not be acquired from the OHDF (with the exception of MPDUs acquired under the last resort provision of the MPDU Ordinance). This fund is to be repaid when permanent financing is obtained or when other sources of financing are made available from HOC housing developments. If sufficient funds are not available in the MPDU/Property Acquisition Fund, this fund can also be used, upon County approval, for the acquisition of sites and/or existing properties for low and moderate-income, single, or multi-family housing facilities, which are to be owned and operated by HOC or its designees.

JUSTIFICATION

This project assures availability of short-term financing and front-end costs at favorable interest rates for projects determined by HOC and the County to be in support of the County Housing Assistance Plan and housing policy. The fund permits existing and new properties to be reviewed and insured and, in other ways, secures prompt decisions when time demands require them.

OTHER

The County General Plan Refinement stands in compliance with the General Plan requirement of the Maryland Economic Growth, Resource Protection, and Planning Act. County Master Plans must be in compliance with the General Plan.

Beginning in FY01, as a contribution to affordable housing, HOC was given relief on past due interest payments and is no longer required to pay interest on funding for this project.

FISCAL NOTE

Outstanding draws as of June 30, 2011 totaled \$3,802,786. Repayments totaling \$110,661 were made in FY11, with the acquisition loan for Holiday Park fully repaid. Repayments totaling \$89,198 are projected in FY12, and in each subsequent year until the loans for Smith Village and Alexander House are repaid. In FY04, \$3 million was used to acquire Paddington Square that preserved 166 affordable units in Silver Spring. Due to the nature of the Financing, the funds for Paddington Square may be outstanding for up to eight years. The refinancing of the property and the repayment of these funds is anticipated in FY12. Up to \$334,000 is being reserved to provide the local matching funds to be leveraged with a grant (up to \$1 million) from the Maryland Department of Mental Hygiene. Funds will be used to acquire and renovate two homes for developmentally disabled adults. As of July 19, 2011, the first property was acquired in the amount of \$112,349, and the second property is under contract. Repayment is expected from the funding of a loan commitment from Montgomery County DHCA.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY75	(\$000)
First Cost Estimate	FY80	4,500
Current Scope		4,500
Last FY's Cost Estimate		4,500
Appropriation Request	FY13	0
Appropriation Request Est.	FY14	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,500
Expenditures / Encumbrances		3,892
Unencumbered Balance		608
Partial Closeout Thru	FY10	0
New Partial Closeout	FY11	0
Total Partial Closeout		0

COORDINATION

Department of Finance
Department of Housing and Community Affairs

MAP

