



HOC Opportunity Housing Development Fund (P767511)

Category	Housing Opportunities Commission	Date Last Modified	09/10/20
SubCategory	Housing (HOC)	Administering Agency	Housing Opportunities Commission
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Land	22	22	-	-	-	-	-	-	-	-	-
Construction	4,478	-	4,478	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	4,500	22	4,478	-	-	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Revolving Fund: Current Revenue	4,500	22	4,478	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	4,500	22	4,478	-	-	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	Year First Appropriation	FY75
Cumulative Appropriation	4,500	Last FY's Cost Estimate	4,500
Expenditure / Encumbrances	-		
Unencumbered Balance	4,500		

PROJECT 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.

PROJECT 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, 2020 totaled \$21,817. Repayments totaling \$4,000,000 were made in FY20, consisting of the payback of the construction proceeds loan to 900 Thayer (\$4,000,000). The available balance as of June 30, 2020 totaled \$4,478,182. Repayments totaling \$21,817 are projected in FY21 representing the annual loan payment for Smith Village. HOC anticipates continued utilization of the balance of the OHDF revolving fund for the continued pre-development and acquisition for expanding affordable housing in the County.

COORDINATION

Department of Finance and Department of Housing and Community Affairs.