

HOC Opportunity Housing Dev Fund (P767511)

Category: Housing Opportunities Commission
 Sub Category: Housing
 Administering Agency: Housing Opportunities Commission (AAGE12)
 Planning Area: Countywide

Date Last Modified: 8/25/14
 Required Adequate Public Facility: No
 Relocation Impact: None
 Status: Ongoing

Total	Thru FY14	Rem FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

	Total	Thru FY14	Rem FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
Planning, Design and Supervision	1,511	1,511	0	0	0	0	0	0	0	0	0
Land	2,989	2,701	288	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	4,212	288	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000s)

Revolving Fund - Current Revenue	4,500	4,212	288	0	0	0	0	0	0	0
Total	4,500	4,212	288	0	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,500
Expenditure / Encumbrances		4,212
Unencumbered Balance		288

Date First Appropriation	FY 75	
First Cost Estimate		
Current Scope	FY 80	4,500
Last FY's Cost Estimate		4,500

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 FY'01, 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, 2013 totaled \$3,842,545. Repayments totaling \$89,198 were made in FY'13 consisting of annual repayments for Smith Village and Alexander House loans. Repayments totaling \$89,198 are projected in FY'14 and in each subsequent year until the loans for Smith Village and Alexander House are repaid.

In FY'04, \$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 nine years. The refinancing of the property and the repayment of these funds is anticipated in FY'14. Of the \$334,000 reserved to provide the local matching funds to be leveraged with a grant (up to \$1 million) from the Maryland Department of Mental Hygiene, \$218,156 was drawn to acquire and renovate two homes for developmentally disabled adults. HOC has received a commitment for matching funds from Montgomery County DHCA to repay the loans.

Coordination

Department of Finance, Department of Housing and Community Affairs