

Introduced 02.07.2022
Public Hearing 02.22.2022
Council Action 04.04.2022
Executive Action 04.06.2022
Effective Date 04.06.2022

County Council of Howard County, Maryland

2022 Legislative Session

Legislative Day No. 4

Supplementary Budget & Appropriation Ordinance

No. 3 - Fiscal Year 2022

Introduced by: The Chairperson at the request of the County Executive

AN ACT transferring \$6,560,000 from the General Fund, Contingency Reserve to the Department of Housing and Community Development in order to move priority affordable housing communities forward and to further affordable housing initiatives.

Introduced and read first time Feb 7, 2022. Ordered posted and hearing scheduled.

By order Michelle Harrod
Michelle Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on Feb 22, 2022.

By order Michelle Harrod
Michelle Harrod, Administrator

This Bill was read the third time on APR 4, 2022 and Passed , Passed with amendments , Failed .

By order Michelle Harrod
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 5 day of April, 2022 at 1:00 a.m./p.m.

By order Michelle Harrod
Michelle Harrod, Administrator

Approved by the County Executive April 6, 2022

Calvin Ball
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

Tabled 3/7/2022 Michelle Harrod

1 **WHEREAS**, Section 610 of the Howard County Charter authorizes and
2 empowers the Howard County Council, upon the recommendation of the County
3 Executive, to make supplementary appropriations from the unexpended and
4 unencumbered funds set aside for contingencies in the County budget; and

5
6 **WHEREAS**, Council Bill No. 34-2021 is known as the Annual Budget and
7 Appropriation Ordinance of Howard County, Fiscal Year 2022 and contains the capital
8 and operating budget for the fiscal year beginning July 1, 2021 and ending June 30, 2022
9 (FY22); and

10
11 **WHEREAS**, in order to move priority affordable housing communities forward,
12 the Department of Housing and Community Development would like to add funds to the
13 Community Renewal Fund from available contingencies in the FY22 budget for one-time
14 expenses during FY22 as follows:

- 15 1. \$2,500,000 for gap financing related to Low Income Housing Tax Credit
16 financing for the Ranleigh Ct. redevelopment project by Enterprise
17 Community Partners; ~~and~~. These funds may only be spent on the
18 development of affordable housing and shall be returned to the Department of
19 Housing and Community Development, Community Renewal Fund if not
20 spent by Enterprise Community Partners by June 30, 2023; and
21 2. \$1,200,000 for gap funding related to Low Income Housing Tax Credit
22 financing for new Patuxent Commons project by Mission First Housing
23 Development Corporation; ~~and~~. These funds may only be spent on the
24 development of affordable housing and shall be returned to the Department of
25 Housing and Community Development, Community Renewal Fund if not
26 spent by Mission First Housing Development Corporation by March 31, 2023;
27 and

28
29 **WHEREAS**, to increase homeownership opportunities for low and moderate
30 income residents throughout the county, the Department of Housing and Community
31 Development also would like to add \$2,860,000 to further affordable homeownership

1 **Section 2. And Be It Further Enacted** by the County Council of Howard County,
2 Maryland that the total appropriation in Community Renewal Program Fund for Fiscal
3 Year 2022 is amended to be \$15,576,250.

4
5 **Section 3. And Be It Further Enacted** by the County Council of Howard County,
6 Maryland that this Supplementary Budget and Appropriation Ordinance shall be effective
7 upon its enactment.

8 **Section 4. And Be It Further Enacted** by the County Council of Howard
9 County, Maryland that the \$1,200,000 for gap funding related to Low Income
10 Housing Tax Credit financing for the new Patuxent Commons project by Mission
11 First Housing Development Corporation shall only be spent by the recipient for
12 the purpose of developing affordable housing units at the new Patuxent
13 Commons. Otherwise, the \$1,200,000 for gap funding shall be returned by the
14 recipient to the Department of Housing and Community Development,
15 Community Renewal Fund by March 31, 2023.

16
17 **Section 5. And Be It Further Enacted** by the County Council of Howard
18 County, Maryland that the new Patuxent Commons project by Mission First
19 Housing Development Corporation shall be developed in accordance with and
20 shall have executed and recorded covenants on the Property, in a form acceptable
21 to the County, that require the LLC and all subsequent owners of the Property to
22 offer for rent at least 66 percent of the total units to households that earn at or
23 below 60 percent of AMI and at least 25 percent of the total units to residents with
24 disabilities who earn at or below 30 percent of AMI, for a period of not fewer
25 than 40 years from the date of the initial closing. At least 8 percent of the total
26 residential units are to be market rate units.

27
28 **Section 6. And Be It Further Enacted** by the County Council of Howard
29 County, Maryland that the \$2,500,000 for gap financing related to Low Income
30 Housing Tax Credit financing for the Ranleigh Court development project by
31 Enterprise Community Partners shall only be spent by the recipient for the

1 purpose of developing affordable housing units at Ranleagh Court. Otherwise, the
2 \$2,500,000 for gap financing shall be returned by the recipient to the Department
3 of Housing and Community Development, Community Renewal Fund by June 30,
4 2023.”.

5
6 **Section 7. And Be It Further Enacted** by the County Council of Howard
7 County, Maryland that the Ranleagh Court development project by Enterprise
8 Community Partners shall be developed in accordance with and shall have
9 executed and recorded covenants on the Property, in a form acceptable to the
10 County, that require the Company and all subsequent owners of the Property to
11 offer for rent residential units in the following manner:

- 12 • at least 10 percent of the total units are to be made available to households
13 that earn at or below 30 percent AMI;
- 14 • at least 5 percent of the total units are to be made available to households that
15 earn at or below 50 percent AMI;
- 16 • at least 5 percent of the total units are to be made available to households that
17 earn at or below 60 percent AMI;
- 18 • at least 5 percent of the total units are to be made available to households that
19 earn at or below 80 percent AMI; and
- 20 • at least 12 percent of the total units are to be market rate units.

21
22 These minimums are not intended to change the income and unit mix
23 requirements otherwise mandated for the project by federal or state law.
24 Affordability covenants shall be in place for a period of not fewer than 40 years
25 from the date of initial closing.

26

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Public Hearing _____
Council Action _____
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By order Michelle Harrod
Michelle Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on Feb 22, 2022.

By order Michelle Harrod
Michelle Harrod, Administrator

This Bill was read the third time on _____, 2022 and Passed _____, Passed with amendments _____, Failed _____.

By order _____
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this _____ day of _____, 2022 at _____ a.m./p.m.

By order _____
Michelle Harrod, Administrator

Approved by the County Executive _____, 2022

Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

Tabled 3/7/2022 MPA

1 **WHEREAS**, Section 610 of the Howard County Charter authorizes and
2 empowers the Howard County Council, upon the recommendation of the County
3 Executive, to make supplementary appropriations from the unexpended and
4 unencumbered funds set aside for contingencies in the County budget; and

5
6 **WHEREAS**, Council Bill No. 34-2021 is known as the Annual Budget and
7 Appropriation Ordinance of Howard County, Fiscal Year 2022 and contains the capital
8 and operating budget for the fiscal year beginning July 1, 2021 and ending June 30, 2022
9 (FY22); and

10
11 **WHEREAS**, in order to move priority affordable housing communities forward,
12 the Department of Housing and Community Development would like to add funds to the
13 Community Renewal Fund from available contingencies in the FY22 budget for one-time
14 expenses during FY22 as follows:

- 15 1. \$2,500,000 for gap financing related to Low Income Housing Tax Credit
16 financing for the Randleigh Ct. redevelopment project by Enterprise
17 Community Partners; and
- 18 2. \$1,200,000 for gap funding related to Low Income Housing Tax Credit
19 financing for new Patuxent Commons project by Mission First Housing
20 Development Corporation; and

21
22 **WHEREAS**, to increase homeownership opportunities for low and moderate
23 income residents throughout the county, the Department of Housing and Community
24 Development also would like to add \$2,860,000 to further affordable homeownership
25 initiatives including funding for the Moderate Income Housing Unit (MIHU)
26 program, the Settlement Down Payment Loan Program (SDLP), and the Homeownership
27 Assistance Program (HAP); and

28
29 **WHEREAS**, the Director of Finance has certified that the \$6,560,000
30 supplemental appropriation to be transferred from the General Fund, Contingency

1 Reserve in the FY22 budget is not encumbered and is available for transfer and
2 \$4,060,000 of the \$6,560,000 is from designated sources restricted to housing; and
3

4 **WHEREAS**, the transfer will increase the total appropriation in Community
5 Renewal Program Fund in FY22 from \$9,016,250 to \$15,576,250.
6

7 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland, that the
8 following supplementary appropriation of funds is authorized and approved for the fiscal
9 year beginning July 1, 2021 and ending June 30, 2022, as indicated below:
10

11 **Donor Account:**

12 **General Fund, Contingency Reserve**

13 1999999999-8888-8888000000-9999999999999999999900

14	Appropriation before transfer	\$7,560,000
15	Less amount transferred to the Department of Housing and	
16	Community Development, Community Renewal Fund	<u>(\$6,560,000)</u>
17	Appropriation after transfer	\$1,000,000

18
19 **Recipient Account:**

20 **Department of Housing and Community Development– Community Renewal Fund**

21 2010000000 –6100000000

22	Fiscal Year 2022 Appropriation before transfer	\$5,210,450
23	Plus funding from the General Fund Contingency Reserve	<u>\$6,560,000</u>
24	Fiscal Year 2022 Appropriation after transfer	\$11,770,450

25
26 **Section 2. And Be It Further Enacted** by the County Council of Howard County,
27 Maryland that the total appropriation in Community Renewal Program Fund for Fiscal
28 Year 2022 is amended to be \$15,576,250.
29

1 **Section 3. And Be It Further Enacted** by the County Council of Howard County,
2 Maryland that this Supplementary Budget and Appropriation Ordinance shall be effective
3 upon its enactment.

Amendment 2 to Supplementary Budget and Appropriation Ord. No. 3 - 2022

BY: Liz Walsh

Legislative Day 6

Date: April 4, 2022

Amendment No. 2

(This amendment puts conditions on the \$2.5 million of gap financing for Ranleigh Court.)

1 On page 1, in line 17, strike “; and” and substitute the following:

2 “ These funds may only be spent on the development of affordable housing and shall be
3 returned to the Department of Housing and Community Development, Community
4 Renewal Fund if not spent by Enterprise Community Partners by June 30, 2023; and”.

6 On page 3, immediately following line 3, insert the following:

7 “Section 4. And Be It Further Enacted by the County Council of Howard County,
8 Maryland that the \$2,500,000 for gap financing related to Low Income Housing Tax
9 Credit financing for the Ranleigh Court development project by Enterprise Community
10 Partners shall only be spent by the recipient for the purpose of developing affordable
11 housing units at Ranleigh Court. Otherwise, the \$2,500,000 for gap financing shall be
12 returned by the recipient to the Department of Housing and Community Development,
13 Community Renewal Fund by June 30, 2023.”.

15 Section 5. And Be It Further Enacted by the County Council of Howard County,
16 Maryland that the Ranleigh Court development project by Enterprise Community

I certify this is a true copy of

_____ passed on _____

Council Administrator

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Partners shall be developed in accordance with and shall have executed and recorded covenants on the Property, in a form acceptable to the County, that require the Company and all subsequent owners of the Property to offer for rent at least 21 percent of the total units to households that earn at or below 80 percent of AMI, at least 32 percent of the total units to residents who earn at or below 60 percent of AMI, and at least 32 percent of the total units to residents who earn at or below 30 percent of AMI for a period of not fewer than 40 years from the date of the initial closing.”.

Amendment 3 to Supplementary Budget and Appropriation Ord. No. 3 - 2022

BY: Liz Walsh

Legislative Day 6

Date: April 4, 2022

Amendment No. 3

(This amendment puts conditions on the \$1.2 million of gap financing for Patuxent Commons.)

1 On page 1, in line 20, strike “; and” and substitute the following:

2 “ These funds may only be spent on the development of affordable housing and shall be
3 returned to the Department of Housing and Community Development, Community
4 Renewal Fund if not spent by Mission First Housing Development Corporation by March
5 31, 2023; and”.

6
7 On page 3, immediately following line 3, insert the following:

8 “Section 4. And Be It Further Enacted by the County Council of Howard County,
9 Maryland that the \$1,200,000 for gap funding related to Low Income Housing Tax Credit
10 financing for the new Patuxent Commons project by Mission First Housing Development
11 Corporation shall only be spent by the recipient for the purpose of developing affordable
12 housing units at the new Patuxent Commons. Otherwise, the \$1,200,000 for gap funding
13 shall be returned by the recipient to the Department of Housing and Community
14 Development, Community Renewal Fund by March 31, 2023.

15
16 Section 5. And Be It Further Enacted by the County Council of Howard County,

I certify this is a true copy of

passed on _____

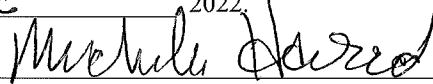
Council Administrator

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Maryland that the new Patuxent Commons project by Mission First Housing Development Corporation shall be developed in accordance with and shall have executed and recorded covenants on the Property, in a form acceptable to the County, that require the LLC and all subsequent owners of the Property to offer for rent at least 66 percent of the total units to households that earn at or below 60 percent of AMI and at least 25 percent of the total units to residents with disabilities who earn at or below 30 percent of AMI, for a period of not fewer than 40 years from the date of the initial closing.”.

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on

April 6 2022,

Michelle Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2022.

Michelle Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2022.

Michelle Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2022.

Michelle Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2022.

Michelle Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2022.

Michelle Harrod, Administrator to the County Council