

Council Agenda Report

Date: December 4, 2017

Prepared by: Pat Escher, City Planner, A.I.C.P.

Submitted by: Odie Wheeler, Director of Public Works

SUBJECT: Amended application to Maryland Department of Housing and Community Development requesting \$500,000 for low income home owner housing rehabilitation project in the Pine Street Area

Recommendations: That Council:

- A. Hold a hearing on subject application;
- B. Approve an amended application to DHCD increasing the funding request from \$200,000 to \$ 500,000 for a low-income home owner housing rehabilitation project in the Pine Street area;
- C. Authorize the Mayor to execute an agreement with DHCD subject to approval as to form by the City Attorney for subject project;
- D. Following execution of the agreement, appropriate \$500,000 to the General Fund for the project; and
- E. Authorize release of an RFP for a contract Housing Specialist and part-time Grant Administrator, subject to approval in the CDBG grant of both contract positions.

Discussion: The Council approved staff to proceed with a CDBG grant application at the May 8, 2017 hearing. The original request was for \$250,000 dollars from the State with a \$130,037 cash plus \$20,000 in-kind match from the City, and \$360,800 cash and in-kind match from Habitat for Humanity. The City staff and its partners met with the Department of Housing and Community (DHCD) on October 31st. At that time, the City was informed that the State would increase the CDBG grant to a total of \$500,000, which would increase the overall project funding to \$1,010,837 including City and Habitat for Humanity contributions.

The team, consisting of City staff and Habitat for Humanity staff, has established overarching goals for the Pine Street neighborhood process. They are to:

- Preserve housing stock within the Pine Street Neighborhood Historic District;
- Remove severely blighted properties that constitute a health and safety hazard;
- Increase the visible recognition of the community's historic and cultural assets;
- Increase homeownership for Low to Moderate Income (LMI) persons;
- Construct new, single family, energy efficient, durable homeownership opportunities that complement and enhance historic patterns and designs in the District;
- Support existing LMI homeowners with housing rehab services;
- Develop incentives for landlords and investors to participate in historic preservation and construction of appropriate, good quality housing; and
- Increase community livability with open space and amenities where possible.

City staff and Habitat for Humanity team has conducted field/ site inspections on the Pine Street areas and is beginning development of a plan to implement the above referenced goals by:

1. Identifying an immediate priority area within the Pine Street Neighborhood Historic District, in order to focus resources and demonstrate significant improvement.

This area has been identified as the triangle entering the Pine Street neighborhood bordered by Pine, High and Muir Street, and continuing South on High Street for 1 block.

2. City staff / Habitat for Humanity undertaken a detailed process to:
 - a. Identify opportunities for new construction, home ownership single family construction.
 - b. Identify opportunities for acquiring historic properties to purchase and rehabilitate for homeownership opportunities.
 - c. Identify area to increase visibility, protect historic/culturally meaningful property.
 - d. Identify homeowners to participate in Rehab program.
 - e. Engage the County in identifying complementary tax sale properties.
 - f. Identify potential homeownership acquisition.
 - g. Locate a public park.
 - h. Identify severely blighted properties for potential demolition and later development through program income reuse.

The increase in scope will also necessitate the hiring of additional contract personnel to manage the project and ensure that administrative tasks – which are very complicated for CDBG - are completed in a timely manner. Therefore, staff recommends that the Council authorize staff to release an RFP for a contract Housing Specialist and potentially a part-time Grant Administrator.

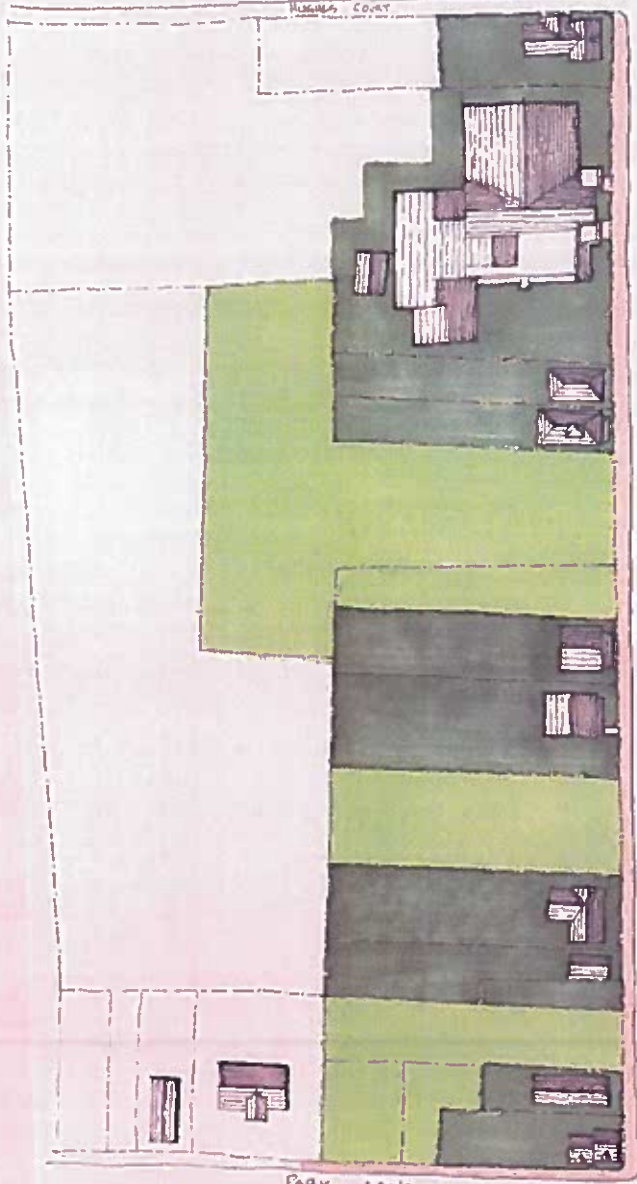
City staff has submitted draft documents to the DHCD for review and comment. Staff received favorable informal comments from DHCD. City staff anticipates receiving formal comments from the DHCD in the next two weeks, following submission of the amended application. After which, City staff will make any required revisions and resubmit the revised and final grant application before the end of the calendar year to DHCD. Concurrent with DHCD's revision to the grant documents, City staff, in conjunction the Habitat for Humanity, will begin prioritizing and vetting properties with an anticipated start date in mid-February.

Fiscal Impact: City Council has already approved and appropriated a catch match of \$130,037 including \$30,037 from program income from a prior CDBG housing project. City staff in-kind was estimated at \$20,000.

Approved by: Sandra Tripp-Jones, City Manager 

BY THE CITY OF BIRMINGHAM

PINE STREET NEIGHBORHOOD STUDY AREA



PARK LANE

HIGH STREET

MUIR STREET

PINE STREET

CROSBY STREET