

# DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT (DHCD)

## 14.195 SECTION 8 – CONTRACT ADMINISTRATION

**Program Description:** Provides project-based rental assistance to lower income households earning no more than 50 percent of area median income. DHCD is paid an administrative fee to operate the program on behalf of U.S. Housing and Urban Development (HUD). HUD assigns housing complexes for DHCD administration. Families in units assisted by the Section 8 Voucher Program pay no more than 30 percent of their income in rent. Eligible recipients must live in housing complexes receiving assistance.

**Formula Description:** DHCD receives quarterly payments from HUD based on the projects HUD assigns to the Department, and on tenant rental payments.

**Program Supported/Population Served:** The program is a contract administered statewide. More than 24,000 Maryland households lived in developments where DHCD administered this program.

## 14.228 COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

**Program Description:** The CDBG program funds a broad array of activities focused on developing viable communities. Types of activities funded include providing decent housing, improving infrastructure, and expanding economic opportunities, principally for persons of low and moderate income. CDBG funding is comprised of two parts. The Entitlement Program is directly administered by HUD and provides federal funds to “entitlement” communities. Maryland’s entitlement communities are Anne Arundel, Baltimore, Harford, Howard, Montgomery, and Prince George’s counties, as well as the cities of Annapolis, Baltimore, Bowie, Cumberland, Frederick, Gaithersburg, Hagerstown, and Salisbury. As direct entitlements, funds DHCD receives from the federal government may not be used in these jurisdictions. The funding DHCD receives can be used in all other areas. Projects generally fall into three types: housing, public facilities (water/sewer, streets, child care, senior or community centers, shelters) and economic development projects. A CDBG project must meet one of three national objectives: A project must principally benefit persons of low and moderate income, eliminate slum and blight, or meet an urgent need of recent origin that threatens public health and safety. Units of general local government of non-entitlement counties with a population less than 200,000 and non-entitlement cities and towns having populations less than 50,000 are eligible to apply. Multiple jurisdictions may jointly apply for funds. Other entities, public and private, may be grant sub-recipients. Activities may only be performed by eligible sub-recipients of the local government.

**Formula Description:** Over a designated three-year period, the state must cumulatively use 70% of its allocation to benefit persons of low and moderate income.

**Program Supported/Population Served:** Projects/funding benefit individuals and households as well as local political jurisdictions.

#### **14.231 EMERGENCY SOLUTIONS GRANTS (ESG)**

**Program Description:** The ESG program supports homeless shelters and homeless services programs in Maryland. Urban counties, including Anne Arundel, Baltimore, Montgomery, and Prince George's, as well as Baltimore City, receive ESG funding directly from HUD and are therefore ineligible for State funding. The State program operates in all other jurisdictions in Maryland. ESG funds are used primarily to support operating costs, case management and client services, and staffing and administrative costs for shelters and post-shelter transitional units, although funding may also be used for homeless prevention, rapid rehousing, and computer systems (see note). Most jurisdictions limit assistance to one cash assist per household per year. DHCD awards ESG funds annually under a competitive application process.

**Program Supported/Population Served:** Local governments in eligible jurisdictions apply for funds to support emergency and transitional homeless shelters and homeless services programs operated by local government agencies and/or nonprofit organizations. These agencies and organizations MUST be members of their local Continuum of Care. The types of activities funded included emergency shelter, rapid re-housing, homeless prevention, street outreach, local administrative costs, and local information system costs, among other uses.

#### **14.239 HOME INVESTMENTS PARTNERSHIP PROGRAM (HOME)**

**Program Description:** The HOME Program promotes affordable housing activities. Maryland's program is administered by the Division of Development Finance (DDF). A portion of the annual allocation is used in conjunction with existing DDF Multi-family Development, Homeownership, and Special Loan Programs. Funds also are allocated to an Initiatives Fund, which are awarded competitively to test new ideas in housing, initiate pilot programs, and support promising projects. HOME funds may be used to finance the construction, acquisition, and rehabilitation of rental housing, owner-occupied housing, and special needs housing such as group homes in the state's non-entitlement areas. The state's non-entitlement areas are Allegany, Calvert, Caroline, Carroll, Cecil, Charles, Dorchester, Frederick, Garrett, Kent, Queen Anne's, Saint Mary's, Somerset, Talbot, Washington, Wicomico and Worcester Counties. All other areas in the State are ineligible for the state's HOME program since they receive their own HOME funding directly from HUD.

**Program Supported/Population Served:** The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the HUD-adjusted median. The incomes of households receiving HUD assistance must not exceed

80 percent of the area median. HOME income limits are updated and published each year by HUD.

#### **14.241 HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)**

**Program Description:** The HOPWA program provides housing and supportive services to individuals who have been diagnosed with HIV/AIDS. DHCD works with DHMH in carrying out the functions of this program. DHCD provides the housing component through rental assistance payments, while DHMH provides supportive services and actually administers the grant. HOPWA funding may only be awarded to either 1) Cities or 2) States. City formula grantees under the HOPWA program are required to serve not only their own jurisdiction, but surrounding counties as well. For example, funds awarded to Baltimore City serve not only city residents, but residents of all communities in the Baltimore metropolitan area such as Anne Arundel, Baltimore, Carroll, Harford, and Howard Counties. The City of Washington, D.C., carries out the HOPWA program in Prince George's, Charles, and Calvert Counties, the City of Philadelphia provides services to residents of Cecil County, and the City of Frederick is the recipient of funding for services in Montgomery and Frederick County. The State program then assists persons in the State's most rural counties/jurisdictions.

**Program Supported/Population Served:** The state program operates in the following counties: Allegany, Caroline, Cecil, Dorchester, Garrett, Kent, Saint Mary's, Somerset, Talbot, Washington, Wicomico, and Worcester. Persons with HIV/AIDS or their families may apply to the program through local health departments or through DHCD's Rental Services Office.

#### **14.871 SECTION 8 VOUCHERS**

**Program Description:** The U.S. Department of Housing and Urban Development's (HUD) Section 8 Voucher Program is a rental assistance program, subsidizing rental expense paid by lower-income families. DHCD acts as a Public Housing Authority in the State's rural areas that lack legislative authority to act as a public housing authority, or that choose not to administer a Section 8 Program. Eligible households (those earning less than 50% of area median income) receiving Section 8 assistance may select eligible rental housing of their choice.

**Program Supported/Population Served:** In order to qualify for the Maryland section 8 (housing Choice Voucher) program, applicants need to meet a set of eligibility requirements. These eligibility requirements are mainly based on the applicant's family income, area of residence, and nationality. The program also gives special priority points to the elderly, disabled and to families with children.

Households throughout the state received assistance, although DHCD assistance is primarily focused on rural areas, as urban areas typically administer their own voucher programs and funding. The State's Public Housing Authorities other than DHCD who operate Voucher programs operate about 52,000 of them. Vouchers can be used for both the general public who are income qualified, as well as for special purposes such as VASH Vouchers targeted to

homeless veterans, and NEDS vouchers targeted to the non-elderly disabled, among other types. DHCD operates both VASH and NEDS Vouchers as part of its program design.

### **81.042 WEATHERIZATION ASSISTANCE PROGRAM**

**Program Description:** The Weatherization program assists eligible low-income households in the installation of energy conservation materials in their dwelling unit. This measure reduces the consumption of energy and lowers the cost of maintenance for these homes. Priority is given to homeowners who are elderly, disabled, have children, and/or have the highest energy consumption.

Eligible renters may apply and are given due consideration in accordance with the Weatherization Assistance Program's Rental Property Investment Program. Once eligibility is determined, a representative from the local agency will visit the home to perform an energy audit. Persons interested in receiving Weatherization assistance may apply to the local agency serving the political jurisdiction in which they reside. Applications are made directly or through the Maryland Energy Assistance Program. For a dwelling unit to be considered "qualified," the household must meet the following criteria: the household must be income eligible (150% of the U.S. Office of Management and Budget Poverty Guidelines), and the household must prove home ownership. In the case of a rental unit, the renter's landlord must prove ownership and agree to participate and invest in the program.

**Program Supported/Population Served:** The eligible population served is individuals at 200% of the poverty line, anywhere in the State of Maryland.

### **93.569 COMMUNITY SERVICES BLOCK GRANT (CSBG)**

**Program Description:** The CSBG Program provides a range of services designed to assist low-income people to attain the skills, knowledge and motivation needed to achieve self-sufficiency. DHCD receives its share of the federal allocation of CSBG funds from the U.S. Department of Health and Human Services (HHS). The only eligible applicants for this program are Maryland's seventeen designated Community Action Agencies (CAAs) and two limited-purpose agencies, some of which serve more than one county. Eligible entities must have a tripartite Board of Directors in which one-third of the members represent the private sector, one-third represent the public sector, and one-third represent the low-income residents. Services and activities these organization provide to low-income residents may include: housing, to include assistance with acquiring permanent housing, and assisting with self-help housing; Head Start education for youth; nutrition programs, to include distribution of food stuffs; transportation programs that include transporting clients to medical facilities; employment services; and emergency services, including shelter and energy assistance, to low-income persons. Persons assisted must have incomes at or below 125% of poverty level.

**Formula Description:** Funding is based on population and the level of poverty in each state. Services and activities provided by CSBG eligible entities vary in accordance with the needs of each community.

**Program Supported/Population Served:** The only eligible applicants for this program are Maryland's seventeen designated Community Action Agencies (CAAs) and two limited-purpose agencies, some of which serve more than one county. Funds assisted as estimated 190,000 households throughout Maryland.

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