

BOARD OF PUBLIC WORKS
SECRETARY'S
ACTION AGENDA
September 18, 2019



Supplemental

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10. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT *Neighborhood BusinessWorks*

Recommendation: That the Board of Public Works approve the Department of Housing and Community Development lending general obligation bond proceeds as described.

Loan Authority: Neighborhood Business Development Program
§§ 6-301 -- 6-311, Housing & Community Development Article,
Annotated Code of Maryland; COMAR 05.13.01

The *Neighborhood Business Development Program*, operating as *Neighborhood BusinessWorks*, is a Smart Growth tool for revitalization through business creation or expansion in designated areas.

Borrower: Home Partnership of Cecil County, Inc.

Property: 233 South Bohemia Avenue, Cecilton, MD 21913

Loan Amount: \$500,000

Fund Source: MCCBL of 2018: *Provide funds for grants and loans to fund community-based economic development activities in revitalization areas designated by local governments.* SA24(B).

Collateral: First lien on property

Description: Housing Partnership, Inc., the borrower's parent company and a locally-based nonprofit organization with a 20+ year record of real estate development and community services to this area of the State, is developing the Cecilton Senior Village project. The land was formerly owned by the Town of Cecilton. The mixed-use ADA-compliant development project includes constructing a new Head Start early childhood learning center and 20 age-restricted one- and two-bedroom rental units. The residential units (15 low income and 5 market rate) are planned to be villa-style, slab-on-grade, a style popular on the Eastern Shore.

Remarks: There is a critical need in southern Cecil County and northern Kent County for comprehensive childcare services for low income families. For sixteen years, the Town of Cecilton has leased space on a site adjacent to this site to the Maryland Rural Development Corporation (MRDC) to operate a Head Start early childhood learning center. The current space has reached the end of its useful life and is obsolete.

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10. **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** *(cont'd)*
Neighborhood BusinessWorks

Remarks: (cont'd)

MRDC will enter into a long-term lease for the new space with Housing Partnership, Inc. and plans to offer all its services including Head Start, Early Head Start, housing counseling, circuit rider town managers support, and the Rural Community Access Partnership programs at the site.

The new Head Start center will be a 2,700 square foot state-of-the-art facility with energy efficient systems; the space will include two classrooms, two offices, play areas, a commercial kitchen (meeting State regulatory standards), and meeting spaces for families and community services. The Head Start program will assist 34 students (age 3 and up) and their families Monday through Friday.

With this new facility, the Town's low-income families will have access to comprehensive services in addition to early childhood education, such as nutrition, health, and social services. Housing services, providing pre-purchase and mortgage modification assistance will be available four times monthly. The facility will provide additional benefit as it will be used as a community shelter during natural disasters such as floods, tornadoes, and other weather events.

In addition to Neighborhood BusinessWorks funding, the project will be funded through other DHCD programs: Partnership Rental Housing Program, HOME, Community Legacy, and Community Development Block Grant program.

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION