



## Takoma Park City Council Meeting – June 12, 2024 Agenda Item 4

### Voting Session

Resolution supporting the City’s planned applications to the FY25 National Capital Strategic Economic Development Fund.

### Recommended Council Action

Approve the resolution of support for the proposed applications.

### Context with Key Issues

The Maryland Department of Housing and Community Development’s National Capital Strategic Economic Development Fund (“NED”) is a program for the greater National Capital region of Maryland that provides competitive funding for strategic investment in local housing and businesses to encourage healthy, sustainable communities with a growing tax base and enhanced quality of life. The program focuses on areas within Prince George’s and Montgomery counties where modest investment and coordinated strategies will have an appreciable neighborhood revitalization impact.

### Recent NED Grants Awarded to the City of Takoma Park

FY24	Multifamily Building Improvements	\$250,000
FY24	Richardson School of Music	\$150,000
FY23	TOPL Support Fund	\$500,000
FY23	112 Lee Avenue	\$600,000
FY22	Takoma Park Recreation Center	\$145,000
FY22	Washington McLaughlin School	\$175,000
FY22 - FY24	Total	\$1,820,000

In FY2025, Maryland DHCD announced an available pool of \$20,200,000 for NED awards. The City of Takoma Park intends to submit three proposals to the FY2025 NED fund, in line with the Department’s 2019 Housing & Economic Development Strategic Plan and the current Council priorities.

- The Home Maintenance Assistance Program (planned request: \$150,000) will assist low- and moderate-income homeowners in keeping their homes safe and code-compliant. If a homeowner receives a Notice of Violation from the City’s Code Enforcement division, and cannot afford the cost of abatement, they may apply to the program. If the homeowner qualifies, Code Enforcement will oversee repairs by pre-approved contractors, and the City will cover the costs. The specific income-qualification level and any required contribution by the homeowner is still to be determined.
- First Time Homebuyer Revolving Loan Fund (planned request: \$250,000) will support low- and moderate-income homebuyers in purchasing homes in the City of Takoma Park. As of April 2024, the median sale price of a home in Takoma Park is \$791,000, which is out of reach for many potential homebuyers. This fund would be used to provide forgivable loans to first-time homebuyers to help them purchase a long-term home in the City.

- The Sanctuary at Takoma Park (planned request: \$250,000) will support the development of a low-income Senior Housing Apartment in the City of Takoma Park on New Hampshire Avenue. The project would develop 78 new apartment units for seniors to age in our community.

### **Council Priority**

Advancing a Community of Belonging

Community Development for an Improved & Equitable Quality of Life

### **Environmental Considerations**

The Home Maintenance Assistance Program has the potential to abate environmental hazards such as lead paint, that still appear on older homes in the City. Environmental risks from construction at The Sanctuary must be mitigated and will be inspected by the County Department of Permitting Services. Senior Housing generates fewer vehicle trips and often seniors are more likely to use public transit.

### **Fiscal Considerations**

The City is not planning to contribute General Funds to any of the three proposed NED applications. Funding for the First Time Homebuyer Revolving Loan Fund will be matched by a \$100,000 allocation from the Housing Reserve Fund in Fiscal Year 2025. All three applications will also be matched by participant contributions. A final private funding commitment will be detailed in the full NED application.

### **Racial Equity Considerations**

All of the proposed Fiscal Year 2025 programs focus on supporting low- and moderate-income families in Takoma Park. As such, these programs are expected to primarily support households in the City's census tracts and wards with a higher proportion of racial minority populations. While all the proposed programs are intended to increase socioeconomic equity rather than racial equity, the City and partners will collect racial demographic data to understand if these programs are assisting housing quality for racial and ethnic minority populations.

### **Attachments and Links**

Draft Resolution

[State Revitalization Programs Website](#)

Introduced by:

**CITY OF TAKOMA PARK, MARYLAND**

**RESOLUTION NO. 2024-**

**SUPPORT OF SUBMISSION OF FY25 SLATE OF  
DHCD STATE REVITALIZATION PROGRAM GRANT APPLICATIONS**

WHEREAS, the Takoma Park City Council recognizes that there is a significant need for reinvestment and revitalization of residential and commercial areas in the community; and

WHEREAS, the Council has identified key priorities to guide policy and decision making; and

WHEREAS, the Maryland Department of Housing & Community Development (DHCD) has released their Fiscal Year 2025 application round for State Revitalization Programs to support local housing, community and economic development and other revitalization programs; and

WHEREAS, City staff has identified three grant opportunities for the National Capital Strategic Economic Development Fund (“NED”) of the FY25 State Revitalization Program that address the Council Priorities of 1) A Livable Community for All and 2) Community Development for an Improved & Equitable Quality of Life.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Takoma Park endorses the submission of the slate of grant applications to the National Capital Strategic Economic Development Fund (“NED”) of the FY25 DHCD State Revitalization Program to include programming to support 1) home maintenance assistance for income-qualified residents, 2) a first-time homebuyer’s revolving loan fund, and 3) the development of low-income senior housing on New Hampshire Avenue.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute documents as “Legal Entity Official (LEO)” and take any action necessary to carry out the intent of the resolution.

Adopted this day of June, 2024