

Meeting Minutes
Worcester County Housing Review Board
April 8, 2022

Board Members Present:

1. CD Hall
2. Felicia Green
3. Debbie Hileman
4. Chase Church

Additional Attendees:

Program Administrator - Davida Washington
Home Inspector – Charles Walter
Deputy DRP Director – Gary Pusey

Old Business: Ms. Hileman made a motion to accept the last meeting minutes from 06/22/2021. Mr. Hall seconded the motion. All were in favor for acceptance of the minutes and the minutes stand accepted as recorded.

Project Updates:

Completed:

██████████ – Denied by SLP on 6/11/2021. Denied by the state CDBG project manager on 11/10/2021 for mortgage in forbearance, Worcester County employment status did not meet metrics for debt to value ratio....

██████████ – 2/28/2020 Exterior doors/water conditioner, \$6,400.00

██████████ – 4/9/2020 Bathroom, \$8,032.00

██████████ – 4/22/2020 General house rehab, \$16,825.00

██████████ – 11/20/2020 Septic install \$8,475.00

██████████ – 8/2/2021 Septic install \$11,600.00

██████████ – 3/9/2022 HVAC install \$16,800 – Septic install \$14,200.00

TOTAL \$31,000.00

██████████ – 2/15/2022 General rehab and bathroom \$36,844.00

██████████ – 3/17/2022 ADA compliant bathroom \$15,383.83

██████████ – 4/4/2022 General rehab and bathroom \$36,354.00

Work In Progress:

Case 1: ██████████ – South Morris St. Snow Hill, MD 21863 Housing review board approved \$30k CDBG grant contingent upon special loan approval. SDAT value: \$117,100. The estimated repairs are \$117,400.00 which we have received a bid for by Shoreman Construction. According to the new guidelines, properties with an estimated rehab cost that exceeds 49% of the tax assessment value are ineligible for CDBG funding.

Subsequently, we requested an ARV appraisal. The appraisal is used as the new assessed value in the evaluation for eligibility for special loan. We have requested an exception from the state since the ARV used as the basis would mean repairs are the 52% of the assessed value. The application has been approved by special loans. The total amount of the project financed:

MHRP Loan - \$67,075.00

LEAD Grant - \$25,000.00

CDBG Grant - \$30,000.00

We are reviewing the amounts with the state to include the contingency costs that were not included in the underwriting since this is a complete renovation project.

Review Budget Status As Of 4/5/2022

Replacement House Program Update:

1. ██████████ – 1522 Wesley Lane, Stockton, MD 21864 - Completed
 2. ██████████ – 6740 Forest Lane, Snow Hill, MD 21863 – Deceased/Abandoned
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Other Administrative Matters:

1. New board member – Felicia Green – ██████████
██████████.
2. The Worcester County Commissioners approved the expedited process for emergency projects such as well (no water) and septic (back up).
3. Grant term amendment for MD-20-CD-22 - The current grant expired on 7-31-2021. Due to the extenuating circumstances associated with covid 19 shutdowns, the county applied and has been approved for an extension to the grant term. The amendment to the grant agreement has been signed by the county commissioners and forwarded to the state CDBG office for the execution. The new grant deadline is 7/31/2022. By this date, all construction must be complete and final bills must be

submitted within 30 days following the deadline, including the final reimbursement request to the state.

4. New grant cycle application is in process and begins 7/1/2022. We are requesting \$500,000. I have increased the amount requested because of the higher prices in labor and materials. If each job is \$30,000 or less, this will allow us to complete 16 or more projects.
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Miscellaneous

1. We are currently reviewing the current program guidelines to streamline our process while assuring we are meeting the requirements for the program. This will hopefully reduce the processing time for future applicants.
 2. Tuesday, April 5, 2022, the housing program received a proclamation from the Worcester County Commissions. April has been proclaimed as fair housing month and our program will continue to promote the principles of fair and stable housing for our county.
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Mr. Church motioned for a closed session. Mr. Hall seconded. All those present were in favor.

New Applicant Cases – CDBG

Case 2- [REDACTED] – 10825 Oak Court, Berlin, MD 21811. [REDACTED]
[REDACTED]

[REDACTED] She has requested assistance with remodeling of the kitchen and bathroom, roof, flooring, insulation of windows, and gutters. The SDAT value is \$132,700.00. An assessment of the repairs by our inspector shows \$114,027 is necessary to bring the home to code. The home structural inspection failed in several areas: [REDACTED]

[REDACTED] This would require additional costs for a structural engineer. According to the new guidelines, properties with an estimated rehab cost that exceeds 49% of the tax assessment value are ineligible for CDBG funding. However, I suggested she apply for the special loans program. [REDACTED] [REDACTED] inspect the home and has suggested a replacement home, new well and new sewer. We received an approval 04/06 for the replacement home through a STAR loan. The project now has been sent for public bid. An approval is needed for well and septic for this project via CDBG funding.

Motion to approve by Mr. Hall seconded by Mrs. Green. All those present were in favor.

Case 3- [REDACTED]
[REDACTED]

██████████ She has an emergency need for a well. She meets the criteria for CDBG grant. The project went to public bid for three weeks in February. Somerset Drilling has signed the contract and started work as of 3/08. The cost of the project is \$11,030.00. Subsequently, ██████████ assistance with replacement windows, exterior doors, missing shingles and HVAC (currently no a/c). An Approval is needed to revisit to grant \$18,070.00 HVAC and windows.

Ms. Hileman made a motion to revisit applicant for inspection. It was seconded by Mrs. Green. All those present were in favor.

Case 4- ██████████ - 5906 Wallace Drive, Snow Hill, MD 21863. ██████████

██████████ She had an emergency need for a septic where waste was aground. Atlantic Pumping has pumped out septic twice in the last 9 months. Approximate total cost will be \$12,000.00. Bay Restoration Fund has issued a grant ██████████ This will supply the bat which is a tank that lowers the nitric oxide in the water for residence in critical area. We sent direct solicitations to contractors and requested a waiver contract and started the work. The cost of the project is \$9,450.00.

Case 5- ██████████ - 425 Oxford St Pocomoke, MD 21851. ██████████

██████████ She has requested assistance with flooring, stairwell repair, heating system, insulation, foundation skirting and plumbing. SDAT value is \$24,100.00. and assessment of the repairs by our inspector shows \$36,558.00 is necessary to bring the home to code. T ██████████

Similar homes in the area are selling for \$38k - \$81k (median \$60K). Suggestion: Request the state to inspect to determine if this is a replacement home. (since repair cost is 150-200% of the assessed value) An approval is needed for well and septic for this project via CDBG funding. Ms. Hileman made the motion to deny the CDBG funding for rehab but have state inspect for STAR loan. CDBG funds will be used to fund the well and septic. Mr. Church seconded the motion. All present were in favor.

Case 6- ██████████ - 1647 Cypress Road Pocomoke, MD 21863, ██████████

██████████ He has requested general rehabilitation bringing the home up to code. SDAT value is \$37,400.00. An assessment of the repairs by our inspector shows \$119,646.83 is necessary to bring the home to code. Similar homes in the area are selling for \$38k - \$81k (median \$60k). Suggestion: Request the state to inspect to determine if this is a replacement home. (Since repair cost is 4 times the assessed value) An approval is needed for well and septic for this project via CDBG funding.

Ms. Hileman made the motion to deny rehab and have the state look into STAR loan including well and septic. It was seconded by Mrs. Green. All those present were in favor.

Case 7- [REDACTED] – 2010 Cropper Court, Pocomoke, MD 21851. [REDACTED]

[REDACTED] She has requested assistance with repairs for her roof. SDAT value is \$60,400.00. an assessment of the repairs by our inspector shows \$68,214.00 is necessary to bring the home to code. The selling price for home online is \$70,100. Similar homes in the area are selling for \$62k - \$100k (median \$81k). Options: 1) Evaluate inspection repairs noted to see what would be emergency repairs. 2) Request the state to inspect to determine if this is a replacement home. If replacement is approved, an approval is needed for well and septic for this project via CDBG funding.

Mr. Church made the motion to deny and have the state inspect the STAR loan. It was seconded by Mr. Hall. All those present were in favor.

Case 8- [REDACTED] - 1525 Snow Hill Road, Stockton, MD 21864. [REDACTED]

[REDACTED] They have requested general rehabilitation – electrical wiring, plumbing and window replacement. SDAT value is \$49,600.00. An assessment of the repairs by our inspector shows \$160,315.97 is necessary to bring the home to code. Similar homes in the area are selling for \$49k - \$150k (median \$89k). Suggestion: Request the state to inspect to determine if this is a replacement home. (Since repair coast is over 3 times the assessed value) An approval is needed for well and septic for this project via CDBG funding. Mrs. Green made the motion to deny rehab. If owner is in agreement, have state inspect for a STAR loan, CDBG funds will be used for well and septic. It was seconded by Ms. Hileman. All those present were in favor.

Case 9- [REDACTED] - 903 Seventh St, Pocomoke, MD 21851. [REDACTED]

[REDACTED] She has requested assistance with an HVAC wherein she currently just has a woodstove. SDAT value is \$44,700.00. An assessment of the repairs by our inspector shows \$46,909.52 is necessary to bring the home to code. The selling price for home online is \$52,400. Similar homes in the area are selling for \$72k. Options: 1) Evaluate inspection repairs noted to see what would be emergency repairs. 2) request the state to inspect to determine if this is a replacement home. If replacement option is approved, an approval is needed for well and septic for this project via CDBG funding.

Ms. Hileman made the motion to deny rehab. If owner wants, have state look into STAR loan, CDBG funds will be used to fund well and septic. It was seconded by Mr. Church. All those present were in favor.