

State Of Maryland

2025 Bond Initiative Fact Sheet

1. Name Of Project		
Village at Mitchell Pond		
2. Senate Sponsor	3. House Sponsor	
Mautz	Sample-Hughes	
4. Jurisdiction (County or Baltimore City)	5. Requested Amount	
Wicomico County	\$350,000	
6. Purpose of Bond Initiative		
the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of the Village at Mitchell Pond apartment community		
7. Matching Fund		
Requirements:	Type:	
Grant		
8. Special Provisions		
<input type="checkbox"/> Historical Easement	<input checked="" type="checkbox"/> Non-Sectarian	
9. Contact Name and Title	Contact Ph#	Email Address
Dana Johnson		443-221-2709
10. Description and Purpose of Organization (Limit length to visible area)		
<p>Homes for America (HFA) is a nonprofit housing development organization which develops and preserves affordable rental housing that serves low and moderate-income households. All HFA housing is enhanced with supportive resident services which enrich the lives of the residents. We are a mission driven, deeply involved owner working to provide and maintain superior housing that meets the needs of the residents and the communities of which we are a part. Founded in 1994 and headquartered in Annapolis, Maryland, HFA has completed 82 rental housing communities with over 6,592 units in the Mid-Atlantic States. HFA creates diverse and varied communities with housing designed to suit the needs of residents and the neighborhoods in which they are located. The quality of our work has been widely recognized with numerous awards and an outstanding reputation.</p>		

11. Description and Purpose of Project (Limit length to visible area)

Village at Mitchell Pond is a 68-unit apartment community in Salisbury, Wicomico County. There are 53 units are two-bedroom, and 15 units are three-bedroom. The renovation will be comprehensive: all unit interiors, roofing, siding, site lighting, enhanced site security, repaving the parking lot, replacement of the retaining wall and expansion of the community building. The Project serves households earning at or below 30% AMI and 50% AMI making the Project deeply targeted with its affordability. All 68 units are served by a Section 8 HAP contract; this means that no household will pay more than 30% of their household income towards rent. Additionally, HFA will be rehabbing four units to be fully UFAS/ADA accessible and an additional two units to be targeted for households with hearing or vision impairment. HFA aims to work with local service providers who work with persons with disabilities to provide referral and services to tenants.

Round all amounts to the nearest \$1,000. The totals in Items 12 (Estimated Capital Costs) and 13 (Proposed Funding Sources) must match. The proposed funding sources must not include the value of real property unless an equivalent value is shown under Estimated Capital Costs.

12. Estimated Capital Costs

Acquisition	\$6,590,000
Design	\$1,530,000
Construction	\$13,406,000
Equipment	
Total	\$21,526,000

13. Proposed Funding Sources - (List all funding sources and amounts.)

LBI Grant REQUESTED	\$350,000
FHA CDA Risk Share Bond Loan	\$5,643,000
Rental Housing Works Loan (CDA)	\$3,400,000
4% LIHTC Equity	\$6,706,000
HFA Capital Magnet Fund Loan	\$1,000,000
Seller Note	\$880,000
CDA Assumed Loan	\$2,348,000
Deferred Developer Fee	\$668,000
Transferred Reserves	\$281,000
Maryland DHCD Community Legacy Grant	\$250,000
Total	\$21,526,000

14. Project Schedule (Enter a date or one of the following in each box. N/A, TBD or Complete)			
Begin Design	Complete Design	Begin Construction	Complete Construction
10/1/2024	4/1/2025	12/1/2025	6/30/2027
15. Total Private Funds and Pledges Raised	16. Current Number of People Served Annually at Project Site		17. Number of People to be Served Annually After the Project is Complete
9535000.00	159		183
18. Other State Capital Grants to Recipients in the Past 15 Years			
Legislative Session	Amount	Purpose	
FY2024	\$350,000	Capital Grant supporting rehab and new construction	
19. Legal Name and Address of Grantee		Project Address (If Different)	
Homes for America, Inc. 318 Sixth Street Annapolis, MD 21403		1117 Parsons Road Salisbury, Wicomico County, 21801	
20. Legislative District in Which Project is Located	37A - Dorchester and Wicomico Counties		
21. Legal Status of Grantee (Please Check One)			
Local Govt.	For Profit	Non Profit	Federal
[]	[]	[X]	[]
22. Grantee Legal Representative		23. If Match Includes Real Property:	
Name:	W. Andrew Hanson	Has An Appraisal Been Done?	Yes/No
Phone:	410-251-2918		No
Address:		If Yes, List Appraisal Dates and Value	
Homes for America, Inc. 318 Sixth Street Annapolis, MD 21403			

24. Impact of Project on Staffing and Operating Cost at Project Site			
Current # of Employees	Projected # of Employees	Current Operating Budget	Projected Operating Budget
4	4	633250.00	629040.00
25. Ownership of Property (Info Requested by Treasurer's Office for bond purposes)			
A. Will the grantee own or lease (pick one) the property to be improved?			Own
B. If owned, does the grantee plan to sell within 15 years?			No
C. Does the grantee intend to lease any portion of the property to others?			Yes
D. If property is owned by grantee any space is to be leased, provide the following:			
Lessee	Terms of Lease	Cost Covered by Lease	Square Footage Leased
The property is a rental property with 68 rental	1 yr	Varies	Varies based
E. If property is leased by grantee - Provide the following:			
Name of Leaser	Length of Lease	Options to Renew	
26. Building Square Footage:			
Current Space GSF	61878		
Space to be Renovated GSF	61878		
New GSF	62579		

27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion

1983

28. Comments

HFA has owned the Project for the last 20 years and has worked diligently to address the needs of an aging property including replacing mechanical systems and other capital improvements over the last several years. The property is approximately 40 years old and needs comprehensive renovation to ensure that it can continue to serve low-income families. The renovation is described above. In addition to the substantial unit and property renovation, HFA will expand the community building and substantially improve security. The building footprint will be expanded to create additional space for the community activity room with a kitchenette and kids' nook, small business center, and add a small exterior patio and community garden beds for resident use. HFA will continue to ensure the delivery of resident services and programs that meet the needs of the residents and actively connects them to the community. HFA recognizes that affordable housing is most successful when residents are provided with opportunities for fulfillment beyond shelter alone.

Village at Mitchell Pond (VMP) will address the chronic need for affordable/workforce Salisbury. According to data compiled by the City of Salisbury as part of its analysis of Impediments to Fair Choice for CDBG funding, 52% of renters in the local census tracts are cost burdened where they are paying more than 30% of their income towards rent; American Community Survey found approximately 34.1% were paying more than 40% of income to rent. These statistics reflect an area that has severely cost-burdened households. According to data analyzed by the market analyst, Compounding the high proportion of rent burdened households is the fact that 4.1 percent of all rental housing in the market area between 2017 and 2021 was considered to be substandard, i.e., either lacking complete plumbing (45 units) or overcrowded with more than 1.0 person per room (570 units). This data reflects cost burdened households and the lack of safe, decent, quality housing as a critical community need. The rehabilitation of VMP preserves and extends the life of existing affordable and ensures its long-term viability.

HFA is committed to preserving VMP and therefore, preserving affordable housing units for low-income families in Salisbury. HFAs commitment is further demonstrated through the planned financial contributions to the project. HFA is contributing a deferred developer fee of approximately \$668,000 (approximately 30% of the total fee earned), HFA contributed Capital Magnet Fund loan in the amount of \$1 million, Seller Take Back Financing of \$880,000, and \$281,000 in transferred reserves. In total, HFA is contributing approximately \$2.7 million of sources to facilitate the development of VMP. This is reflective of HFAs commitment to this project and the residents it serves. We are in the process of finalizing plans for submission to the city for plan review and permits (April). Maryland CDA approved our initial application for financing and will be targeting an underwriting package for review in April 2025 with the anticipation to close by November 2025.