



**Maryland Department of Housing  
And Community Development**

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*Deputy Secretary*

Division of  
**Neighborhood Revitalization**

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**Fiscal Year 2017  
State Revitalization Programs  
Application**

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**Community Legacy  
Community Legacy Neighborhood Intervention  
◇  
Strategic Demolition Fund - Statewide  
◇  
Baltimore Regional Neighborhood Initiative**

**DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

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**Strategic Demolition Fund - Project C.O.R.E.**

**DEADLINE FOR SUBMISSION:**

**To Be Announced**

# MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Division of

## NEIGHBORHOOD REVITALIZATION

# STATE REVITALIZATION PROGRAMS APPLICATION Fiscal Year 2017

### **DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

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### AVAILABLE FUNDING

For Fiscal Year 2017, over \$30 million is available through the State Revitalization Programs (SRP) as listed below:

Community Legacy/Community Legacy Neighborhood Intervention	\$6 million
Strategic Demolition Fund - Statewide	\$3.5 million
Strategic Demolition Fund - Project C.O.R.E. - Baltimore City	\$18 million
Baltimore Regional Neighborhood Initiative	\$3 million capital/\$750,000 operating

### APPLICATION PROCESS

#### **Eligible Target Areas**

Projects must be located in designated Sustainable Communities throughout Maryland. Sustainable Communities are areas found within Priority Funding Areas (PFAs) and are targeted for revitalization. To see your jurisdiction's Sustainable Community boundaries, please use the online revitalization mapping tool found at this website:

<http://www.dhcd.state.md.us/GIS/revitalize/index.html>.

An application procedure has been developed for local governments to request continued Sustainable Communities designation, if not already designated. Please visit Sustainable Communities - <http://dhcd.maryland.gov/Communities/Pages/dn/default.aspx>.

### **Application Threshold Requirements**

Current awardees of the Maryland Department of Housing and Community Development (the “Department”)’s State Revitalization Programs are required to be in compliance with terms and conditions of their current award agreements. If you have received Community Legacy, Community Legacy Neighborhood Intervention, Strategic Demolition Fund or Baltimore Regional Neighborhood Initiative funding before, you must have achieved sufficient progress and be in good standing with all reporting requirements. This threshold requirement also includes any missing final reports and/or expense summaries from prior awards. Consult with your project manager to discuss the status of your existing project(s) before submitting an application.

### **Eligible Applicant Definitions**

*Local government* is a Maryland city, town or county government entity. *Group of local government* is more than one city, town or county applying jointly; application requires a resolution from each municipality. *Community development organization* is a nonprofit organization which operates for the purpose of improving the physical, economic, or social environment of its geographic areas of operation; application requires local government resolution, corporate board resolution and charity certification. *Certified Community Development Financial Institution* is a mission-driven lender pursuing community development projects; applicant must have CDFI certification.

### **Mandatory Application Training**

Application training is required. This year, all applicants must view the training videos available on the DHCD website. These include a program overview and application step-by-step training. It is requested that the actual person completing the electronic application should participate. For more information and to access the training, consult with a project manager or Valerie Carpenter, assistant director, at 410-209-5829 and [valerie.carpenter@maryland.gov](mailto:valerie.carpenter@maryland.gov).

### **Mandatory Online Submission of Your Application**

The online grant management system – [DHCD Project Portal](#) – is a web-based application that allows municipalities and organizations to apply for funding. The DHCD Project Portal requires authorization for access. Each municipality or organization must designate an Authorizing Official (AO). Once the AO registers the municipality or organization, he or she will receive an email Notification of Access Approval from the online systems administrator.

The Authorized Official will select a username and password and is responsible for defining the roles and responsibilities for staff users for the system. Once your municipality or organization is registered in the DHCD Project Portal, it can apply for grants, submit grants, and access instructions on how to navigate the system. Returning applicants should already have an account in the system. Contact your project manager or Valerie Carpenter, assistant director, at 410-209-5829 and [valerie.carpenter@maryland.gov](mailto:valerie.carpenter@maryland.gov), for help with account passwords and accessing the DHCD Project Portal.

The Department reserves the right to not consider incomplete applications, including those lacking required attachments.

## **REVIEW PROCESS**

Department staff will lead a review team consisting of representatives from various State agencies that may include: Maryland Department of Planning, Maryland Historical Trust, Maryland Department of Transportation, Maryland Department of Natural Resources, Maryland Department of Commerce, and Maryland Department of

the Environment. The review team will make project recommendations for consideration by the Department of Housing and Community Development Secretary.

### **Award Criteria**

Proposals are reviewed and scored on demonstration of community need for reinvestment and community input (20 points); clarity of project scope (25 points); timeline and readiness to proceed (5 points); project financing and committed financial resources (30 points); and capacity of project sponsors and partners (20 points). Requests for loans will be given greater priority than requests for grants. In addition, geographic diversity will be considered in the awarding of financial assistance.

### **Additional Considerations**

Additional consideration will be given to projects that address the following issues:

- Revitalization of older communities in areas that can be positioned to absorb increased growth due to the population projections for Maryland
- Transit Oriented Development (TOD) that promotes compact redevelopment and connects housing with job opportunities
- Project C.O.R.E. initiatives, such as those that eliminate blight and revitalize communities in Baltimore City
- Activities in the 28 designated Main Street Maryland communities as well as the 9 Baltimore City Main Street communities that further their revitalization efforts, and have a positive effect on surrounding residential areas
- Programs and projects that encourage or incorporate elements addressing environmental responsibility and stewardship into site and project development, design, construction and housing rehabilitation retrofits
- Programs and projects that incorporate and align a full range of State and local revitalization programs and financing tools (grants, loans, credit enhancements and tax credits)
- Capital investments and business practices that incorporate hiring practices of a diverse workforce that result in increased workforce development opportunities that generate both temporary construction and permanent jobs

### **Site Visits and Follow-up Discussion**

During the application review process, the review teams may make on-site visits and/or hold meetings with applicants. In addition, applicants may be contacted by the Department for follow-up discussions prior to awards.

### **Reviews by Maryland Historical Trust and Codes Administration**

All projects receiving State financial assistance are subject to review by the Maryland Historical Trust (the Trust). Since this review sometimes identifies properties as historically significant that were not previously known to be so, local governments are encouraged to request the Trust's comments about the proposed demolition or other predevelopment project as soon as possible, even prior to submitting their application to Department. To request the Trust's comments, local governments may submit the Trust's required project review form, current photographs of the building(s), and an accurately marked map of the address being considered for demolition or redevelopment. The form and additional information about the review process are available online at <http://mht.maryland.gov/projectreview.shtml>, under the "Submit a Project" button. Projects receiving funds are also subject to review by the Department's Codes Administration. **Work should not begin and funds will not be disbursed on these projects until the aforementioned reviews are completed.**

**Local Resolution**

The incorporated town or, if not incorporated, the county in which the project is located, should be aware and supportive of the project. The Department will seek approval in the form of a local support resolution or letter of support on behalf of Program applicants.

**REPORTING REQUIREMENTS**

Applicants that receive funding will be required to submit quarterly reports on project progress to the State Revitalization Program. The Program will summarize these reports on behalf of the Program for the General Assembly annually. In addition, statistics such as reporting compliance, leverage, and draw rates are also submitted as part of monthly reporting.

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# COMMUNITY LEGACY PROGRAM

**Available Funding:  
\$6 million**

**Eligible Applicants:  
Local Governments  
Groups of Local Governments  
Community Development Organizations**

**DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

## **General Description**

Community Legacy, a program of the Maryland Department of Housing and Community Development (the “Department”), is implemented in close coordination with local community partners and other State agencies. Community Legacy is a tool that catalyzes new investment in older neighborhoods and business districts in support of local revitalization plans for designated Sustainable Community Areas. Community Legacy funds assist leaders from urban and suburban communities, and small towns that have a comprehensive approach to encourage community reinvestment, economic development and resource conservation. Over time, these strategies achieve and maintain vibrant places for Marylanders to live, work and prosper.

Leaders are taking on revitalization opportunities throughout Maryland’s traditional towns and older communities, and their projects clearly demonstrate the economic, civic and cultural importance of reinvestment strategies. With new investment in housing and small businesses, Maryland’s historic towns and cities can once again support vibrant centers of community, and better protect their surrounding farmland and open space from sprawl development. Such reinvestment also better utilizes existing infrastructure and reduces the burden on all State taxpayers for the cost of new and unsustainable growth.

Community Legacy provides resources to assist local governments and their nonprofit community development partners in realizing comprehensive community revitalization initiatives. It is intended as a flexible resource to fill key funding gaps not being met by other State or local financing and to position older communities for increased private investment.

## **Eligible Applicants and Projects:**

Lead applicants will be local governments or community development organizations. Local government applications should be lead-sponsored by the Community and/or Economic Development agency, or, in the absence of such an agency or staff, the local agency designated by the jurisdiction’s chief executive. Supporting applicant team members can and should include housing agencies, planning departments, local non-profits, civic institutions and private sector companies and lenders.

Community Legacy funds support a wide range of local initiatives aimed at both attracting new residents and businesses and encouraging existing residents and businesses to remain and reinvest in a community.

Examples of revitalization activities supported in the past include, but are not limited to:

- Establishment of a revolving fund to attract home buyers to purchase and rehabilitate homes
- Programs for existing homeowners and businesses to improve their properties
- Development of mixed-use projects that may combine housing, retail, office, public and open space
- Development and/or ownership of open space
- Development of public infrastructure that is related to a Community Legacy project, such as parking, lighting and improvements to pedestrian and bicycle circulation
- Streetscape improvements along streets that are generally not State highways
- Strategic demolition, including land banking, to stimulate redevelopment
- Acquisition and/or improvement of vacant buildings or unimproved land

### **Specific Examples of Activities**

Examples of previously funded Community Legacy projects or activities:

- Bowie’s Senior Citizen “Green” Housing Rehabilitation Program - providing incentives to allow the seniors to age in place while creating a more affordable and sustainable housing stock
- Ocean City Community Development Corporation’s Façade Program – which has leveraged funds as high as 10:1 in the traditional downtown business district
- Central Baltimore Partnership’s Baltimore Design School – an adaptive re-use of an abandoned factory building that created a state-of-the-art facility delivering educational rigor and training in the areas of fashion design, graphic design and architecture
- Frederick’s Carroll Creek Park – new elements include brick pedestrian paths, water features, planters with shade trees and plantings, pedestrian bridges, and a 350-seat amphitheater for outdoor performances which has been an economic development catalyst for private investment along the park in downtown Frederick

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# COMMUNITY LEGACY PROGRAM NEIGHBORHOOD INTERVENTION

**Eligible Applicants:  
Local Governments  
Certified Community Development Financial Institutions**

## **DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

### **General Description**

Community Legacy, a program of the Maryland Department of Housing and Community Development (the “Department”), is implemented in close coordination with local community partners and other State agencies. Community Legacy is a smart growth tool that catalyzes new investment in older neighborhoods and business districts in support of local revitalization plans for designated Sustainable Community Areas. Community Legacy funds assist leaders from urban and suburban communities, and small towns that have a comprehensive approach to encourage community reinvestment, economic development and resource conservation. Over time, these strategies achieve and maintain vibrant places for Marylanders to live, work and prosper.

Leaders are taking on revitalization opportunities throughout Maryland’s traditional towns and older communities, and their projects clearly demonstrate the economic, civic and cultural importance of reinvestment strategies. With new investment in housing and small businesses, Maryland’s historic towns and cities can once again support vibrant centers of community, and better protect their surrounding farmland and open space from sprawl development. Such reinvestment also better utilizes existing infrastructure and reduces the burden on all State taxpayers for the cost of new and unsustainable growth.

Community Legacy provides resources to assist local governments and their nonprofit community development partners in realizing comprehensive community revitalization initiatives. It is intended as a flexible resource to fill key funding gaps not being met by other State or local financing and to position older communities for increased private investment.

### **Neighborhood Intervention Component**

The Neighborhood Intervention (NI) component of the Community Legacy Program is intended to function as a preventative measure either in or outside of a designated Sustainable Community to address problem properties that are having a negative impact in an otherwise largely stable community.

### **Eligible Activities**

The TWO eligible uses of a project are:

- Purchase of properties that need rehabilitation and redeveloping the properties through rehabilitation, demolition, reconstruction or re-use; or

- Strategic demolition of buildings that are dangerous for use or occupancy, or so deteriorated that rehabilitation is not feasible, and preparation of the property for revitalization, redevelopment or re– use.

### **Use and Repayment**

The applicant shall repay the loan or grant amount from:

- The net proceeds of the sale of the property on which the demolition took place; or
- Any payment to the applicant relating to the property, including any payment for the costs of demolishing the improvements on the property.

### **Maximum Award**

- The Community Legacy Program shall not allocate annually more than 15% of the Community Legacy fund to projects.
- The Community Legacy Program may not award more than \$500,000 for any one project.

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# STRATEGIC DEMOLITION FUND

## *Statewide*

(all areas except Baltimore City)

**Available Funding:  
\$3.5 million**

**Eligible Applicants:  
Local Governments and  
Community Development Organizations  
located outside of Baltimore City**

### **DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

#### **General Description**

The Strategic Demolition Fund (SDF), a program of the Maryland Department of Housing and Community Development (the “Department”), invests in activities that accelerate economic development and job production in existing Maryland communities. The Fund aims to improve the economic viability of “grey field development” which often faces more barriers than sprawling “green field development.” Since funds are limited, awards will focus on those projects that can have a high economic and revitalization impact in their existing communities.

#### **Eligible Applicants and Projects**

Lead applicants will be local governments or community development organizations. For Fiscal Year 2017, eligible applicants for the Statewide portion of the program are those entities located outside of Baltimore City. Local government applications should be lead-sponsored by the Community and/or Economic Development agency, or, in the absence of such an agency or staff, the local agency designated by the jurisdiction’s chief executive. Supporting applicant team members can and should include housing agencies, planning departments, local non-profits, civic institutions and private sector companies and lenders. **Note:** The applicant shall provide evidence of a match that is equal to 25% of the Strategic Demolition Fund request.

Project awards are anticipated to average \$250,000. Given the significant State investment in each project, high economic and revitalization impacts are expected to be achieved at both the local and State level. Eligible projects will be capital projects, including but not limited to:

- Demolition of derelict non-contributing structures
- Site acquisition and assembly to create redevelopment-sized parcels for solicitation or planned development

- Site development
- Construction-level architectural and engineering designs
- Stabilization of buildings to stay further deterioration and prepare properties for rehabilitation and reuse

Projects supported by the Fund will build on the strengths of existing urban, suburban and rural communities and be part of or integrated into a local jurisdiction’s Sustainable Communities Action Plan, comprehensive plan, local revitalization plan, economic development plan or transit oriented development plan. Funded projects should make possible a range of economic development outcomes in existing communities, including:

- Development at State-designated Transit-Oriented Development (TOD) sites
- Leverage of private sector investment in stronger local economies in existing communities
- Increased local jobs and services
- Compact growth and mixed-use development
- Expanded housing choices for people of all economic backgrounds
- Development practices that protect the environment and conserve air, water and energy resources, encourage walkability and recreational opportunities, and where available, create access to transit

**Project Examples**

The following three fictitious examples are meant to illustrate but not limit the kinds of projects that the Fund may be used to support:

*Demolition Project:*

A non-profit developer in partnership with the local community has developed a master plan that includes the demolition of an abandoned and derelict warehouse building at the edge of the community. The Strategic Demolition Fund and other public funds would purchase and demolish the derelict warehouse, allowing the site to be redeveloped to include both a community facility and 20 affordable infill town homes for first-time home buyers.

*Site Development Project:*

In partnership with a private developer, a city developed a revitalization plan for a 10-acre infill redevelopment that will also result in a mixture of uses and walkable central open space. Approximately \$1.5 million in public funding (local funding plus Strategic Demolition Fund) is needed to leverage \$50 million in private investment. In addition to significantly leveraging private dollars, this project will create 50 temporary construction jobs, 10 permanent retail jobs, and 40 market-rate and affordable rental units. The project will generate increased local property and state income tax revenues while also improving the walkability of open spaces, including the integration of “green infrastructure” strategies for the management of stormwater.

*Site Acquisition and Assembly Project:*

A county proposes to purchase two contiguous parcels, both commercial and residential, to assemble a development-size parcel within close proximity to a State-designated TOD. The assembly of these properties would enhance the neighborhood’s economic viability and support current efforts to creating mixed-income, mixed-tenure housing, supportive retail for employees and residents and leverage tens of million in private investment. A grant of \$350,000 from the Fund will assist with the site acquisition. It is anticipated that this project will create 10 temporary jobs, 15 permanent jobs, and generate significant new local and State tax revenues.

# BALTIMORE REGIONAL NEIGHBORHOOD INITIATIVE

**Available Funding:  
\$3 million capital | \$750,000 operating**

**Eligible Applicants:  
Community Development Organizations**

## **DEADLINE FOR SUBMISSION:**

**Friday, July 15, 2016 at 3:00 p.m.**

### **General Description**

The overarching goal of Baltimore Regional Neighborhood Initiative (BRNI) is to increase the competitiveness of the target communities for new homeownership and private-sector business, residential and commercial investment, through such activities as strategic property acquisition, redevelopment, rehabilitation and new infill development. Target communities are those that can build upon existing strengths and assets to accelerate their momentum in achieving healthy residential markets and economic growth. BRNI investments demonstrate how strategic and innovative approaches to local housing and economic development can lead to healthy, sustainable communities with a growing tax base and enhanced quality-of-life. The program is focused on areas where modest but sustained investment in a comprehensive strategy will have measurable neighborhood impact.

### **Eligible Applicants**

Eligible applicants are locally based nonprofit community development corporations (CDCs, Coalitions or Partnerships) in Baltimore City, or the inner-beltway communities of Baltimore County or Anne Arundel County, that are implementing a clear revitalization strategy in a specific neighborhood or set of neighborhoods. Cross-jurisdictional partnerships are also eligible and encouraged, and projects may be located in more than one political subdivision. The revitalization strategy should aim for the goal of growing the targeted community's population and workforce, and improving key quality-of-life features that establish the conditions for increasing market-rate investment, positioning the target communities to become competitive for residential and economic investment in the region.

In addition to other partners that the community development organization recruits, eligible applicants are encouraged to apply along with one or more nonprofit Community Development Financial Institution (CDFI) partners that have the capacity and experience to assist in the financing of complex real estate projects within the community. The goal of such partnerships is to expand the private-sector project financing for larger scale revitalization projects, including commercial, residential, small businesses and mixed-uses in the Baltimore Regional Neighborhood Initiative communities.

Eligible applicants are encouraged to apply for projects and programs that build on their community and partner strengths and that will have short and long term outcomes as part of their overall revitalization strategy. Applicants may apply for multiple projects with multiple partners.

The lead awardees are also encouraged to collaborate with one another on programs with complementary goals.

**Neighborhood Revitalization Plan**

Eligible Baltimore Regional Neighborhood Initiative applicants must submit a Neighborhood Revitalization Plan. The Neighborhood Revitalization Plan is a multi-year community revitalization strategy that focuses around six elements and is nestled within the municipality’s Sustainable Community Plan. Frequently this plan is an existing strategy pursued by the Community Development Organization and its partners. Project proposals should relate to the actionable items of the plan.

All BRNI applications must include the submission of a Neighborhood Revitalization Plan. A specific format must be used. To apply, applicants should contact BRNI project manager, Olivia Ceccarelli-McGonigal, at olivia.ceccarelli@maryland.gov or 410-209-5826, to receive the Neighborhood Revitalization Plan application.

**Award Criteria – BRNI Specific**

The BRNI application has two parts:

Part I: Overarching neighborhood revitalization plan (100 points) – see below

Part II: Specific projects seeking BRNI funds (100 points per project) – see general guidelines above for scoring criteria

The BRNI proposals will be evaluated on the neighborhood revitalization plan and how it relates to goals outlined in the community’s larger Sustainable Communities plan; description of community conditions and the appropriateness of outlined strategies; each proposed project’s ability to address identified challenges; and the capacity and experience of project sponsors and partners in completing the projects and leveraging financing.

The Neighborhood Revitalization Plan will be scored accordingly:

I. Neighborhood plan

1. Housing	30
2. Economic development	30
3. Transportation	10
4. Natural resources	10
5. Quality of life	10
6. Community engagement	<u>10</u>
	100 points

**Eligible Activities**

Funds can support a wide range of community enhancement projects, including but not limited to:

- Down payment assistance to attract home buyers to purchase and rehabilitate homes
- Programs to acquire or rehabilitate vacant or blighted properties
- Programs to improve existing residential and business properties
- Programs to achieve energy efficiency through weatherization and energy retrofits
- Development of mixed-use projects that combine housing, retail and office space

- Development or enhancement of community open space or public infrastructure
- Workforce and employment development programs
- Strategic demolition
- Operating costs necessary to implement a community enhancement project

There may be additional consideration given to applications that include:

- Opportunities that promote compact redevelopment and connect housing and job opportunities with transportation options
- Activities in specially designated districts that encourage residential reinvestment that reinforces the success of the businesses in the districts
- Community enhancement projects that encourage or incorporate elements that address environmental responsibility and stewardship into the site and project development, design and construction
- Community enhancement projects that incorporate additional State and local revitalization programs and financing tools
- Capital investments and business practices that incorporate inclusionary hiring practices that increase local workforce opportunities
- Projects whose purpose is to identify for acquisition, acquire, develop or promote the development of vacant or blighted properties

### **Threshold Requirements**

Eligible applicants and their projects must have a revitalization plan and must be located within an approved Sustainable Community in Baltimore City and/or the inner Baltimore Beltway communities of Anne Arundel and Baltimore Counties. Cross-jurisdictional partnerships are welcomed and encouraged, and a community development organization may apply with another community development organization or with a community development financial institution. Neighborhood Revitalization Plan application may only be obtained from BRNI Project Manager Olivia Ceccarelli-McGonigal and will be submitted at time of project proposal applications. Division of Neighborhood Revitalization staff will determine applicant eligibility, and the plan must be approved by the BRNI application review team before projects can be awarded.

*Budget requirement:* Each application may not allow for more than 40 percent of the total financial assistance from the Baltimore Regional Neighborhood Initiative program to be used for operating expenditures.

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## **STRATEGIC DEMOLITION FUND**

***Project C.O.R.E.***

**(Baltimore City only)**

**Available Funding:**

**\$18 million**

**Eligible Applicants:**

**Maryland Stadium Authority**

**Community Development Organizations in Baltimore City**

**DEADLINE FOR SUBMISSION:**

**To Be Announced**

### **General Description**

Project C.O.R.E., or Creating Opportunities for Renewal and Enterprise, means a new canvas for Baltimore, clearing the way for new green space, new affordable and mixed use housing, new and greater opportunities for small business owners to innovate and grow. The initiative will generate jobs, strengthen the partnership between the City of Baltimore and the State of Maryland and lead to safer, healthier and more attractive spaces for families to live and put down roots. The goals of Project C.O.R.E. are to support community growth in Baltimore City, to eliminate in a strategic manner as many full blocks of blight as possible, and to encourage investment in Project C.O.R.E. communities through attractive financing and other incentives.

More information on Project C.O.R.E. and Strategic Demolition Fund for Baltimore City will be announced shortly.

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