



# Takoma Park City Council Meeting – June 21, 2023

## Agenda Item 1

### Presentation

Presentation on the City of Takoma Park’s planned applications for the Fiscal Year 2024 State of Maryland DHCD NED Grants.

### Recommended Council Action

Review the planned grant applications by the Housing & Community Development Department and provide feedback on projects.

### Context with Key Issues

The State of Maryland’s Department of Housing & Community Development (DHCD) announced the Fiscal Year 2024 National Capital Strategic Economic Development Fund (NED) Grant opportunities on April 26, 2023. NED funding is part of a range of State Revitalization Programs offered by DHCD to promote local housing, community and economic development, and other revitalization projects. For Fiscal Year 2024, the State is offering \$7,000,000 in capital funding and \$200,000 in operating funding for NED projects in the Montgomery and Prince George’s County region. More information on the funding program can be found in the DHCD press release listed in the Attachments & Links section.

The City of Takoma Park traditionally applies for 2-4 NED grants on an annual basis. Based on prior experience with the funder, City staff target projects and programs that are capital in nature, shovel-ready, supplement other funding sources, and can lead to concrete results. Table 1 provides an overview of NED funding since 2019.

**Table 1. Recent NED Grant Awards for the City of Takoma Park**

Year	Project	Funding Amount
2019	Takoma Cooperative School	\$100,000
2020	New Hampshire Avenue Facade Program	\$100,000
2021	Affordable Homeownership Opportunities Fund	\$500,000
2021 & 2022	6530/6600 New Hampshire Avenue Revitalization	\$1,000,000
2022	Takoma Park Recreation Center & Mixed-Use Site	\$145,000

2022	Washington-McLaughlin School Site	\$175,000
2023	Leeland Housing Preservation	\$600,000
2023	Tenant Opportunity to Purchase Support Fund	\$500,000

After reviewing Council Priorities, the Housing & Economic Development Strategic Plan, and ongoing project and program opportunities in the City, HCD will be submitting four NED applications for Fiscal Year 2024:

1. Multifamily Building Improvement Fund (\$500,000) - Matching funds will build off the success of the City's existing Multifamily Building Grant and Electrification Grant to provide grants to multifamily residential properties for building infrastructure repairs and sustainability investments. Supported projects will improve the quality of housing throughout Takoma Park.
2. Richardson School of Music Rehabilitation & Expansion Project (\$300,000) - Funds will be used to support Richardson School of Music, a local, minority-owned business, in their rehabilitation of newly-purchased commercial property at 7312 Carroll Avenue. When completed, the project will more than double the School's existing square footage and activate previously underutilized commercial space in the City.
3. Small Business Emergency Equipment Fund (\$150,000) - Matching funds will supplement the City's existing capital funding opportunities for small businesses (BIG grants, facade grants) and provide small businesses with low- or no-cost funding for emergency equipment replacements or upgrades to ensure businesses that continue operations during periods of infrastructure upgrades.
4. Historic District Commercial Rehabilitation Fund (\$500,000) - Funds will support the attraction of new businesses and investment in the City's Takoma Park Historic District. The fund may be used for acquisition, pre-development, or renovation of existing commercial property within the area to help defray additional costs of historic preservation and encourage new investment.

**Council Priorities**

- Fiscally Sustainable Government
- Environmentally Sustainable Government
- Engaged, Responsive, Service-Oriented Government
- Community Development for an Improved & Equitable Quality of Life

**Environmental Considerations**

The Multifamily Building Fund will prioritize projects identified within property audits conducted by Montgomery County Green Bank and other sustainability partners.

**Fiscal Considerations**

The City's Fiscal Year 2024 NED applications have prioritized funding opportunities that match and leverage existing City programs, allowing City general funds to have a greater impact.

**Racial Equity Considerations**

If funding is awarded, proposed projects and programs should help reduce racial and socioeconomic gaps in the City by improving the quality of multifamily housing and providing opportunities for local, minority-owned businesses to expand their operations within the City of Takoma Park.

**Attachments & Links**

- DHCD Funding Announcement

**NEW CARROLLTON, MD (April 26, 2023)** – The Maryland Department of Housing and Community Development today announced the Fiscal Year 2024 application round for seven State Revitalization Programs will open on April 26, 2023. These programs offer funding to support local housing, community and economic development and other revitalization projects. They are part of the department’s commitment to helping the state’s local governments and nonprofit agencies achieve their community revitalization and economic development goals.

Specifically, Governor Wes Moore’s Fiscal Year 2024 budget includes the following for State Revitalization programs:

- Community Legacy: \$6 million capital
- Maryland Facade Improvement Program: \$1.5 million capital
- Strategic Demolition Fund – Statewide: \$5 million capital
- Strategic Demolition Fund – Project C.O.R.E.: \$20 million capital
- Baltimore Regional Neighborhood Initiative (BRNI): \$12 million capital, \$500,000 operating
- National Capital Strategic Economic Development Fund: \$7 million capital, \$200,000 operating
- Seed Community Development Anchor Institution Program: \$10 million capital

If this is your first time applying to one of the aforementioned State Revitalization Programs, contact a [regional project manager](#) for more information and to determine your eligibility.

**Applications will be due on Thursday, June 29, 2023, at 3 p.m.** The application portal will be open on Wednesday, April 26.

Community Legacy and Strategic Demolition Fund-Statewide projects must be in a Sustainable Community, or in an Opportunity Zone in Allegany, Garrett, Somerset and Wicomico Counties.

Maryland Facade Improvement Program projects must be in a Sustainable Community.

In addition to being located in a Sustainable Community, BRNI projects should be located in an area targeted by an eligible BRNI applicant in their 5 year strategic BRNI plan.

National Capital Strategic Economic Development Fund applicant projects should be in Sustainable Communities located: 1) in Prince George’s County, at least in part, within the boundary created by interstate 495 in the State and the District of Columbia; OR 2) in Montgomery County, within an Enterprise Zone or the boundary created by: a) Prince George’s County, b) Maryland Route 200, c) Interstate 270, d) Interstate 495 to the Maryland state line, and e) The District of Columbia.

Seed Community Development Anchor Institution Program projects must be located in an area of blight and support the improvement of a neighborhood. Projects do not need to be located inside of a Sustainable Community, but projects in Sustainable Communities will be given priority consideration for funding.

To see your jurisdiction's Sustainable Community or Opportunity Zone boundaries, use the online revitalization mapping tool found at this website: <https://portal.dhcd.state.md.us/GIS/revitalize/index.html>.

Projects should help achieve the strategies outlined in a local government's Sustainable Communities plan. All Sustainable Community plans can be found at <https://dhcd.maryland.gov/Communities/Pages/dn/communities.aspx>.

Application training will be held via webinar on Tuesday, May 2. To register for application training and to view additional program and application information, visit <https://dhcd.maryland.gov/Communities/Pages/StateRevitalizationPrograms/default.aspx>.