



**2013 Annual Awards Entry Form**  
(Complete one for each entry.)

Entry Name The Weinberg Partnership

HFA Maryland Department of Housing and Community Development

Submission Contact Wiley Hall, Office of Marketing and Communications

Phone 410 514-7752

Email [hallw@mdhousing.org](mailto:hallw@mdhousing.org)

Program Contact Elaine Cornick, Multifamily Housing

Phone 410 514-7449

Email [cornick@mdhousing.org](mailto:cornick@mdhousing.org)

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input checked="" type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

## NCSHA 2013 Awards

**Category:** Special Needs Housing  
**Sub-Category:** Housing for Persons with Disabilities  
**Entry Name:** The Weinberg Partnership

### **Overview**

In 2011, the Maryland Department of Housing and Community Development launched a landmark partnership with the Harry and Jeanette Weinberg Foundation, one of the largest private philanthropic foundations in the country, on behalf of some of the state's most vulnerable residents – very low income persons with disabilities.

This initiative to expand the supply of quality, service-enriched rental housing opportunities to extremely low income disabled households required the close collaboration of three state agencies, the foundation and private sector developers. It began with a \$1 million grant but proved so successful that the foundation expanded the program in 2012 with an additional \$1 million and replicated it in Illinois. Most importantly, the initiative exemplifies the foundation's commitment to enable people with disabilities to live a life of their own choosing in the community; a life of independence, self-respect and self-satisfaction at school, home and work to the greatest degree possible.

Board Chairman Donn Weinberg called the partnership a “downpayment” on an effort that hopefully will be expanded upon and repeated across the country. Noting that society's most vulnerable members often are hardest hit during economic downturns, Maryland Governor Martin O'Malley said the Weinberg Partnership is an effective public-private partnership that moves the state closer to its goal of increasing independent affordable housing opportunities for “our friends and neighbors who live with disabilities.”

### **Background on Need for Housing for People with Disabilities**

From 2010 - 2015, Maryland faces an overall shortage of 130,315 affordable rental housing units, including 28,993 units for persons with disabilities. DHCD finances approximately 2,600 rental units annually, serving households at 30 percent to 60 percent of Area Median Income, with the lowest rents ranging from \$365 per month in rural areas to \$543 per month in the areas surrounding Washington DC, to \$432 per month in Baltimore City for single person households. However, even these lowest rents are not affordable to disabled households living on Supplemental Security Income, which is \$8,088 per year (14 percent of AMI for one person). This translates to an affordable rent of \$202/month, based on a 30 percent shelter cost.

### **Response**

The Weinberg Foundation initially provided \$1 million over two years to be used as grant funds to cover capital costs in developments receiving DHCD financing. The department refers interested nonprofit or for-profit owners of projects receiving DHCD funding awards to the Weinberg Foundation for consideration. The foundation, in coordination with DHCD,

determines the number of “Weinberg Apartments” within the development, which is expected to be five to ten percent of the total units. Once the foundation approves a property, it transfers funding to DHCD which is responsible for closing the financing, disbursing the funds for construction, and monitoring the project for compliance with the long-term Weinberg unit requirements. The first Weinberg units are completed and were occupied in May 2013. Weinberg units will house nonelderly disabled households at 15 percent to 30 percent AMI who pay 30 percent of their income for rent. Maryland’s health department will qualify eligible disabled households and refer tenants to the units on lease-up and turnover. DHCD worked with the health department and disability department on a referral process similar to that of the Bridge Subsidy Demonstration Program to ensure that the units are made available to very-low income persons with a range of disabilities who are prepared and ready to be successful living independently. The Bridge Subsidy Demonstration Program assisted persons with disabilities to live independently by providing short –term rental assistance while the person awaited permanent housing assistance, generally a federal housing choice voucher. State-funded at \$2.1 million, the Bridge Program assisted 110 persons with disabilities.

### **Impact**

The Weinberg Partnership has had an impact beyond the first units created with the initial \$1 million. It provided, and continues to provide, the impetus for continued collaboration among the state departments of housing, health and disabilities. This collaboration resulted in the Department of Health and Mental Hygiene’s success in obtaining a \$330,000 grant under the Centers for Medicare and Medicaid Real Systems Change Grant: Building Sustainable Partnerships for Housing. The grant provided support for Maryland to prepare to compete for the federal funding made available by HUD under its Section 811 Project Rental Assistance Demonstration Program.

The work done to implement the Weinberg Partnership coupled with the work done under the CMS grant positioned DHCD and Maryland to submit a very competitive Section 811 application and be awarded a \$10.9 million grant to fund 150 units of housing for persons with disabilities. Another benefit is the continuing communication between the state agencies and the Weinberg Foundation. Weinberg’s staff active role in the review of the proposed Weinberg apartments has resulted in the foundation’s commitment to continue the partnership with an additional \$1 million of funding in 2012. Maryland has also been able to point to the public-philanthropic partnership as we speak with other foundations about partnership opportunities.

The first project closed in June 2012 and the first two Weinberg units were occupied in May 2013. The Hudson Apartments (formerly Foxtail Crossing II) project is the new construction of nine buildings containing 48 townhouses that will be rented to low- and moderate-income families with transition to homeownership after Year 15. The townhouses are one and two stories with garages. The floor plans include two, three, and four bedrooms with either two or two and a half bathrooms. In addition, there will be one freestanding community center with a leasing office. Units are available for families with incomes at or below 60 percent of the Area Median Income or \$43,560 for a four-person household. Because of the generosity of The Harry and Jeanette Weinberg Foundation, two one-story, two-bedroom units of the 48 townhouses will

remain as rentals and made available for disabled households whose income fall between 15 percent and 30 percent of the Area Median Income; these households will be referred by the Maryland Department of Health and Mental Hygiene.

Project financing include \$11.9 million in equity raised from the syndication of \$1.3 million in federal Low Income Tax Credits, \$1.4 million in state-appropriated Rental Housing Funds, \$140,000 in funding under the Weinberg Partnership, and a deferred developer's fee in the amount of \$250,015.

Two additional projects have been awarded Weinberg funding. The first is Parkview Towers, the acquisition and rehabilitation of an eleven story, 125 mixed-income unit apartment building in Takoma Park, Maryland. 105 of the units are affordable to families with annual incomes of 60 percent of area median income or \$64,500 for a family of four and 20 are market-rate units. The units are a mix of one, two and three bedroom units, including one-studio unit. Because of the generosity of The Harry and Jeanette Weinberg Foundation, five UFAS units; one studio unit, two-one bedroom units and two-two bedroom units have made available for disabled households whose income fall between 15 percent and 30 percent of the Area Median Income; these households will be referred by the Maryland Department of Health and Mental Hygiene. Project financing include \$10.9 million Tax Exempt Bond Loan with FHA Risk Sharing, \$4.8 million in equity raised from the syndication of \$497,000 in federal Low Income Tax Credits, \$2 million in state-appropriated Rental Housing Funds, \$784,773 in funding under the Weinberg Partnership, and a deferred developer's fee in the amount of \$1.2.million. Additional project sources include a \$950,000 loan from Montgomery County and \$579,000 from the Maryland Energy Administration. Parkview Towers closed February 2013 and units are expected to be available the first quarter of 2014.

The second is Rivers Edge Apartments and Studio for the Arts, located in Salisbury, Maryland. The project is the new construction of 90 units of family housing. Three of the 90 units will serve people with disabled with income between 15 percent and 30 percent of AMI. Rivers Edge is currently in processing and is projected to close in late 2013 with units available in late 2014. Financing provided by DHCD coupled with the funding from the Harry and Jeanette Weinberg Foundation will enable persons with disabilities at SSI level incomes to live in accessible, quality homes integrated into a vibrant setting with easy access to services; a win-win for the local jurisdictions and the State of Maryland. But for the innovative public-philanthropic partnership among DHCD, the Weinberg Foundation and DHMH, these units would not be available to persons with disabilities and DHCD would not be able to extend similar opportunities throughout the state.

## **APPENDIX A: The Process**

DHCD and Weinberg bring together complementary skills and resources to ensure affordable long-term independent housing for persons with disabilities. This coordinated approach includes the following key steps:

- DHCD Makes Reservation of its Resources in accordance with existing processes;
- After Reservation, DHCD shares with owner “Weinberg Foundation Apartment” capital funding opportunity and requirements;
- If applicant is interested, DHCD forwards necessary paperwork to the foundation;
- Weinberg completes its due diligence and notifies DHCD and applicant of decision – including amount of funding and number of units;
- DHCD maintains its existing funding levels and underwrites financing in cooperation with other lenders to ensure “Weinberg Foundation Apartments” are income, rent, and occupancy-restricted for households receiving SSI or disability assistance. Foundation funding fills “gap” created by lowering rent levels to 15 percent to 30 percent AMI;
- DHCD follows its typical draw and cost-certification process during construction;
- The property is registered on [www.MDhousingsearch.org](http://www.MDhousingsearch.org) and DHCD, the Department of Disabilities and the Department of Health and Mental Hygiene work with management companies to ensure residents are referred and units are occupied in accordance with requirements
- DHCD handles ongoing compliance monitoring using existing procedures, updated to reflect Weinberg restrictions, including:
  - Regulatory agreements that run with the land for 40 years
  - Annual DHCD monitoring for financial and physical health, as well as regulatory compliance with disability and income restrictions
  - Additional compliance monitoring in accordance with IRC federal Low Income Housing Tax Credit Program requirements
  - Penalties ranging from reporting to IRS to DHCD “report cards” resulting in bans or restrictions on future business with DHCD.

## APPENDIX B: TESTIMONIALS

*"The public-private partnership that we celebrate today moves us closer to our goal of increasing independent affordable rental housing opportunities for our friends and neighbors who live with a disability."*

- Maryland Governor Martin O'Malley

*"Although this grant will help only a small percentage of this community, it is a much-needed beginning – a down-payment, if you will, on what we hope can become a trend in our state and our nation. The foundation is proud to be seen as a national leader in housing for people with disabilities."*

- Weinberg Foundation Chairman Donn Weinberg

*"A solid home environment can be the foundation for a better life. These affordable housing opportunities will change lives and communities for the better."*

- Dr. Joshua M. Sharfstein, Secretary, Maryland Department of Health and Mental Hygiene

*"I love my new home. It's very quiet, which believe me, is a big, big contrast to my old neighborhood."*

- New Tenant at Hudson Apartments, Cambridge, MD

## APPENDIX C: BLOG POST ON MAY 9 ANNOUNCEMENT

### Mdhousing's Blog

*Creating Homeowners, Preserving  
Neighborhoods in Maryland*



← Grand Reopening of Admiral Oaks Apartments a  
Celebration of a Community's Rebirth

In Three Events, Governor O'Malley Highlights the  
Importance of Homeownership, Affordable Housing  
in Maryland →

#### Maryland Will Work With Weinberg Foundation to Increase Rental Housing Options for Persons With Disabilities

Posted on [May 9, 2011](#)

**MAY 9**

**Annapolis, MD** – Flanked by Weinberg Foundation Chairman Donn Weinberg, Governor Martin O'Malley announced the Affordable Rental Housing Opportunities for Persons with Disabilities initiative, which includes Weinberg Foundation funding of \$1 million. [Learn more](#) about the governor's announcement.



"The most vulnerable in our society are the hardest hit during challenging economic times such as this one. As you can imagine, there is great demand for affordable housing for people with disabilities," Governor O'Malley said. "The public-private partnership that we celebrate today moves us closer to our goal of increasing independent affordable rental housing opportunities for our friends and neighbors who live with a disability."

"This grant permits the State of Maryland to begin to fill a gap in the coverage of housing programs designed to benefit low income individuals, by helping some 'very' low income disabled individuals," said Donn Weinberg, [Weinberg Foundation](#) Chairman of the Board.

Maryland faces a shortage of more than 126,833 affordable rental housing units over the next four years, including a need for 28,782 units for persons with disabilities.

#### Recent Posts

- [Weatherization, Other DHCD Programs, a Big Part of Proposals Now Before the Maryland Public Service Commission](#)
- [Maryland Ranks Among National Leaders in Foreclosure Prevention Counseling, Study Finds](#)
- [Grand Opening Celebrates Renovation of Affordable Rental Housing in Baltimore's Franklin Square Community](#)
- [Report Finds Reason for Cautious Optimism that National Housing Market May be Starting to Recover](#)
- [Family Celebrates Winning Their First Home During Upbeat Prince George's County Housing Fair as Optimism Grows](#)

#### Archives

- [June 2012](#)
- [May 2012](#)
- [April 2012](#)
- [March 2012](#)
- [February 2012](#)
- [January 2012](#)
- [December 2011](#)
- [November 2011](#)
- [October 2011](#)
- [September 2011](#)
- [August 2011](#)
- [July 2011](#)
- [June 2011](#)
- [May 2011](#)
- [April 2011](#)
- [March 2011](#)
- [February 2011](#)
- [January 2011](#)
- [December 2010](#)

## **APPENDIX D: DHCD MAY 9, 2011 RELEASE**

### **Governor Announces State Partnership with Weinberg Foundation to Increase Rental Housing Options for Persons with Disabilities**

#### **Weinberg Foundation to invest \$1 million over two years - independent living is focus of grant**

**CROWNSVILLE, MD (May 9, 2011)** – Flanked by Weinberg Foundation Chairman Donn Weinberg, Governor Martin O'Malley today announced the "Affordable Rental Housing Opportunities for Persons with Disabilities" initiative which includes Weinberg Foundation funding of \$1 million. The joint venture with the Weinberg Foundation was facilitated by the Maryland Department of Disabilities (MDOD) and includes the Maryland Departments of Housing and Community Development (DHCD) and Health and Mental Hygiene (DHMH). Under a Memorandum of Understanding, the Weinberg Foundation and the state departments will work together to finance affordable, quality, independent, integrated housing opportunities for very low income persons with disabilities who meet certain eligibility criteria.

"The most vulnerable in our society are the hardest hit during challenging economic times such as this one. As you can imagine, there is great demand for affordable housing for people with disabilities," said Governor Martin O'Malley. "The public-private partnership that we celebrate today moves us closer to our goal of increasing independent affordable rental housing opportunities for our friends and neighbors who live with a disability."

"This grant permits the State of Maryland to begin to fill a gap in the coverage of housing programs designed to benefit low income individuals, by helping some 'very' low income disabled individuals," said Donn Weinberg, Weinberg Foundation Chairman of the Board. "Although this grant will help only a small percentage of this community, it is a much-needed beginning – a down-payment, if you will, on what we hope can become a trend in our state and our nation. The Foundation is proud to be seen as a national leader in housing for people with disabilities."

The Weinberg Foundation will provide \$1 million over two years to be used as grant funds to cover capital costs in developments otherwise receiving DHCD financing. DHCD will refer interested nonprofit owners of projects receiving DHCD funding awards to the Weinberg Foundation for consideration. The Foundation, in coordination with DHCD, will determine the number of "Weinberg Apartments" within the development, which is expected to be five to ten percent of the total units. Once the Foundation approves a property, it will transfer its funding to DHCD and the department will be responsible for closing the financing, disbursing the funds for construction, and monitoring the project for compliance with the long-term Weinberg unit requirements. The first Weinberg units are expected to be available for occupancy in late 2012.

Weinberg units will house nonelderly disabled households at 15-30% AMI who pay 30% of their income for rent. The Maryland Department of Health and Mental Hygiene will qualify eligible disabled households and refer tenants to the units on lease-up and turnover. The Department of Housing and Community Development will work with DHMH and MDOD on a referral process similar to that of the Bridge Subsidy Demonstration Program to ensure that the units are made available to very-low income persons with a range of disabilities who are prepared and ready to be successful living independently. The Bridge Subsidy Demonstration Program assisted persons with disabilities to live independently by providing short-term rental assistance while the person awaited permanent housing assistance, generally a federal housing choice voucher. State-funded at \$2.1 million, the Bridge Program assisted 110 persons with disabilities.

"Our history with the Weinberg Foundation has been a productive one as evidenced by our work together on the Weinberg Manor and Village projects as well as Dayspring," said DHCD Secretary Raymond A. Skinner. "We applaud their commitment to the concept of independent living for people with disabilities and, also, anticipate that this partnership will position Maryland to be competitive for the U.S. Department of Housing and Urban Development's new Section 811 program funding in 2012."

"A solid home environment can be the foundation for a better life," says Dr. Joshua M. Sharfstein, Secretary of DHMH. "These affordable housing opportunities will change lives and communities for the better."

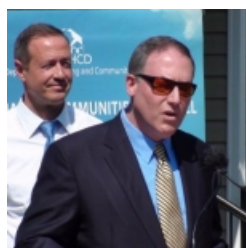


## APPENDIX E: WEINBERG JAN 30, 2013 RELEASE

### Weinberg Foundation Provides Additional \$1M for Housing Program for Persons with Disabilities

Posted on January 30, 2013

Weinberg Foundation Chairman Donn Weinberg speaking at May, 2011 launch of affordable housing program.



The Harry and Jeanette Weinberg Foundation has expanded its initial funding for the Maryland Affordable Rental Housing Opportunities for Persons with Disabilities initiative, providing an additional \$1 million investment in the program.

Governor Martin O'Malley joined Weinberg Foundation Chairman Donn Weinberg and Maryland Department of Housing and Community Development Secretary Raymond A. Skinner in May 2011 to announce the landmark partnership to finance affordable, quality, independent, integrated housing opportunities for very low income persons with disabilities who meet certain eligibility criteria. The additional funding doubles the Weinberg Foundation's total commitment for the initiative to \$2 million.

"The Weinberg Foundation is especially proud of this program and its partnership with the State of Maryland as we work to provide persons with disabilities greater choice and independence in their daily lives," said Donn Weinberg. "We are also thrilled to announce a \$1 million grant for similar deeply-affordable housing in Illinois, reinforcing what the foundation hopes will become a national trend."

Stan Goldman, Weinberg Foundation program director for disabilities, added, "Our focus groups with young people with multiple disabilities reveal the same desire: 'We want a place of our own.'"

The 2011 "Weinberg Apartment" initiative was facilitated by the Maryland departments of disabilities, housing and community development and health and mental hygiene. As part of the original agreement, the Weinberg Foundation provided \$1 million over two years to be used as grant funds to cover capital costs for properties approved for other DHCD rental housing financing, including federal Low Income Housing Tax Credits. The designated "Weinberg Apartments" will have very low rents so that they are affordable to non-elderly disabled households with incomes at 15 to 30 percent of the area median. Those households will be referred to the program by the department of health and mental hygiene.

You can see the State's media release by clicking [here](#).

**APPENDIX D: EXTERIOR AND INTERIOR PHOTOS – THE HUDSON APARTMENTS**

