State of Maryland SFY 2026-FFY 2025 Consolidated Annual Performance and Evaluation Report (CAPER)

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

In accordance with the requirements detailed at 24 CFR 91.520, the State of Maryland prepares and submits a Consolidated Annual Performance and Evaluation Report (CAPER) to the U.S. Department of Housing and Urban Development each fall. The purpose of the CAPER is to provide HUD, State Officials, and the public with the opportunity to review the activities undertaken utilizing federal funding during the previous program year and to evaluate the State's progress in meeting the goals established in its Five-Year Consolidated Plan. The Program Year 2025 CAPER is the first performance report for the State's 2025-2029 Consolidated Plan.

This report covers Program Year 2025 or State Fiscal Year 2026, and it discusses the activities that occurred between July 1, 2025 to June 30, 2026. Program Year 2025 and State Fiscal Year 2026 may be used interchangeably during this report to refer to activities completed during the reporting timeframe. During Program Year 2025, the State of Maryland's Department of Housing and Community Development (DHCD) received $20,652,908.54 in funding from HUD across five formula grant programs: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and the National Housing Trust Fund (HTF).

All activities funded through these various programs prioritized the housing and community development goals identified in the State of Maryland's 2025-2029 Consolidated Plan which includes:

1. Promote attainable and accessible rental housing for low income households;
2. Promote sustainable and quality housing for low income homeowners to preserve existing housing stock, particularly for seniors to age in place;
3. Prevent homelessness through eviction prevention, diversion, renters rights outreach and education, and landlord compliance with fair housing and civil rights laws;
4. Develop supportive housing opportunities for persons experiencing homelessness, persons with special needs, and other vulnerable populations;
5. Develop viable infrastructure and public facilities to improve quality of life for Marylanders and encourage economic development;
6. Support local public service partners in providing resources to address community development needs in areas like senior services, youth services, job training, and food banks; and,
7. Develop local community planning capacity to support improved living environments and strengthen economic and community development.

OMB Control No: 2506-0117 (exp. 09/30/2021)

Key programmatic outcomes achieved during Program Year 2025 included:

- 2,606 persons and 410 households received rapid re-housing, overnight shelter, street outreach, and/or other homeless prevention services.
- 12 municipalities and counties were awarded CDBG grant funds for place-based and infrastructure projects.
- 5 HTF funded multi-family housing construction or rehabilitation projects were completed which created 40 HTF designated units for extremely low income households.
- 104 low-to-moderate income households received housing rehabilitation services through CDBG, HOME, and HTF funds.
- 163 persons with HIV/AIDS received tenant based rental assistance and other case management services.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)
Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

(Note: Accomplishments/outcomes associated with the strategic plan refer to cumulative five year targets as identified in the State's Five Year Consolidated Plan. Accomplishments/outcomes associated with just Program Year 2025 can be found in the program year columns. Some categories are not measured or tracked on an annual basis and as such these categories may include an "N/A" in the final three columns.)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual Strategic Plan	Percent Complete	Expected Program Year	Actual Program Year	Percent Complete
Accessible Public Services	Non-Housing Community Development	CDBG	Public Service Activities for Low/Moderate Income Housing Benefit	Households Assisted	100	0	0.00%	20	0	0.00%
Accessible Public Services	Non-Housing Community Development	CDBG	Homelessness Prevention	Persons Assisted	200	67	33.50%	50	67	134.00%
Attainable and Accessible Rental Housing	Affordable Housing	CDBG, HOME, HTF	Rental Units Constructed	Household Housing Unit	547	5	0.91%	108	5	4.63%
Attainable and Accessible Rental Housing	Affordable Housing	CDBG, HOME, HTF	Rental Units Rehabilitated	Household Housing Unit	333	81	24.32%	107	81	75.70%

OMB Control No: 2506-0117 (exp. 09/30/2021)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual Strategic Plan	Percent Complete	Expected Program Year	Actual Program Year	Percent Complete
Attainable and Accessible Rental Housing	Affordable Housing	CDBG, HOME, HTF	Other: (Rental Units Funded)	Other: (Household Housing Unit)	45	11	24.44%	17	11	64.71%
Homelessness Prevention	Homeless	ESG, HOPWA	Tenant-Based Rental Assistance / Rapid Re-Housing	Households Assisted	5,925	410	6.92%	1,185	410	34.60%
Homelessness Prevention	Homeless	CDBG, ESG, HOPWA	Overnight/Emergency Shelter/Transitional Housing Beds Added	Beds	0	10	1,000.00%	0	10	1,000.00%
Homelessness Prevention	Homeless	CDBG, ESG, HOPWA	Homelessness Prevention	Persons Assisted	8,820	1,234	13.99%	1,764	1,234	69.95%
Homelessness Prevention	Homeless	CDBG, ESG, HOPWA	Housing for Homeless Added	Household Housing Unit	10	0	0.00%	N/A	N/A	N/A
Homelessness Prevention	Homeless	ESG	Other: (Street Outreach)	Other: (Persons Assisted)	6,500	1,300	20.00%	1,300	1,300	100.00%
Increased Local Planning and Capacity Building	Non-Housing Community Development	CDBG, HOME	Other: (Plans Funded)	Other: (Plans)	20	0	0.00%	4	0	0.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual Strategic Plan	Percent Complete	Expected Program Year	Actual Program Year	Percent Complete
Supportive Housing Assistance for At-Risk Citizens	Homeless, Non-Homeless Special Needs, Non-Housing Community Development	HOPWA	Tenant-Based Rental Assistance / Rapid Re-Housing	Households Assisted	533	163	30.58%	143	163	113.99%
Supportive Housing Assistance for At-Risk Citizens	Homeless, Non-Homeless Special Needs, Non-Housing Community Development	ESG	Homeless Person Overnight Shelter	Persons Assisted	8,335	693	8.31%	1,667	693	41.57%
Sustainable and Quality Housing for Homeowners	Affordable Housing	CDBG, HOME	Homeowner Housing Rehabilitated	Household Housing Unit	125	22	17.60%	25	22	88.00%
Sustainable and Quality Housing for Homeowners	Affordable Housing	CDBG	Direct Financial Assistance to Homebuyers	Households Assisted	75	7	9.33%	15	7	46.67%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected Strategic Plan	Actual Strategic Plan	Percent Complete	Expected Program Year	Actual Program Year	Percent Complete
Viable Infrastructure and Public Facilities	Non-Housing Community Development	CDBG	Public Facility or Infrastructure Activities other than Low-Moderate Income Housing Benefit	Persons Assisted	60,000	24,020	40.03%	12,000	24,020	200.17%
Viable Infrastructure and Public Facilities	Non-Housing Community Development	CDBG	Buildings Demolished	Buildings	5	1	20.00%	1	1	100.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

DHCD primarily achieved positive progress towards its Program Year 2025 goals. Three goals (Accessible Public Services, Supportive Housing Assistance for At-Risk Citizens, and Viable Infrastructure and Public Facilities) included outcomes that exceeded projected targets. Two additional goals (Attainable and Accessible Rental Housing and Sustainable and Quality Housing for Homeowners) included outcomes that achieved strong results (75% or higher) for projected targets. The shortfalls in other categories may be attributed to the delay in the receipt of award funding to the State and the shortened timeframe available for the State to provide eligible services.

Some shortfalls may also be attributed to the type of applications received by the CDBG program for funding. As funding is awarded through a competitive application process, outcome targets associated with the CDBG program can frequently defer from actual outcomes achieved as programs are unable to fully anticipate the types of projects that may seek funding in future program years. In future Action Plans, the State may elect to pursue more specific funding strategies in goals that consistently exhibit shortfalls compared to other categories.

The State utilizes ESG funding to prevent homelessness and help households experiencing homelessness quickly regain safe and affordable housing. Although several of the Homeless Prevention goal outcomes did not meet the projected targets, the State attributes these shortfalls to the shortened timeframe of funding (as mentioned above) and other changes to local emergency shelters. However, despite these shortfalls, the State still maintained consistent homelessness assistance through other resources beyond ESG.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

Racial Category	CDBG	HOME	HTF	HOPWA
White	1,606	15	15	51
Black or African American	1,268	17	18	76
Asian	47	1	6	0
American Indian or American Native	27	0	0	0
Native Hawaiian or Other Pacific Islander	0	0	0	1
Other	717	2	1	35
Total	**3,665**	**35**	**40**	**163**

Table 2 – Racial Composition of Families Assisted (CDBG, HOME, HTF, HOPWA)

Ethnicity	CDBG	HOME	HTF	HOPWA
Hispanic	614	3	0	35
Not Hispanic	3,051	32	40	128

Table 3 – Ethnic Composition of Families Assisted (CDBG, HOME, HTF, HOPWA)

OMB Control No: 2506-0117 (exp. 09/30/2021)

Describe the clients assisted (including the racial and/or ethnicity of clients assisted with ESG)

Race/Ethnicity	**Number**
American Indian	23
Asian or Asian American	17
Black, African American, or African	1,882
Hispanic/Latina/e/o	71
Middle Eastern or North African	2
Native Hawaiian or Pacific Islander	7
White	2,139
Multiracial	21
Client doesn't know	27
Client prefers not to answer	0
Data not collected	164
Total	**4,353**

Table 4 – Racial and Ethnic Composition of Clients Assisted (ESG)

Narrative

The State of Maryland does business in accordance with the Federal Fair Housing Act which prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions based on race, color, national origin, religion, sex, familial status, and mental or physical disability.

The 2025-2029 Consolidated Plan reported that Maryland's population was 54.84% White, 29.28% Black/African American, 5.63% Asian, 0.16% American Indian or Alaska Native, 0.04% Pacific Islander, 7.19% Hispanic, and 2.86% other racial or ethnic groups.

Actual distribution of resources is based on priority and need as identified through the various programs' application process.

In Program Year 2025, DHCD's formula grant programs assisted a total of 7,836 beneficiaries.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public - Federal	$ 9,606,846.77	$ 8,597,528.85
HOME	Public - Federal	$ 20,118,550.22	$ 2,008,500.42
HOPWA	Public - Federal	$ 3,417,793.00	$ 1,642,273.42
ESG	Public - Federal	$ 1,366,983.11	$ 1,031,226.87
HTF	Public - Federal	$ 8,847,560.15	$ 4,087,067.98
Continuum of Care	Public - Federal	$ 12,271,493.49	$ 720,759.00
LIHTC	Public - Federal	$ 17,547,453.00	$ 10,115,000.00

Table 5 - Resources Made Available

Narrative

During Program Year 2025, total available resources (including annual allocation amount, program income, and prior year resources) totaled $41,492,446.48 for the five formula grant programs. $17,366,597.54 or 41.9% of these resources were expended during the program year. The CDBG and ESG programs achieved the highest percentage of expenditures to available resources at 89.5% and 75.4% respectively. Program expenditures for all programs were impacted by the late award and availability of funds during the program year, but the HOME and HTF programs were further impacted by various construction related delays.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Statewide	100%	100%	

Table 6 – Identify the geographic distribution and location of investments

Narrative

The State of Maryland utilizes several different geographic allocations in respect to each of its five federal formula grant programs.

Any use of funds will be limited to the non-entitlement jurisdictions within the state that do not receive direct funding from HUD. These jurisdictions are unable to receive additional federal funding in the same grant programs from DHCD (e.g., Baltimore County is a direct CDBG entitlement jurisdiction as recognized by HUD and, as a result, cannot receive additional CDBG funding from DHCD). In the instance of entitlement counties, any municipality within that region is also not eligible to receive funding from DHCD unless said municipality has opted out of its local program.

OMB Control No: 2506-0117 (exp. 09/30/2021)

In general, beyond these above restrictions, federal funding for CDBG, ESG, HOME, and HTF can be utilized in any community in Maryland if the proposed project benefits eligible program beneficiaries (such as low-income households, persons experiencing homelessness, etc.). Projects that are located in other DHCD designated communities (e.g., Just Communities) may receive additional preference in funding, particularly for the utilization of HOME or HTF funds.

Maryland Department of Health's HOPWA funding is limited to one specific Eligible Metropolitan Statistical Area (EMSA) which covers Frederick County and Montgomery County. Other Maryland counties (including Anne Arundel, Baltimore, Calvert, Carroll, Charles, Harford, Howard, Prince Georges, and Queen Anne's) and Baltimore City are also located in HUD designated EMSAs, however, these EMSAs are not administered by the State of Maryland or its agencies.

The State of Maryland does require that any State funding utilized for the construction of new housing (either rental or homeowner) be in Smart Growth Areas.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

During Program Year 2025, no publicly owned land or property were used by DHCD to address the needs identified in the Consolidated Plan.

Each of the five formula grant programs leverage private, State, and local funds to provide services that address the needs identified in the Consolidated Plan including:

- CDBG: matching funds are not a CDBG program requirement for eligible applicants or projects, however, projects with matching funds receive more points during the application rating process.
- ESG: during the 2025 Program Year, the State of Maryland allocated over $15 million for the Homeless Solutions Program (HSP). The HSP provides complementary homeless service programming to ESG-funded projects including street outreach, emergency shelter, rapid rehousing, and homeless prevention.
- HOME: the HOME program frequently leverages additional funding for any multi-family rental project or single-family homeowner rehabilitation/reconstruction project. The State fully complied with the appropriate HOME match requirements and information on the program year's match contribution can be found in the table below.
- HOPWA: the Maryland Department of Health frequently leverages HRS HAB Ryan White HIV/AIDS Program funds and other special State funding to provide housing case management services for households receiving TBRA services. Project sponsors are also expected to have established internal controls and fiscal accounting procedures along with a demonstrated ability to coordinate client services with other services providers and leverage, where possible, other resources to meet overall client needs and program goals.
- HTF: projects receiving HTF funds frequently leverage additional funding from various sources such as LIHTC and other debt servicing options for construction and project costs. In Program Year 2025, HTF projects leveraged over $22 million dollars in additional funding.

Fiscal Year Summary – HOME Match

1. Excess match from prior Federal Fiscal Year: $19,005,215.52
2. Match contributed during current Federal Fiscal Year: $1,446,254.23
3. Total match available for current Federal Fiscal Year (Line 1 plus Line 2): $20,451,469.75
4. Match liability for current Federal Fiscal Year: $305,320.34
5. Excess match carried over to next Federal Fiscal Year (Line 3 minus Line 4): $20,146,149.41

Project No. or Other ID	Date of Contribution	Cash (Non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated Labor	Bond Financing	Total Match
Rental Assistance Program	10/01/2025	$1,446,254.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,446,254.00

Table 7 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE Report

Balance on Hand at Beginning of Reporting Period	Amount Received During Reporting Period	Total Amount Expended During Reporting Period	Amount Expended for TBRA	Balance on Hand at End of Reporting Period
$11,682,692.40	$2,431,185.64	$421,064.80	$0.00	$13,692,813.24

Table 8 – Program Income

Minority Business Enterprises and Women Business Enterprises

Indicate the number and dollar value of contracts for HOME projects completed during the reporting period: 0

Minority Owners of Rental Property

Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted: 0

OMB Control No: 2506-0117 (exp. 09/30/2021)

Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition: 0

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

Type of Household	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	242	104
Number of Special-Needs households to be provided affordable housing units	0	0
Total	**242**	**104**

Table 9 – Number of Households

Number of Households Supported	One-Year Goal	Actual
Number of households supported through Rental Assistance	2	0
Number of households supported through The Production of New Units	108	5
Number of households supported through Rehab of Existing Units	132	99
Number of households supported through Acquisition of Existing Units	0	0
Total	**242**	**104**

Table 10 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

During Program Year 2025, DHCD provided housing services for 104 households. This total includes the production of 5 new affordable units and the rehabilitation of 99 existing affordable units. The CDBG program provided assistance to 29 households, the HOME program provided assistance to 35 households, and the HTF program provided assistance to 40 households. The majority of these beneficiaries were renter households (81).

The State continues to see a shortfall in the total production of new affordable units. Program Year 2025 targeted the completion of 108 units, however, only 5 units were completed. Subsequent Action Plans will revisit this target to determine whether the shortfall is the result of projects being funded or other programmatic elements.

Discuss how these outcomes will impact future annual action plans.

Future Annual Action Plans will take into consideration uncompleted projects from previous program years and DHCD may elect to adjust outcome goals as a result.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual	HTF Actual
Extremely Low-income	5	5	40
Low-income	6	29	0
Moderate-income	18	1	0
Total	**29**	**35**	**40**

Table 11 – Number of Households Served

Narrative Information

The above table reflects the income levels of households receiving assistance from the CDBG, HOME, and HTF programs during the program year. These numbers include the following distribution between homeowner households and renter households:

- 4 extremely low income renter households received HOME funds
- 40 extremely low income renter households received HTF funds
- 5 extremely low income homeowner households received CDBG funds
- 1 extremely low income homeowner household received HOME funds
- 26 low income renter households received HOME funds
- 6 low income homeowner households received CDBG funds
- 3 low income homeowner households received HOME funds
- 10 moderate income renter households received CDBG funds
- 1 moderate income renter household received HOME funds
- 8 moderate income homeowner households received CDBG funds
- 67 homeless households received CDBG funds

The extremely low income, low income, and moderate income homeowner or renter households assisted through these programs all met HUD's Section 215 definition of affordable housing.

OMB Control No: 2506-0117 (exp. 09/30/2021)

The State also leverages local, State, and federal funds to achieve its housing-related goals on an annual basis. These additional funds allow DHCD to provide further affordable housing services for income qualified residents such as weatherization, broadband access, rental housing construction loans, and homeowner housing rehabilitation.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction’s progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Maryland's Continuum of Care (CoC) Coordinated Entry systems are the primary framework for connecting people experiencing homelessness (including people living in unsheltered locations) to housing and supportive services. DHCD allocates ESG and State Homeless Solutions Program (HSP) funding for use across a variety of program areas including street outreach, drop-in centers, and emergency shelters. These programs provide critical support for the individual needs of homeless persons such as:

- Crisis stabilization and case management
- Housing and service needs assessments
- Barriers to housing assessments
- Coordinated Entry assessments
- Facilitation of permanent housing resources
- Coordination with community-based services such as behavioral health care, substance use treatment, food and basic needs assistance, education, workforce development, and affordable housing
- Specialized systems for veterans and runaway and homeless youth

DHCD also provides funding to local CoCs to support annual Point-in-Time (PIT) counts and other regional Homeless Resource Days. This support allows local homeless service providers to conduct outreach across larger geographic areas and connect with more persons experiencing homelessness with resources. Additional access to services is provided through partnerships with local health departments and other State agencies such as the Maryland Department of Health, Maryland Department of Human Services, and Maryland 211.

Through ongoing initiatives and collaborations during Program Year 2025, DHCD advanced the following objectives:

- Continued implementation and strengthening of the Coordinated Entry System for the Maryland Balance of State Continuum of Care;
- Maintained funding for street outreach and mobile services to engage people experiencing unsheltered homelessness, perform Coordinated Entry assessments, provide basic needs assistance, facilitate transportation to shelter, and connect individuals to health and other supportive services; and
- Supported CoCs in conducting the annual unsheltered PIT Count and strengthened the involvement of people with lived experience by providing stipends for participation in CoC boards, State and local initiatives, and ongoing homeless services planning and consultation.

Addressing the emergency shelter and transitional housing needs of homeless persons

DHCD allocates approximately 30 percent of its total ESG and State HSP funding to Continuums of Care for emergency shelter staffing and operational costs. Capital funding for the construction and renovation of emergency shelter and transitional housing facilities is available through other State programs administered by DHCD.

Any reduction in unsheltered homelessness requires sufficient emergency shelter capacity while also expanding both rapid re-housing and other permanent housing options. DHCD requires that any HSP funded emergency shelter operate as a low-barrier, Housing-First oriented program so as to serve households with diverse needs and family compositions (including unaccompanied youth, veterans, survivors of domestic violence, and LGBTQ+ individuals and families).

During Program Year 2025, DHCD advanced the following objectives:

- Maintained funding availability and access for hotels/motels and specialized emergency shelter programs serving youth and survivors of domestic violence through strategic budget allocations, program management, and provider partnership;
- Increased youth engagement in Youth Action Board activities through enhanced stipends for individuals with lived experience and coordination with Youth Homeless Service Improvement Grant initiatives; and
- Collected data on HSP-funded shelter facilities through monitoring to identify gaps related to accessibility, habitability, services, and participant outcomes.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

DHCD uses ESG and State HSP funds to provide homelessness prevention services that support eligible individuals and families maintain housing and avoid entry into shelters, unsheltered homelessness, or other unsafe or unstable living situations. These homelessness prevention services include, but are not limited to:

- Short-term rental assistance
- Rental arrears
- Security and utility deposits
- Utility payments
- Moving costs
- Housing search and placement
- Application fees
- Case management
- Tenant legal services
- Landlord-tenant mediation
- Credit repair
- Other housing stabilization services

The Maryland Interagency Council on Homelessness has worked in recent years to target policies that reduce instances of discharges from hospitals and other public institutions to unsheltered settings as well as prevent youth from exiting foster care or correctional systems into homelessness.

DHCD also sponsors YouthREACH, Maryland's homeless youth count. The YouthREACH process includes representatives from major systems serving youth and young adults and the results provide information about the pathways into homelessness and opportunities to strengthen discharge planning and prevention strategies.

During Program Year 2025, DHCD advanced the following objectives:

- Streamlined eligibility and household prioritization processes for ESG-funded homelessness prevention by coordinating these resources with other federal and State rental and utility assistance programs; and
- Continued implementation of Maryland Interagency Council on Homelessness strategies to reduce discharges from systems of care into homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

DHCD maintains its investment in rapid re-housing as a Housing-First oriented intervention designed to support households quickly exiting homelessness to obtain permanent housing in the community. Rapid re-housing allows eligible households to receive housing relocation assistance with stabilization services and time-limited rental assistance. Eligible households may also receive: rental assistance, rental arrears, application fees, security and utility deposits, utility payments, moving costs, housing search and placement, case management, tenant legal services, landlord-tenant mediation, and credit repair. DHCD encourages local CoCs and other providers to utilize rapid re-housing for households experiencing chronic homelessness and unaccompanied youth. Rapid re-housing providers are also encouraged to develop relationships with workforce development programs to strengthen participants' access to employment and other resources that promote long-term housing stability.

During Program Year 2025, DHCD advanced the following objectives:

- Increased training and technical assistance for rapid re-housing providers through learning collaboratives, best-practice resources, and program evaluations;
- Encouraged partnerships between rapid re-housing providers and workforce development programs;
- Monitored Coordinated Entry practices through the award and monitoring processes and identified opportunities for system improvement; and
- Expanded guidance and best practices for Single Room Occupancy (SRO) rapid re-housing placements.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

DHCD does not operate any public housing units, however, the department does administer a Housing Choice Voucher program as well as serve as the HUD-designated contract administrator for the state. The agency regularly works with Public Housing Authorities (PHA) throughout the state to help revitalize physical units for low-income households.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

DHCD actively provides current and former Housing Choice Voucher program participants with information on various homeownership programs offered by the department. PHA residents are frequently eligible applicants for programs that provide payment and closing cost assistance or for reduced interest rates targeted for first time homebuyers.

Actions taken to provide assistance to troubled PHAs

Whenever a PHA is designated as troubled, DHCD will cooperate with HUD to provide the appropriate technical assistance required to help the PHA lose its troubled status. The type of assistance offered will be based on the findings in HUD’s scoring which resulted in the PHA’s troubled status. This may include support for asset management, property management, or day-to-day operations. Additional assistance for troubled PHAs may also be sought through third-party HUD-approved contractors.

DHCD is not a HUD-approved technical assistance provider, however, troubled PHAs, regardless of location in entitlement or non-entitlement jurisdictions, are eligible for DHCD’s housing rehabilitation programs.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

DHCD prioritizes policies and practices that either provide affordable housing and/or provide services to low income citizens and other vulnerable populations. In recent years, DHCD has worked to improve the availability of program documents in languages beyond English as well as increased the availability of bonus points in its Qualified Allocation Plan (QAP) for developments that include affordable housing or housing for persons with disabilities.

In 2024, DHCD was awarded funding through HUD's PRO Housing Grant program. The department will utilize this funding in upcoming years to support local jurisdictions improve regulations or zoning requirements that may inhibit fair housing or other affordable housing developments.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

During Program Year 2025, DHCD used its ESG funding and approximately $15 million in State HSP funding to address barriers to housing stability and access to homeless services. Key initiatives included expanding landlord incentive eligibility, fostering the development of Youth Action Boards to address the specific needs of homeless youth and young adults by strengthening youth voice in homeless services planning and implementation, and collaborating with Community Solutions to enhance data quality standards, creating a roadmap for ending homelessness. DHCD also hired a full-time State Systems Improvement Director to continue the work with Community Solutions in-house moving forward.

DHCD continues investments across the homelessness response system, including street outreach, emergency shelter, rapid rehousing, and homelessness prevention, with an emphasis on improving access to housing and services for underserved populations.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

DHCD continues to be proactive in the reduction of lead-based paint hazards and the department operates its own lead abatement program to help control lead hazards. Lead abatement is required when any State funding is used to support a rehabilitation or in conjunction with programs like the Federal Low Income Housing Tax Credits.

The Maryland Department of the Environment also enforces lead paint reduction and control rules for landlords to reduce childhood exposure to lead based paint.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The State of Maryland remains committed to reducing the number of households living in poverty. The State's anti-poverty strategy is founded on the coordination of resources and strong partnerships at the state and local levels. These efforts are geared toward helping individuals and families move from poverty to self-sufficiency while also addressing the causes and conditions of poverty in communities across the state.

DHCD administers the Community Services Block Grant (CSBG) program which is funded through the U.S. Department of Health and Human Services (HHS). Annually, the Department receives approximately $10 million in CSBG funding – 93% of which is distributed to a statewide network of 17 Community Action Agencies (CAAs) to support anti-poverty activities.

The impact of CSBG funding is mitigated on the State's strategy of creating and maintaining linkages and coordination at the State and local levels. These coordination channels allow DHCD to ensure access levels of CSBG funded services are maintained while avoiding the duplication of any services.

The development of local, regional, and statewide plans to address workforce development activities are also key components in addressing poverty in the state. DHCD frequently contributes to these efforts as well as encourages local Community Action Agencies to participate in efforts to ensure an effective delivery of employment and training programs.

Local Community Action Agencies serve as an important partner in addressing poverty conditions. These organizations provide services and activities addressing employment, education, income and asset building services, housing, nutrition (TANF/SNAP), emergency services, or healthcare. The actual services provided are determined by community needs assessments conducted by these agencies. During Program Year 2025, Maryland's Community Action Agencies served more than 306,000 individuals at or below 200% of the Federal Poverty Line. This includes more than 86,000 children aged 0-17 and more than 64,000 adults aged 55 or over.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

DHCD has actively pursued new opportunities to develop institutional structure in recent years. These opportunities have included the creation of new inter-agency forums with other State agencies that influence housing and community development (e.g. Department of the Environment, Department of Transportation, and Department of Health) to adopt more consistent policies across the State.

Department staff also routinely provide technical assistance and other training opportunities for local governments or other subgrantees to build capacity and create more impactful programs in local communities. In particular, the CDBG and ESG teams hold monthly engagement sessions with current and prospective subgrantees on a variety of topics to encourage discussion.

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Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

DHCD regularly partners with public and private housing providers and other social service agencies to ensure active and consistent coordination of services for low income households in the region. The department's Division of Homeless Services serves as the primary coordinator between these entities for the planning and delivery of homeless services. The State's Department of Health also provides support and coordination for vulnerable populations (such as those with HIV/AIDS) to ensure that these residents receive comprehensive case management services in addition to housing assistance.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The department continues to be proactive in identifying and resolving any impediments to fair housing in the region. As mentioned previously, DHCD was recently awarded funding through HUD's PRO Housing grant program which will be utilized to remediate impediments at a local level for affordable housing development.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

All programs administered by the State have detailed standards and procedures that any grantee/awardee are required to follow to maintain compliance with award conditions. A detailed list of these standards by program has been included as an attachment to this report. All grantees/awardees are monitored based on these established policies and procedures which include risk assessments, on-site file reviews, and desk reviews as appropriate.

Whenever applicable, grantees/awardees are also required to comply with minority business outreach, Section 3, Section 504, Build America Buy America, and other fair housing laws.

During Program Year 2025, the CDBG team completed 33 formal monitoring reviews and the ESG team monitored 50% of active grantees.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The State of Maryland complied with all citizen participation requirements for the Program Year 2025 CAPER.

A notice of public display for the Draft CAPER was advertised in three regional newspapers on September 4, 2026. These publications included the Howard County Times, the Southern Maryland News, and the Star Democrat. Each publication offers a coverage area that is comprehensive of the non-entitlement areas throughout the state. A copy of the public notice and the draft CAPER were made available on DHCD's website for the public to review. Citizens were invited to provide comments during a fifteen day comment period which began on Friday, September 4, 2026 and ended on Sunday, September 20, 2026. Public comments were accepted by mail, email, or phone call during this period and no comments were received.

CR-40: Monitoring Guidelines for Federal Program

CDBG and CDBG-CV

CDBG and CDBG-CV grantees receive technical assistance and training on grant management and compliance with CDBG and other federal regulations. DHCD staff make site visits and have regular communication with grantees. Grantees submit two reports each year regarding progress on performance and outcome requirements, accomplishments, and beneficiary information. This information Is then recorded into the IDIS system.

DHCD uses a team approach for on-site monitoring for regulatory compliance, accomplishments, performance measurement outcomes, and national objectives of the various grant components. CDBG project managers provide technical assistance to grantees as needed during the administration of the grant.

Each project is monitored, at a minimum for eligibility, national objective, and financial management. In most cases, the monitoring includes a review of all applicable areas specific to the project. Planning grants are monitored through a desk monitoring process. The CDBG Monitoring Handbook contains checklists for evidence of documentation to indicate that grantee practices are consistent with CDBG policies and regulation. There are checklists for:

- Environmental Review
- Project Management and Recordkeeping
- Financial Management
- Procurement and Bonding
- Acquisition
- Relocation
- Fair Housing/Equal Opportunity
- Labor Standards
- Housing Rehabilitation
- Public Facilities / Infrastructure
- Economic Development
- Subrecipient Monitoring
- Section 3
- Build America Buy America
- Audit Compliance

The grant monitoring also includes a review of the evidence of documentation that the designated performance measures and outcomes have been met. The grantee is sent a written report of the monitoring results. If there are findings or matters of concern, the report includes corrective actions that the grantee must achieve for compliance. When all findings and matters of concern are resolved, the monitoring phase of the grant is completed, and the grant moves to closeout.

ESG and ESG-CV

DHCD annually assesses the risk of all grantees, including Continuums of Care and Local Homeless Coalitions, and prioritizes higher-risk entities for monitoring. Grantees are also required to develop annual monitoring plans for their subgrantees based on their own local risk assessments.

DHCD monitoring assesses compliance with ESG Program Regulations, HSP Policy Guide, applicable State regulations and policies (COMAR), federal financial management requirements (OMB Circulars), and other federal regulations including but not limited to Fair Housing and civil rights requirements, the Americans with Disabilities Act (ADA), and Limited English Proficiency (LEP) requirements. Standardized monitoring tools are used to assess organizational capacity, financial management, program implementation, participant documentation, and program performance and outcomes. Monitoring may include desk reviews and on-site or virtual monitoring activities, including staff interviews, reviews of financial records and participant files, and physical inspections when applicable.

In fall 2025, CoCs conducted subgrantee risk assessments to identify projects for monitoring. DHCD reviewed these monitoring plans and will coordinate joint monitoring visits with selected CoCs and subgrantees. Monitoring visits addressed both HSP and ESG-funded activities, allowing DHCD to assess compliance across the State's broader homelessness response system.

DHCD conducts monitoring or joint monitoring visits with at least 50 percent of CoC and LHC lead agencies annually. Lead agencies are required to maintain monitoring records for subgrantees selected through their local monitoring process and provide those reports to DHCD for review when requested or when the subgrantee was not jointly monitored by DHCD.

HOME

The HOME program utilizes several standards and procedures to monitor activities depending on the funded project. Grantees receiving down-payment assistance includes monitoring to ensure that open loans are still occupied by the qualified homeowner. Homeowner Rehabilitation/Reconstruction Loans are monitored on an annual basis with a visit to the local agency to review the files for compliance and a site visit by an inspector to ensure that all work has been completed according to the State’s rehabilitation standards. Any Rental Units are monitored by DHCD’s Asset/Loan Management team.

HOPWA

The State of Maryland Department of Health's (MDH) HOPWA program ensures programmatic and fiscal compliance by requiring each of its sub-recipients to submit performance and expenditure reports following the close of each quarter. Reimbursement of services rendered is not approved until all such reports are received, reviewed, and checked for compliance and performance issues by the compliance monitoring officer.

When compliance issues are discovered the Compliance Officer reaches out to the vendor/site with corrective action plans and follow-up. In addition to the monitoring of the quarterly reports, the compliance team completes annually an "Administrative Site Visit". At this time, the compliance officer provides technical assistance and program guidance on larger issues, such as changes in policies or procedures. In addition to this technical assistance, the Compliance Officer is in regular contact by phone (quarterly conference calls with each program). More frequent communications occur by phone and email. More broadly, each site is provided with an Operations Manual, a Tenant Handbook (updated in 2024), and regular suggestions and guidance for pertinent training by HUD and other housing supports providers, such as Corporation for Supportive Housing webinars, etc.

Program Requirements and Planning

MDH understands and deploys all related federal compliance requirements that support fair housing, minority business outreach (where applicable - the HOPWA program is a direct services program and not the development of "bricks and mortar"), and comprehensive planning requirements that bring all partners of interest to the table for feedback in that plans development and implementation.

MDH HOPWA supports DHCD's Annual Comprehensive Planning activities by ensuring participation and feedback by HIV positive persons throughout the State of Maryland through multiple mechanisms. These include participation in and invitations to: State of Maryland Quarterly HIV Planning Group (HPG) meetings (consumers and providers), The Continuum of Care Committee, Housing Sub-Committee (Greater Baltimore HIV Health Services Planning Council for Ryan White Part A Services), State of Maryland Department of Health's HIV Care Services' annual Consumer Satisfaction Survey (CSS), live and quarterly data not only through HOPWA reporting, but also State of Maryland Ryan White Part B Services reported by providers, statewide, through the CAREWare client services database system. All of the aforementioned data is coupled with, not only housing needs data, but also epidemiological data on HIV and homelessness to create needs planning each year and to direct funding to particular types of HOPWA services to meet vulnerable client needs.

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HTF

The Housing Trust Fund monitors in accordance with regulatory standards. This includes the following actions: each applicant for residency of a Restricted Unit shall certify on a form (Tenant Income Certification) provided by CDA that his or her application for occupancy is for the purpose of obtaining housing in the Project and that the Annual Income of the Household is within the income limits established; in a manner prescribed or approved by CDA, the Borrower shall have obtained written evidence Household's application for occupancy and a Tenant Income Certification, copies of which shall be provided substantiating the information given on the Tenant Income Certification and shall retain this evidence for its files for a period of five years from the date of initial occupancy by such Household; Borrower may not approve any Household to occupy any unit in the Project or any portion of it, without receiving the Tenant Income Certification; annually and when requested by CDA at any time, the Borrower shall obtain and verify re-certification of income and other criteria of eligibility from the residents of the Restricted Units.

Continuing Occupancy in a Restricted Unit: at least once annually, the Borrower shall re-examine each tenant's annual income by obtaining from the tenant a written statement of the amount of the tenant's annual income and family size, along with a certification that the information is complete and accurate. Back-up documentation is not required with annual re-certifications provided that the re-certification states that the tenant will provide source documents upon request. Every sixth year of a tenant's occupancy, the Borrower shall obtain a new Tenant Income Certification with all back-up documentation.

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CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes to the CDBG program objectives during Program Year 2024.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable.

CR-50 - HOME 24 CFR 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

During Program Year 2025, a total of 103 HOME properties were inspected of which 98% were rated as "Satisfactory" or "Above Average". Two properties were rated "Below Average" following inspections. The first property (614 W. Washington Street) was rated as "Below Average" due to violations associated with damaged electrical outlets, defective smoke alarms, damaged cabinetry and appliances, and inadequate flooring. The second property (Federalsburg Gardens Apartments) was rated as "Below Average" due to gaps in tenant file documentation as well as other compliance findings related to smoke alarms and HVAC maintenance. DHCD is currently working with each property to address these concerns.

Onsite monitoring of properties in the HOME portfolio is required during the first year of the affordability period and then every subsequent three years. A full list of properties in the portfolio and inspection reports can be available upon request.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

DHCD requires that all recipients of HOME funds have an affirmative marketing plan as a condition of receiving HOME funds. This obligation is memorialized in the Deed of Trust recorded at initial closing on the financing along with any other obligations associated with HOME funding.

The department monitors affirmative marketing efforts at various stages of a HOME funded project including:

- The underwriting stage whereby the plan is reviewed for any deficiencies and to ensure projects include outreach to individuals with disabilities
- Pre-closing meetings prior to final commitment of funding
- Introductory "kick-off" project meetings with all involved development parties
- Monitoring compliance throughout the development of the project

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

During Program Year 2025, no program income was used to fund new projects. However, $421,064.80 was used for construction draws of existing projects.

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Describe other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 24 CFR 91.320(j)

DHCD continues to undertake efforts to increase affordable housing projects and meet its ten year goal of increasing rental housing by over 900 units statewide per year. The department leverages LIHTC and other funding sources to fund and maintain affordable housing.

CR-55 - HOPWA 91.520(e)

Identify the number of individuals assisted and the types of assistance provided

Table for report on the one-year goals for the number of households provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities developed, leased, or operated with HOPWA funds.

Number of Households Served Through:	One-Year Goal	Actual
Short-term rent, mortgage, and utility assistance payments	66	14
Tenant-based rental assistance	150	149
Units provided in transitional housing facilities developed, leased, or operated with HOPWA funds	0	0
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0	0
Total	**216**	**163**

Table 12 – HOPWA Number of Households Served

Narrative

The Maryland Department of Health (MDH) administers the HOPWA program for the State of Maryland. In Program Year 2025, the HOPWA program provided Tenant-Based Rental Assistance (TBRA) and Short-Term Rental, Mortgage, and Utility (STRMU) for 163 beneficiaries in rural regions of the state. This total is consistent with previous program years.

MDH continues to experience slight shortfalls in its targeted outcomes which may be attributed to difficulties among beneficiaries in finding affordable and suitable units.

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CR-56 - HTF 91.520(h)

Describe the extent to which the grantee complied with its approved HTF allocation plan and the requirements of 24 CFR part 93.

DHCD has fully complied with all provisions in its HTF Allocation Plan and all requirements detailed at 24 CFR Part 93. All HTF designated units serve program eligible households with incomes below 30% Area Median Income.

Tenure Type	0 – 30% AMI	0% of 30+ to poverty line (when poverty line is higher than 30% AMI)	% of the higher of 30+ AMI or poverty line to 50% AMI	Total Occupied Units	Units Completed, Not Occupied	Total Completed Units
Rental	40	0	0	40	0	40
Homebuyer	0	0	0	0	0	0

Table 13 - CR-56 HTF Units in HTF activities completed during the period

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	20	3	0	0	3
Total Labor Hours	8,225	43,858	0	0	135,843
Total Section 3 Worker Hours	2,745	28,918	0	0	69,061
Total Targeted Section 3 Worker Hours	0	17,066	0	0	57,031

Table 14 – Total Labor Hours

Qualitative Efforts – Number of Activities	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are public housing targeted workers	0	0	0	0	1
Outreach efforts to generate job applicants who are other funding targeted workers	1	0	0	0	1
Outreach efforts to identify and secure bids from Section 3 business concerns	1	0	0	0	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns	1	0	0	0	0
Held one or more job fairs	0	0	0	0	1
Outreach, engagement, or referrals with the state on-stop system, as designated in Section 121(e)(2) of the Workforce Innovation and Opportunity Act	1	0	0	0	1
Other	1	0	0	0	0

Table 15 – Qualitative Efforts – Number of Activities by Program

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