

PHED COMMITTEE #1
April 23, 2010

WORKSESSION

MEMORANDUM

April 21, 2010

TO: Planning, Housing, and Economic Development Committee

FROM: Linda McMillan, Senior Legislative Analyst *LMM*

SUBJECT: **Worksession: FY11 Operating Budget: Housing Opportunities Commission**
(Note: HOC's Rent Supplement Program will be discussed at the joint PHED/HHS session on Housing First)

Those expected to attend this worksession
Annie Alston, Executive Director, Housing Opportunities Commission (HOC)
Gail Willison, Chief Financial Officer, HOC
Terri Fowler, Budget Officer, HOC
Angela Dizelos, Office of Management and Budget
Jennifer Bryant, Office of Management and Budget

**Narrative from the FY10 Recommended Operating Budget is attached at ©1.
As background, the budget message and budget highlights from HOC's FY2010 budget are attached at © 2-7**

Summary of Council Staff Recommendations

Approve appropriation \$5,804,040 to the Housing Opportunities Commission NDA (county main grant) as recommended by the Executive.

Do not give specific disapproval or approval of any of the specific items listed, acknowledge that the full Housing Opportunities Commission must complete its budget worksessions.

Request OMB and HOC review before the Council begins its worksessions, whether the full expected payment for retiree health insurance pre-funding from HOC can be reduced so that there can be less of an impact on direct services.

Overview

For FY11, the County Executive recommends that \$5,804,040 in county tax-supported funding be provided to the Housing Opportunities Commission in support of HOC activities. This is a decrease of \$332,300 from the FY10 Approved. These funds are appropriated to the HOC Non-Departmental Account (NDA) and then transferred to HOC by the Director of Finance.

Program Summary	Expenditures
FY11 Recommended	\$5,804,040
FY10 Approved	\$6,136,340
FY09 Approved	\$6,140,640
FY08 Approved	\$5,731,290
FY07 Approved	\$5,486,710
Percentage change FY10-11	(5.4%)

In addition to these funds, HOC also receives county funding through the Capital Improvements Program, the Housing Initiative Fund, the Department of Health and Human Services and an abatement of taxes through the Payment In Lieu of Taxes (PILOT) program.

The following table provides information on the county grant as it is allocated to major programs.

	FY07	FY08	FY09	FY10	FY11
	Approved	Approved	Approved	Approved	CE Rec
Resident Services	3,704,869	3,939,449	4,248,799	4,291,099	4,006,959
Parent Resource Centers	73,160	73,160	73,160	48,160	na
Real Estate Development	179,896	179,896	179,896	179,896	na
Public Relations	257,801	257,801	257,801	245,301	na
Housing Resource Services	243,064	243,064	243,064	233,964	na
Rental License Fees	340,280	340,280	340,280	340,280	340,280
Public/Affordable Housing Electricity	530,000	530,000	530,000	530,000	530,000
Home Ownership Association Fees	157,640	157,640	157,640	157,640	157,640
Holy Cross Center @ Elizabeth House	na	10,000	10,000	10,000	10,000
Customer Service Centers	na	na	100,000	100,000	na
Customer Service Centers - Rent	na	na	na	na	100,000
Customer Service Centers - Services	na	na	na	na	659,161
TOTAL	\$ 5,486,710	\$ 5,731,290	\$ 6,140,640	\$ 6,136,340	\$ 5,804,040

FY10 Budget Actions and Savings Plans

Last spring when the Council considered the Executive's recommendations for the HOC NDA grant, it discussed specific reductions totaling \$173,600 that were needed in order to reach the

Executive's recommended appropriation of \$6,136,340 and offset the \$169,300 increase from the annualization of FY09 personnel costs. In the end, the PHED Committee recommended and the Council approved the Executive's recommended appropriation but also reduced revenues to the county by \$118,425 because there was agreement that HOC should no longer be paying the county rent for the Detrick headquarters building based on the original agreement with the county. This action would decrease expenditures for HOC overall and the Committee stated that they hoped that this would help offset some of the proposed specific reductions. The Committee did not approve or disapprove the specific items, only the total appropriation in the NDA. The following table lists the items that were proposed in FY10.

Changes Included in CE FY10:	
Annualize FY09 Personnel Costs	169,300
Reduce Youth Services	(50,000)
Reduce Resident Counselor Services	(50,000)
Reduce Tenant Services Contracts	(27,000)
Reduce Parent Resource Centers	(25,000)
Eliminate Prof Services - Public Affairs	(12,500)
Reduce Temporary Staff - Housing Resources	(9,100)
Total Reductions	(173,600)
Offset from no rent on Detrick	118,425

If the entire \$118,425 was used to offset these proposed reductions, HOC would still have to have reduced expenditures in the county main grant funded programs by \$55,175.

HOC has been asked to participate in both the Round 1 and Round 2 Savings Plan. Reductions to the county main grant are an additional \$91,740. An additional \$121,000 in current revenue was reduced in the CIP for improvements to public housing units. **The Committee should discuss with HOC what impact the Savings Plan reductions have had on resident services and other items funded through the county main grant.**

FY10 Savings Plan Round 1:	
Salary and Benefit Lapse	(30,680)
FY10 Savings Plan Round 2:	
Reduce Current Rev in CIP	(121,000)
Salary and Benefit Lapse	(61,060)
Total from NDA Op Bd Funding	(91,740)

FY11 Budget Issues

The table on the following page shows the items in the County Executive's budget as the recommended ways for HOC to meet the overall funding of \$5.804 million. As can be seen, total reductions of \$413,410 are needed because there is an addition of \$81,110 from the annualization of FY10 personnel costs.

Changes Included in CE FY11:	
Annualize FY10 Personnel Costs	81,110
Reduce School Supply Drive	(1,100)
Reduce National Night Out	(1,200)
Eliminate Saturday Karate Program	(9,360)
Reduce PAA in Supportive Housing 10hrs/week	(11,000)
Reduce Management Fee to HOC	(15,410)
Reduce Emergency Service Worker 1/2 WY	(26,500)
Eliminate Parent Resource Centers	(48,160)
Decrease Retiree Health Insurance Pre-Funding	(105,440)
Additional Program Reductions	(195,240)
Total Reductions	(413,410)
Net Change	(332,300)

HOC Budget Process

HOC's budget process is inter-twined with the County Council's budget deadlines. While HOC provides the Executive with recommendations on how to reach any MARC he has assigned, it is not until April 1 that the full Commission begins worksessions its overall budget of which the county main grant (NDA appropriation) is a piece. The Commissioners complete a proposed budget by May 1st and approve a final budget by June 3rd. Council staff highlights this because there are two items in the proposed list of reductions, *Decrease Retiree Health Insurance Pre-Funding by \$105,440*, and *Additional Program Reductions of \$195,240* that will not be resolved until the Commission completes its worksession.

Retiree Health Insurance Pre-Funding

Council staff understands that the Executive has determined that, since pre-funding payments are reduced for County Government in FY11, that the county dollars that have previously been assumed to be in the county main grant for the portion of HOC's contribution that is attributable to employees funded through the county grant, will not be provided. This is \$105,440 of an approximately \$1.05 million payment. HOC is still required to make the total payment unless they request a waiver for all or some of the pre-funding from the County. Until the Commission decides whether to request such a waiver and until the county grants it, it is unclear whether this is a savings for FY11.

Programs Funded in FY10 from County Main Grant (NDA Funds)

OLO Report 2010-9, *An Inventory and Assessment of Housing-Related Programs....*, provides information on housing programs in DHCA, DHHS, and HOC and identifies how they are funded in FY10. The report includes the programs listed on the next page as being funded in whole or in part from the county main grant (the NDA appropriation). This is not a listing of all programs funded by the county main grant or a listing of all programs receiving county funding. Descriptions from the OLO report on each program are attached at © 8-21.

Program Name	Total Cost	County Main Grant Funding	© page
Public Housing Program	\$1,989,000	\$678,000	8
Disability Services Counseling Program	\$252,000	\$166,000	9
Emergency Assistance Program	\$308,000	\$201,000	10
Employment Initiative Program	\$241,000	\$122,000	11
Family Resource Center Programs (6)	\$1,045,000	\$952,000	12
Family Self-Sufficiency Program	\$728,000	\$204,000	13
Housing Counseling Program	\$68,000	\$31,000	14
Parent Resource Centers	\$106,000	\$50,000	15
Resident Services Program Administration	\$1,348,000	\$1,348,000	16
Senior Counseling Services Program	\$482,000	\$303,000	17
Service Linked Housing – Tanglewood	\$130,000	\$39,000	18
State Rental Allowance Program	\$281,000	\$61,000	19
Supportive Housing Programs	\$3,564,000	\$62,000	20
Volunteer and Special Events Coordinator	\$97,000	\$97,000	21
Total for Programs listed	\$10,639,000	\$4,314,000	

Specified FY11 Reductions

Reduce Emergency Worker ½ Workyear (\$26,500) – HOC receives funding from a State grant via the Department of Health and Human Services for emergency financial assistance for HOC residents who are delinquent with their rent, utility bills, or in jeopardy of eviction for financial reasons. Because State funds do not cover the entire cost of this program, funds from the county main grant are used. This proposed reduction would eliminate one 20 hours per week Emergency Service Worker position. This position would be expected to assist 250 HOC residents per year. Each HOC Customer Service Center currently turns away 15 to 20 clients weekly because of staff limitations. This would likely increase to 20 to 25 clients per Center per week.

Reduce Principal Administration Aide in Supportive Housing (\$11,000) – County main grant funds have been used to fund a PAA in this program which is otherwise funded through Federal dollars, tenant rents, and a county match. The position would be reduced from 40 hours per week to 30 hours per week. HOC believes the work can be handled with this reduced staffing.

Reduce Management Fee from County (\$15,410) – HOC has been allowed to charge the county a management/indirect cost fee associated with the salary costs included in the county main grant. The proposed reduction is about a 4% reduction in the funds that would be used to cover indirect costs throughout the department.

Reduce National Night Out (\$1,200) – HOC has used this amount of funding each year to participate in National Night Out by hosting events at several HOC properties. Not having these funds will make it difficult to provide these anti-drug/anti-violence activities. *While it would be unfortunate to not*

participate in National Night Out, Council staff wonders if it might be possible to have these costs underwritten through private donations.

Reduce/Eliminate School Supply Drive (\$1,100) - Each year HOC undertakes a school supply drive that provides backpacks of supplies to about 1,200 youth living in HOC housing. HOC notes that about \$1,100 is needed to fill the gap between donated goods and the number of youth needing supplies. Information provided by HOC indicates that the loss of this \$1,100 could impact 600 children. *Council staff questions if this is the only place that \$1,100 can be found and why it would impact so many backpacks. If the real problem is a reduction in donated supplies because of a downturn in the economy the perhaps there is another reason to eliminate this effort or to ask another non-profit that undertakes a similar donation drive to partner with HOC on this effort.*

Eliminate Saturday Karate Program (\$9,360) – This program has been provided on Saturdays for the last 15 years in the Washington Square and Emory Grove communities. HOC has used this funding to pay a stipend to the instructor and to assist youth with the purchase of uniforms. The program serves 15 youth at a time.

Eliminate Parent Resource Centers (\$48,160) – HOC notes that the Parent Resource Centers have been in operation for 25 years. They were originally a program of the Montgomery County Public Schools. The program is open to all families but also receives referrals from the Infants and Toddlers Program. The Centers are drop-in centers that provide an opportunity for parents and children (birth to age 5) to learn together through supported playtime. Parents are assisted with problem solving and learn about child development and ways to enhance their parenting skills. There are currently four sites that expect to serve over 400 children. Data provided in testimony received by the Council © 22-23 states that 72% of the participants have incomes of \$90,000 or less and that 9% report having family incomes below \$40,000. There are fees charged on a sliding scale. About ½ the program is funded through fees and ½ through the county main grant. Information from the HOC Website is attached at © 24-25, however the hours of operation have not been updated since the Savings Plans have been put into effect.

There is no other county-funded program that offers this particular model for parents and very young children to learn skills together in a drop-in setting. Those who use the program are very satisfied with the program and the Council has received correspondence and petitions in support of continuing funding. That said; there are reductions and eliminations throughout the County Executive's budget of programs that serve targeted and vulnerable populations with good outcomes, thus Council staff is not recommending restoration of funds because of the overall budget shortfall. **If the Committee believes that some level of county funding should be restored for this program, Council staff also suggests that since this program does not just serve HOC residents, that the program might be better housed in another department/agency such as DHHS or the Collaboration Council.** While HOC took on this program several years ago at the request of the Council and has provided a quality program, it is not aligned with their mission of HOC resident services.

Unidentified Reductions

Almost ½ of the total reduction needed are still unidentified (\$195,240). It will be hard for the Committee to make a judgment about the priority of the specific items listed in the previous section until there is a sense of where the other reductions will come from. However, the Commission will need to finish its work before all the reductions are identified. The Committee may want to discuss with HOC representatives whether there is the ability to take small reductions (perhaps 5%) in programs such as Public and Legislative Affairs, Family Resource Centers, Resident Services program Administration, or to reduce further the amount of the county grant that goes to the management fee/indirect cost. As the Committee is aware, in Health and Human Services and some other departments, contracts for services have generally been reduced by 7%.

Council Staff Comment/Recommendation

While Council staff is concerned that the Committee really does not have a way to understand the full impact of the Executive's recommended funding level, Council staff does not expect that funds will be available to add back to the NDA appropriation and so recommends approval of the overall allocation recommended by the County Executive. Council staff recommends that the Committee approve the funding at this macro level, without making specific up or down recommendations on the items recommended by the Executive. Council staff suggests the Committee ask HOC to provide a written update to the Committee after the full Commission concludes its budget work on how the county main grant funds are finally allocated. Council staff also suggests that the Committee ask HOC and OMB to review the situation with retiree pre-funding to determine whether HOC could defer a larger part of its required payment in order to reduce the impact on direct services to HOC clients.

Background – Establishment and Purpose of HOC

HOC builds, finances, owns, and manages properties that provide affordable housing for individuals with limited incomes in the County. HOC also finances, builds, and manages income-integrated properties. The County provides funding for HOC to acquire Moderately Priced Dwelling Units (MPDUs) for rental to lower-income families; maintain community standards and relationships between homeowners' associations and public housing residents; provide counseling and support services to low-income individuals and families in assisted housing; and provide information on available housing programs.

In 1966, the Council established the Housing Authority of Montgomery County (HAMC), which was funded as a bureau of the County's Department of Economic and Community Development. As interest grew in expanding the public sector's ability to provide housing services to a wide range of income groups, the County began to explore innovative approaches to provide capital for development. To accomplish this goal, the County worked to create a new housing entity that could provide increased flexibility. In 1974, parallel state and County legislation was enacted to establish HOC.

HOC has received an annual grant from the County for more than 30 years. Originally, the grant provided tenant services for residents in HAMC's public housing programs. The tenant services were designed to assist residents in achieving self-sufficiency; help integrate assisted housing residents in the broader community; and protect the County's investment in affordable housing. Over time, the use of this grant has expanded to include funding for the Housing Information Center, the Scattered-Site Public Housing Program, and the development of affordable housing.

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Housing Opportunities Commission

The Housing Opportunities Commission (HOC) is a public corporation established by Maryland law to act as a builder, developer, financier, owner, and manager of housing for people of low- and moderate- (eligible) income. The Commission also provides eligible families and individuals with affordable housing and supportive services.

FY11 Recommended Changes	Expenditures	WYs
FY10 Approved	6,136,340	0.0
Increase Cost: Annualization of FY10 Personnel Costs	81,110	0.0
Reduce: School Supply Drive	-1,100	0.0
Reduce: National Night Out	-1,200	0.0
Eliminate: Saturday Karate Program	-9,360	0.0
Reduce: Supportive Housing Program Administrative Aide position to 30 hours per week	-11,000	0.0
Decrease Cost: Reduce Management Fee to HOC	-15,410	0.0

	Expenditures	WYs
Eliminate: Parent Resource Center (PRC) Program	-48,160	0.0
Decrease Cost: Retiree Health Insurance Pre-funding	-105,440	0.0
Reduce: Additional Program Reductions	-195,240	0.0
FY11 CE Recommended	5,804,040	0.0

Budget Message

Adopted Budget
June 3, 2009

From Annie B. Alston, Executive Director

Overview

The FY 2010 Budget was developed in the midst of an economic crisis that has gripped both national and global economies. Other changes contribute to the framework for this budget. At the national level, the Country elected a new President with a significantly different perspective from the outgoing administration. While local and state government elections are two years away, at HOC the retirement of D. Scott Minton in July created the opportunity for new leadership. As of January 1, the Commission appointed me as the new Executive Director.

Budgets reflect priorities. It is imperative that a budget be fiscally prudent, sustainable and balanced. The FY 2010 Adopted Budget achieves that standard and reflects difficult choices among worthy and competing demands. The Adopted Budget includes \$206 million for operations and \$69 million for capital improvements. Given the historic economic distress facing the country at all levels, the primary task of the FY 2010 budget has been to ensure HOC's survival. Nonetheless, the Adopted Budget aspires to do more. It sets HOC on a course of continued success, despite the turbulence of the times.

The economic storm has generated pressure on the FY 2009 Budget with declines in income from investment, bond issuance and development activity. Significant decreases in Montgomery County and State of Maryland revenues

resulted in reductions in both budgets and limited resources to HOC from those sources. HOC has implemented measures to reduce FY 2009 expenditures to match income.

The FY 2010 Budget assumes continuing economic distress and constricted revenues from investment, bond and development activity as well as from our local and state public sector partners. The bright light on the horizon is the possibility for increased aid from the federal government. On the expenditure side, HOC must meet increases in health insurance and retirement benefits. The Adopted Budget eliminates no jobs as a reflection of HOC's commitment to its employees. However, some program cuts may be necessary as HOC continues to find ways to do more with less.

Looking Back

Notwithstanding the challenges of FY 2009, HOC saw successes which speak to the resilience of the Agency, the continued support of our partners, and the commitment and dedication of our staff.

In FY 2009, HOC opened two Customer Service Centers – one in Gaithersburg and one in Silver Spring. The opening of these centers has enabled HOC to realize a major thrust of its Strategic Plan: improving our residents' access to the services we provide. Situated along main transportation corridors, the new offices are more easily accessible by transit. Also, with



Special points of interest:

"Despite stormy seas, HOC will navigate a course to fulfill its mission—providing affordable homes and supportive services."

one located in the up-county area and one in southern Montgomery County, the centers are closer to where most of our residents and clients live. These centers provide full service in convenient locations.

FY 2009 also saw the implementation of another Strategic Plan objective: the creation of a consulting business whose purpose is to generate revenue to help HOC fund its public purpose activities. Two years ago, Housing Opportunities and Concepts (HO&C) began operations. As of July 1, 2009, ahead of schedule, HO&C will separate into an independent not-for-profit organization. Its goal remains to provide a revenue stream to support HOC's mission.

HOC also achieved a major success with the opening of MetroPointe Apartments in Wheaton. Built atop the Wheaton Metro station, MetroPointe is an example of smart growth at its best and represents one of the most complex developments in HOC's history. This mixed-income property offers 53 affordable housing units steps from subway access. Eighteen of the affordable units serve the very poor and six of them serve clients with severe physical disabilities. The convenience of access to the subway system is a tremendous benefit to all who choose to call MetroPointe home. As an example of private-public partnership, MetroPointe paves the way for future collaborations that will enable HOC and the County to meet their affordable housing goals.

In another FY 2009 success, HOC assisted the County Executive to fulfill his promise to develop workforce housing for the citizens of Montgomery County. HOC partnered with Montgomery County and the City of Rockville to convert 49 rental apartments to condominiums at King Farm. The plan anticipates offering the homes on a preferential basis to local government employees. Located near public transportation, shopping and employment, HOC's King Farm development is the first workforce housing project in the County's history.

HOC also celebrated the completion of the comprehensive rehabilitation of Seneca Ridge, a public housing property that has needed renovation for many years. The support of the Montgomery County Department of

Housing and Community Affairs was instrumental in the completion of this much needed project.

In December 2008, HOC opened the waiting lists for the Housing Choice Voucher (HCV) and Public Housing programs. Between the two lists, HOC received more than 33,000 new applications. This figure is significantly higher than the number received two years ago and underscores the challenge HOC faces in meeting the increasing needs of our low and moderate-income residents.

Looking ahead

FY 2010 will certainly challenge HOC. Economic forecasters seem to agree that it is unclear when the national and global economies will begin to recover. In typical HOC fashion, however, HOC also foresees opportunities in FY 2010.

Congress passed HR 3221, the Housing and Economic Recovery Act (HERA), in July 2008. HERA created the Neighborhood Stabilization Program (NSP), which is an attempt to restore neighborhoods threatened with blight from foreclosed homes. The NSP provides funding for local governments to purchase vacant homes, renovate them, and either sell or rent them to low and moderate income families. In FY 2010, HOC will implement Montgomery County's NSP program in a partnership with the Department of Housing and Community Affairs. HOC will purchase approximately 10 homes, renovate and manage them, and make the homes available for rent to qualifying families.

FY 2010 will also find HOC busy with the rehabilitation of Public Housing units, using \$3.1 million from the American Recovery and Reinvestment Act (ARRA), which Congress passed in February 2009. HOC's five-year capital assessment of its Public Housing identified \$50 million of needed work. ARRA funding, in combination with Montgomery County's annual capital grant and the FY 2010 federal appropriation for Public Housing Capital Fund will enable HOC to make inroads into this backlog of deferred needs while also contributing to the local economy.

HOC is also hopeful that the municipal bond market, which has been paralyzed since early in FY 2009, will revive sufficiently for a renewal of HOC's mortgage finance business. The staff

of the Commission has been engaged in activities in the bond market with the singular goal of protecting the assets of the Agency and was successful in limiting the financial exposure to the Agency. For FY 2010, as soon as the market presents a viable opportunity, HOC plans to resume the processing of multi-family and single family mortgage bond issues that will provide funding for rental and homeownership programs.

We are all aware that HOC's mission only becomes more difficult in a distressed economy. County residents are losing jobs and losing homes. Rental housing demands escalate. Despite stormy seas, HOC will navigate a course to fulfill its mission—providing affordable homes and supportive services.

A handwritten signature in black ink, appearing to be "Andrew..." with a stylized flourish at the end.

Budget Highlights

FY 2010 Budget Highlights

Housing Resources

HOC's 2007 Strategic Plan proposed the development of two Customer Service Centers (CSCs) to provide easier access, greater efficiency, and better customer service to our clients and community. The Centers, one in Gaithersburg and the other in Silver Spring, opened in FY 2009 and enabled HOC to realize a major thrust of its Strategic Plan: improving our residents' access to the services we provide. The Centers offer "one stop" services to clients, landlords and the community. The Centers certify, recertify, collect rent, and counsel individuals in all HOC programs including Housing Choice Voucher, Public Housing and Opportunity Housing. Each CSC provides improved efficiency and better customer service through advanced technology, ongoing employee training, and greater access for clients in two decentralized, easy to reach parts of Montgomery County.

The CSCs are a significant organizational outreach effort to clients who require direct assistance in obtaining and remaining in subsidized and affordable housing. Approximately 10,000 Montgomery County Residents are served by the CSCs.

Rent Supplement

In its FY 2009 budget, the Montgomery County Council appropriated a portion of the proceeds from the Recordation Tax for the Housing Opportunities Commission (HOC) to operate a local rental assistance program. This program is available to households residing in multi-family units. The goal of the Rent Supplement Program is to:

- prevent homelessness of very economically vulnerable individuals and families;
- stabilize families in affordable housing;
- increase the number of affordable

housing units in the County; and

- reduce the level of County resources allocated for services to the homeless.

HOC anticipates enrolling 350 participants by the end of FY2009. Thus far, HOC is working in concert with 19 landlords who have identified at-risk households. HOC provides the subsidy on a sliding scale, with the maximum subsidy amount being \$600 per month. HOC expects to continue the program in FY 2010.

National Stabilization Program

Congress passed HR 3221, the Housing and Economic Recovery Act (HERA), in July 2008. HERA created the Neighborhood Stabilization Program (NSP), which is an attempt to restore neighborhoods threatened with blight from foreclosed homes. The NSP provides funding for local governments to purchase vacant homes, renovate them, and either sell or rent them to low and moderate income families. In FY 2010, HOC will implement Montgomery County's NSP program in a partnership with the Department of Housing and Community Affairs. HOC will purchase approximately 10 homes, renovate and manage them, and make the homes available for rent to qualifying families.

American Recovery and Reinvestment Act

Through the American Recovery and Reinvestment Act (ARRA), HOC received \$3.1 million for the rehabilitation of Public Housing units. HOC's five-year capital assessment of its Public Housing units identified \$50 million of needed work. ARRA funding, in combination with Montgomery County's annual capital grant and the FY 2010 federal appropriation for Public Housing Capital Fund, will enable HOC to make inroads into this backlog of deferred needs while also contributing to the local economy.

Housing Choice Voucher Program

As Montgomery County's Public Housing Authority, HOC administers the Housing Choice Voucher Program (HCV). Currently, HOC is authorized to provide 5,688 vouchers. At this time, HUD has not yet announced the funding levels for CY 2009. The FY 2010 Adopted Budget was developed based on maintaining the same funding level of \$63.2 million used for the current fiscal year. Staff will update the projections once the CY 2009 funding levels are released. HOC will be applying for Family Unification Vouchers and will monitor developments that may present opportunities for further expansions of the HCV program.

Public Housing

In its role as Montgomery County's Public Housing Authority, HOC owns and manages 1,554 units of Public Housing. Some of the units are in clustered family communities, some are in mid- and high-rise buildings which house seniors, and some apartments, townhouses and single family homes are scattered throughout the County.

Each year HUD provides an operating subsidy to bridge the gap between what residents pay in rent, which equals 30% of their gross income, and the cost of operating the units. The amount of HUD funding falls short of what is required. The FY 2010 Budget anticipates HOC will receive approximately \$6.1 million in operating subsidy or 88% of the funding required to operate the program.

HUD also provides funding for capital improvements of the units. As noted above, HOC's five-year capital assessment of its Public Housing units identified \$50 million of needed work. The FY 2010 budget anticipates HOC will receive an award of approximately \$2.4 million from the Capital Fund Program to address these needs.

In addition, Montgomery County has provided funding for capital improvements for the past several years. In addition to \$1,125,000 for general rehabilitation work, the County Executive's Proposed Capital Improvement Program this year also includes funding for HOC to install sprinkler systems in four buildings that house seniors. The County Council has given preliminary approval to both projects and will make a final decision in May.

County Budget

Montgomery County remains an important partner in the work of the Commission. The County provides both ongoing operating and capital support to the Commission. Most of the County's operating funds support social services and programs to clients and residents. Not only does the funding create the fundamental infrastructure of that work, it is also the foundation for HOC to apply for grants to expand the reach of its supportive services. HOC's Resident Services Division leverages the County's operating support at a 3:1 ratio. The County's appropriation also supports HOC's properties, public information and development efforts.

As described above in the Public Housing section, the County has been generous in providing capital support to HOC. This year, the County Executive's Capital Improvement Program includes \$1,125,000 for capital maintenance in HOC's public housing units as well as funding for retrofitting four buildings that house seniors with sprinkler systems to enhance the safety of the residents. The County Council has given preliminary approval to the request and will make its final decision in May.

Rental Market Activity

The national and regional economies continue to be weakened by a number of market forces that have affected the overall rental apartment market. However, the Metropolitan Washington, DC area continues to report modest job growth, an essential ingredient for apartment demand. Given this, the constriction of new supply, the credit crunch, and the passing of the shadow market effect, vacancy rates in the region are not expected to increase significantly. The FY 2010 property budgets have been developed in conjunction with the County Executive's Rental Guideline of 4.4%.

In addition to its 1,554 Public Housing units, HOC oversees a portfolio of 5,255 rental units for families and individuals. Rental income from our properties is a primary source of funding for HOC's operations. We look to the properties to generate sufficient revenue to be self-supporting. At the same time, HOC's market rate units also contribute to the support of the units which are affordable to lower income households. For FY 2010, HOC is

projecting a slight increase over FY 2009.

Real Estate Development

Despite the current economic climate, the Real Estate Development Division has several projects in the pipeline.

Real Estate intends to revitalize two apartment buildings totaling 28 units on Aspen Court, a cul de sac in Takoma Park. The buildings are in deteriorated condition in an otherwise stable neighborhood of single family homes. With funding from the Montgomery County Department of Housing and Community Affairs, HOC will rehabilitate the buildings in FY 2010.

As a pilot project under Montgomery County's Workforce Housing program, HOC has converted 49 apartments into condominiums at The Village at King Farm and has begun marketing the condominiums with a priority to purchase being given to public employees. Interest in the program has been very strong, and HOC expects all sales to be completed during FY 2010.

Design development is nearly complete for the 12-unit Hampden Lane Apartments which will serve formerly homeless persons in downtown Bethesda. Additionally, Real Estate is finalizing design development for a single family home to house developmentally disabled adults in partnership with Jubilee Association of Maryland, with construction expected to start in late FY 2009.

Staff will continue to seek new development opportunities to increase the number of affordable apartments in Montgomery County.

Mortgage Finance

The Mortgage Finance Division continues to operate in an environment that has experienced much turbulence in recent years. The national and global financial markets have been severely disrupted, due largely to failures in the housing market stemming initially from subprime lending. The turbulence escalated into a crisis in early September, the global financial system is still severely unsettled and the investment banking landscape is forever changed. It is in this environment that the Commission's bond programs operate and the failures in the system have caused the staff to take actions to limit potential exposure to the Agency. The disruption has resulted in higher interest costs

to the Agency on certain of its floating rate debt and the Agency has experienced unusual transaction costs associated with the replacement of financial market support of some of its bonds. Though financial market challenges continue, the bond programs remain stable.

In FY 2010, Mortgage Finance will continue to contribute Commitment Fees and Loan Management Fees to the Agency's Operating Budget. The next fiscal year will present challenges as we navigate the difficult financial landscape. However, we are projected to complete at least two bond issuances that will yield approximately \$25 million and will be used to rehabilitate and preserve affordable housing in Montgomery County.

Public Housing Program

Purpose HOC's Public Housing Program administers 1,554 rental and homeownership housing units. The goal of the program is to provide affordable housing for low and extremely low income households.⁵ HOC's public housing inventory consists of:

- 555 units for elderly and disabled tenants;
- 279 units in five multifamily properties;
- 709 scattered site units; and
- 11 homeownership units.

In order to qualify for Public Housing, households must have income within the income limits developed by the U.S. Department of Housing and Urban Development (HUD) and must pass a criminal background check.

FY10 Personnel Costs and Staffing Approximately \$1.34 million and 18.03 workyears (includes counselors).

FY10 Estimated Expenditures and Funding Sources Estimated at \$2.0 million, including approximately \$649,000 in operating expenses.

Agency	Funding Sources (and use)	\$ (000s)	%
County	Housing Resource Services Allocation from County Main Grant	\$234	12%
	Customer Service Centers Allocation from County Main Grant	\$100	5%
	Resident Services Allocation from County Main Grant	\$678	34%
Federal	Public Housing Properties	\$427	21%
HOC	HOC Revenue from Operations	\$550	28%
Total		\$1,989	100%

FY09 Activities and Usage Housing Resources reports that its primary program activities include:

- Maintaining the waiting list;
- Periodically conducting computer-generated lotteries and determining eligibility; and
- Leasing appropriately sized units to eligible clients.

The current vacancy rate is 1% and program recertifications are completed annually.

Coordination and Overlap The Public Housing Program is unique and administered independently by HOC.

⁵ According to HOC's PHA Plan, as of January 2010, the average annual household income for all of HOC's public housing properties was \$17,842.

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Disability Services Counseling Program

Purpose The Disability Services Counseling program helps HOC’s subsidized housing program participants with disabilities to access services and resources so that they can successfully live independently. HOC estimates that approximately 20% (1,500) of its residents are disabled and many of these have mental illness.

FY10 Personnel Costs and Staffing Approximately \$252,000 and 3 workyears.

FY10 Estimated Expenditures and Funding Sources All expenditures for the program fund personnel to administer the program, with funding from both the County and the Federal Government.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant (2 WYs)	\$166	66%
Federal	HUD Public Housing Subsidy	\$86	34%
Total		\$252	100%

FY09 Activities and Usage HOC staff provides core services such as information and referrals, short term case management (including home visits and needs assessments), eviction prevention, and crisis intervention. The counselors also provide short-term counseling to help residents stay stabilized in housing. These program activities can include assistance with navigating HOC procedures and with reasonable accommodation requests.

Coordination and Overlap HOC reports that DHHS’ Adult Protective Services and Aging and Disabilities Services provide similar resources, and that DHHS and HOC staff collaborate extensively. HOC serves as front line staff for assessments, investigations, and referrals. HOC reports no service delivery overlap exists since the Disabilities team only assists HOC residents.

Staff also consult with other staff, service providers, and partner agencies to conduct workshops and training on disability and housing issues and resources.

Emergency Assistance Programs

Homelessness Prevention Program (Downcounty and MidCounty) and
Service Linked Program – Emergency Services (UpCounty)

Purpose These two Emergency Services programs determine eligibility for DHHS emergency financial assistance for HOC residents who are at risk of losing their housing. Financial assistance is available for delinquent rent, disconnected utilities, security deposits, moving expenses, and other financial crises.

FY10 Personnel Costs and Staffing Approximately \$308,000 and 4.5 workyears. Personnel include two Emergency Service Workers and one Emergency Intake Worker for the Homelessness Prevention Program and 1.5 workyears for the Service Linked Program.

FY10 Estimated Expenditures and Funding Sources Program expenditures blend DHHS funds for benefit payments and HOC funds for personnel. HOC personnel are funded with County funds and a state grant awarded to DHHS and passed through to HOC. The state funds are designated for Montgomery County and administered by HOC as pass through funding.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$201	65%
	State Grant for Homelessness Prevention Program Grant awarded to DHHS and passed through to HOC.	\$107	35%
Total		\$308	100%

FY09 Activities and Usage HOC estimates that 1,200 families were served, providing \$759,707 (last 12 months ending 12/09) for benefit payments.¹² Program activities include application intake and processing, negotiating payment terms with the utility or landlord, seeking payment authorization from the appropriate DHHS office, finalizing payments, and maintaining the DHHS database.

In FY09, both Emergency Assistance Programs served 1,266 clients and allocated \$759,707 in emergency service funds. A total of 1,879 HOC residents were evaluated but not all of them were eligible for funds.

Coordination and Overlap This program is administered by HOC staff and serves only HOC eligible residents; however, its purpose is similar to DHHS' Homelessness Prevention program, which serves all County residents. HOC staff have access to DHHS' database to enter client information and data. This practice prevents duplicated payments.

¹² The source of funds for the benefit payments is DHHS' Emergency Assistance funds. HOC staff fill out an intake form and make a recommendation to DHHS for the funds.

Employment Initiative Program

Purpose The Employment Initiative Program (EIP) provides employment and training services that teach life skills that may lead to employment with livable wages.

FY10 Personnel Costs and Staffing Approximately \$195,000 and 2.5 workyears, including a full time program coordinator, a .5 workyear resident counselor funded with County dollars serving all HOC residents, and a full time resident counselor from Federal funds serving only Public Housing residents.

FY10 Estimated Expenditures and Funding Sources The FY10 approved budget is approximately \$241,000 including \$45,000 in operating costs. An equal amount of funding comes from the County and from a three-year HUD Resident Opportunities Support Services (ROSS) grant. Based on FY09 data, the average program unit cost was \$4,615 per resident placed, with a County contribution of \$2,215.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$122	51%
Federal	Three-year HUD Resident Opportunities and Support Services Grant	\$119	49%
Total		\$241	100%

FY09 Activities and Usage The Program offers weekly support groups, training classes, and workshops to help HOC residents obtain skills and experience that can lead to an upwardly mobile career. The program activities include annual career fairs, interviewing practice, resume preparation, career planning workshops, grammar classes, and skills assessment for vocational and technical training. In FY09, the programs placed 52 residents in jobs and to date in FY10, the EIP and ROSS program for adults combined provided:

- Support group activities for 265 residents;
- Training classes for 93 residents; and
- Job placements for 22 residents.

Coordination and Overlap HOC reports that the One-Stop Program conducted by WorkForce Development offers some similar activities; however, the One-Stop Program activities are only offered during business hours at two locations. In contrast, HOC's EIP activities are offered on-site during evening hours as a convenience to HOC residents and to ensure increased participation.

To coordinate their respective programs, an HOC representative serves on the WorkForce Development governing board. Also, EIP and One-Stop Program staff meet monthly and jointly conduct career fairs.

Family Resource Center Programs

Purpose Family Resource Center programs, located at six of HOC sites, including four Public Housing communities and two HOC owned and managed properties. These programs provide social services, activities, and programming to help residents access essential services. The activities are intended to promote economic self-sufficiency and enhance community life and residents' well-being.

FY10 Personnel Costs and Staffing Approximately \$938,000 for 13.60 workyears. Personnel include four directors, four youth counselors, four community aides and 1.6 workyears for two counselors.

FY10 Estimated Expenditures and Funding Sources Estimated at \$1.0 million including approximately \$107,000 in operating costs that support on-site programs such as after-school tutoring, Girl Scouts, and Karate. The program is funded entirely by the County.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant Allocation for Family Resource Centers	\$371	36%
	County Main Grant for Youth Services	\$381	36%
	County Main Grant for Community Aides (4WYs)	\$200	19%
HOC	Property Income	\$93	9%
Total		\$1,045	100%

FY09 Activities and Usage Staff at each location provide crisis intervention, case management, eviction prevention counseling, computer access, and information and referrals for other available services. In addition, staff facilitate after school programs, academic support, summer youth programs, psycho-educational workshops, health and wellness activities, and recreation and social programming.

In FY09, the six locations served a total of 1,825 participants, including 1,450 youth participants and 375 adult resident participants. The Centers also arranged for 650 family programs.

Coordination and Overlap These are on-site services administered by HOC staff to serve HOC residents. The program purpose is similar to other HOC and DHHS programs that provide services and supports to maintain independent living or encourage self-sufficiency. Funding sources for these supportive services programs vary.

Family Self-Sufficiency Program (FSS)

Purpose This federally mandated program assists families in Public Housing and Housing Choice Voucher programs to achieve self-sufficiency and end dependency on welfare assistance. Clients are enrolled in the program over a five to seven year period.

FY10 Personnel Costs and Staffing Approximately \$653,000 and 8.4 workyears.

FY10 Estimated Expenditures and Funding Sources Estimated at \$728,000 including operating expenses of approximately \$75,000. The operating expenses pay for program supports, such as tuition, books, client travel, and child care that help clients in their quest for self sufficiency.

A combination of federal and county money funds the program. Federal funds are granted on a competitive basis and can only be used for staff costs up to a maximum of \$68,000 per position.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$204	28%
Federal	Public Housing Grant	\$128	18%
	Housing Choice Voucher Funding	\$396	54%

FY09 Activities and Usage The program provides case management services that focus on the career development of the head of the household. HOC case managers interact monthly with participants and work intensively with them to respond to crisis situations and ensure the availability of community resources. Spaces are available to families in Public Housing (75 slots) and HCV clients (366 slots).

In FY09, the program had 400 participants and 40 graduates. Of the program graduates, 85% completed college, GED, or another training program; 100% were employed at graduation; and six graduates purchased homes.

In addition, half of all participants have established escrow savings accounts. These accounts, which are financed through HUD, are designed to allow a participant to save the difference between his/her original rent (at the time of enrollment) and rent increases that occur as a participant's income increases.

Coordination and Overlap Some mutual clients are served by DHHS (those receiving welfare and housing assistance), with DHHS providing case management services to no more than 125 FSS participants. Others are mutually served by Crossways Communities. HOC and Crossways provide case management services. No duplication of services exists; instead, such partnerships help reduce HOC staff caseloads to more manageable levels. The FSS Coordinator oversees case management services provided by HOC staff as well as services provided by other agencies. Case managers are also required to submit semi-annual reports on client progress.

Housing Counseling Program

Purpose	To search and place in housing very hard-to-serve households referred by the County. Households are generally homeless with very low-incomes and have extremely poor rental and credit histories and prior evictions.															
FY10 Personnel Costs and Staffing	Approximately \$68,000 and 1 workyear.															
FY10 Estimated Expenditures and Funding Sources	Estimated at \$68,000, which is entirely used for personnel. Funding is provided through a combination of county and state funds. The state funds are designated for Montgomery County and administered by HOC as pass through funding.															
	<table border="1"> <thead> <tr> <th>Agency</th> <th>Funding Sources (and use)</th> <th>\$ (000s)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td rowspan="2">County</td> <td>County Main Grant</td> <td>\$31</td> <td>46%</td> </tr> <tr> <td>State Grant for Housing Counseling Program Grant awarded to DHHS and passed through to HOC. (See DHHS' Homelessness Prevention and Shelter Services)</td> <td>\$37</td> <td>54%</td> </tr> <tr> <td colspan="2">Total</td> <td>\$68</td> <td>100%</td> </tr> </tbody> </table>	Agency	Funding Sources (and use)	\$ (000s)	%	County	County Main Grant	\$31	46%	State Grant for Housing Counseling Program Grant awarded to DHHS and passed through to HOC. (See DHHS' Homelessness Prevention and Shelter Services)	\$37	54%	Total		\$68	100%
Agency	Funding Sources (and use)	\$ (000s)	%													
County	County Main Grant	\$31	46%													
	State Grant for Housing Counseling Program Grant awarded to DHHS and passed through to HOC. (See DHHS' Homelessness Prevention and Shelter Services)	\$37	54%													
Total		\$68	100%													
FY09 Activities and Usage	Through meetings and phone consultations, the County and HOC share information on clients' progress in the housing search and placement process. In FY09, a total of 63 households were placed in housing.															
Coordination and Overlap	This program is unique. The program serves households known to the County. These, for the most part are non-HOC households. The program works in close coordination with DHHS for referrals.															

Parent Resource Centers

Purpose The Parent Resource Centers (PRCs) provide a place for parents with children ages 0-5 to play with their children and learn parenting skills. The four centers, located throughout the County, are open three days a week for four hours a day.

FY10 Personnel Costs and Staffing The FY10 personnel budget for this program includes approximately \$102,000 for Parent Educators who are temporary HOC or contract staff.

FY10 Estimated Expenditures and Funding Sources Estimated at \$106,000 including approximately \$3,500 for operating costs.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$50	47%
HOC	Parent Resource Center Registration Fees	\$41	39%
	Parent Resource Center Fee Reserves	\$15	14%
Total		\$106	100%

FY09 Activities and Usage In FY09 the PRC served 305 families and 445 children. The Montgomery County Infants and Toddlers Program served as the major referral source with 47 families for the year. The PRC currently operate in four locations throughout the county.

A part of the program's design is to identify special needs of children so that their needs can be addressed prior to entering school.

This 25 year old program is extremely popular and highly successful under the premise that parents serve as the best teachers of their children. As part of the HOC Savings plan for FY09, funding was cut from \$73,000 to \$50,000. To continue the program at the same level, program fees were increased, program hours were reduced, and no cost of living increases were provided.

Coordination and Overlap This program is unique.

Resident Services Program Administration

Purpose Resident Services programs provide and coordinate the delivery of services to more than 5,000 residents with a variety of needs. Resident Services also provides services for homeless individuals and families.

FY10 Personnel Costs and Staffing Approximately \$900,000 and 9 workyears.

FY10 Estimated Expenditures and Funding Sources Estimated expenditures of \$1.3 million, including roughly \$448,000 thousand in operating costs. The program is funded entirely with County funds.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$1,348	100%
Total		\$1,348	100%

FY09 Activities and Usage Resident Services staff are responsible for administering and overseeing federal, state, and county contracts and grants; seeking corporate and philanthropic funding to fill in service gaps; managing constituent groups (such as residents' associations and HOC's subsidiary nonprofit entities); and coordinating/consulting with County boards and commissions on issues of general concern.

Coordination and Overlap This program serves HOC residents. No other County program has the focus or knowledge base of residents' issues. HOC works closely with various DHCA and DHHS programs to coordinate specific program operations.

Senior Counseling Services Program

Purpose The program provides residential counseling services at HOC’s seven senior properties. There is one on-site counselor at each Public Housing site and one counselor that is shared among two 236 properties.

FY10 Personnel Costs and Staffing Approximately \$436,000 and 6.0 workyears plus \$42,000 for temporary Senior Aides. All personnel are counselors.

FY10 Estimated Expenditures and Funding Sources Estimated at \$482,000 including approximately \$4,000 for operating expenses. The program is funded primarily through County funds.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$303	63%
	County Nutrition Program	\$42	9%
Federal	HUD Public Housing Subsidy	\$75	15%
HOC	Property Income – Bauer Park and Town Center Place	\$62	13%
Total		\$482	100%

FY09 Activities and Usage As part of the program, HOC staff complete the following services: information and referral activities, crisis intervention, eviction prevention counseling, and exercise and nutrition programs. In addition, case management services consist of an initial visit at move-in, plus annual home visits and needs assessments.

In FY09, the program provided 1,500 home visits and wellness checks. Based on the FY10 budget, the per unit program cost was \$529.

Coordination and Overlap HOC partners with the DHHS’ Senior Nutrition Program and several area nonprofits to provide services on-site. Some of these nonprofit partners include the Jewish Council on Aging, (JCA), OASIS, Interages, Affiliated Sante, Chinese American Services for Seniors Association (CASSA) and Holy Cross Hospital’s Senior Source. HOC reports no duplication of services exists.

Service Linked Housing – Tanglewood

Purpose This program is funded by the State. It provides referrals and supportive services to 50 families at the Tanglewood and Sligo Hills communities in order to prevent eviction and homelessness. The program serves a housing community that has a history of gang involvement and non-English speaking tenants.

FY10 Personnel Costs and Staffing Approximately \$130,000 and 1.5 workyears for a Resident Counselor and a Community Aide. state funding for this program has remained stagnant since inception.

FY10 Estimated Expenditures and Funding Sources Estimated at \$130,000, which is entirely used for personnel. Funding is provided through a combination of county and state funds. The state funds are designated for Montgomery County and administered by HOC as pass through funding. Using the FY10 budget and FY09 program data, the staffing cost per family averages \$2,602.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant	\$91	70%
	State Grant for Service Linked Housing Grant awarded to DHHS and passed through to HOC.	\$39	30%
Total		\$130	100%

FY09 Activities and Usage The program provides on-site short-term counseling and referral services, as well as on-site youth and family programming. Specific activities include: after school youth services, anti-drug activities, summer camp with heavy emphasis on academic improvement and referrals to support services including MEAP, the County Rental Assistance program, and the HOC Rent Supplement program. In FY09, 49 families were served by the program.

This program also has on-going partnerships with several organizations which provide free or reduced rates for rendered service. These include “Partners in Learning” which provides intensive reading and math assistance by certified teachers during the school year and summer months; Community Food Bank’s “Kids Café” which provides hot, nutritious snacks and meals after school; and Boy Scout and Girl Scout troops.

Coordination and Overlap These services are administered by HOC. The program purpose is similar to other HOC and DHHS programs that provide resident services and supports to maintain independent living or encourage self-sufficiency.

State Rental Allowance Program

Purpose The State Rental Allowance Program (RAP) provides a one-year partial rent subsidy to homeless individuals and families. In 2009, income eligibility limits (determined by the Maryland Department of Housing and Community Development) ranged from \$21,550 for a one-person household to \$40,650 for an 8 person household. Allowable payment amounts range from \$460 to \$600 for 1-2 persons, to \$490 to \$720 for 3-4 persons, and \$730 to \$840 for 5 or more persons depending on income.

In order to participate, residents must have sufficient income to pay the rent balance. The referring agencies provide case management with the anticipation that families will be able to sustain themselves and pay full rent after the subsidies terminate.

FY10 Personnel Costs and Staffing Approximately \$74,000 and 1 workyear.

FY10 Estimated Expenditures and Funding Sources The FY10 approved program budget is approximately \$281,000 including approximately \$203,000 for rent subsidies. Funding for program staff and the subsidies come from a combination of county and state funds.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County Main Grant (Funds .83WY for program administration)	\$61	22%
	DHCA Federal HOME Grant (rental subsidies)	\$112	40%
State	Rental Assistance Program Grant (Includes \$12.6K for .17 WY and \$95.1K for rental subsidy funds)	\$108	38%
Total		\$281	100%

FY09 Activities and Usage The program activities consist of taking referrals to maintain a waiting list and conducting intake for potential participants; conducting assessments and interviews to determine an applicant's eligibility; providing some assistance in locating housing units; inspecting units to HUD standards; processing payments to landlords; and working with clients to terminate subsidy and exit from the program. The program has the capacity to serve 25 households annually.

Coordination and Overlap This program is similar to the Rent Supplement and County Rental Assistance Program in that eligible households receive a subsidy to assist with rent payments. However, the programs are not interchangeable, having different guidelines, differing lengths of stay, and differences in income eligibility. DHHS reports that they refer clients to this program.

Supportive Housing Programs

Purpose The Supportive Housing Program provides subsidized housing, case management, and other services to previously homeless households. The program provides the funds to lease 154 units of permanent housing for households with adults with disabilities, plus funding for other supportive services.

FY10 Personnel Costs and Staffing Approximately \$1.1 million and 15 workyears.

FY10 Estimated Expenditures and Funding Sources Estimated at \$3.6 million and includes almost \$2.5 million in operating expenses for housing costs, contracting out for vocational services, and case management services. The program is funded through federal grants, which require local matching funds.

Agency	Funding Sources (and use)	\$ (000s)	%
County	County assistance to meet required Federal match	\$505	14%
	County Main Grant (staff support costs and other operating items)	\$62	2%
Federal	Federal Homeless Assistance Grant	\$2,526	71%
HOC	Tenant Rents	\$471	13%
Total		\$3,564	100%

FY09 Activities and Usage The program provides permanent housing and an array of supportive services including intensive case management, child care, referrals for therapeutic and clinical mental health services and assistance with crisis situations. HOC has applied and been funded for Homeless Assistance Grants since 1988.

Coordination and Overlap HOC participates in the County's Continuum of Care process, which is a mandated element of the federal funding process, with other organizations that receive federal funds to provide supportive housing programs (such as the Montgomery County Coalition for the Homeless, Interfaith Works, Interfaith Housing, The Dwelling Place, and the National Center for Children and Families).

Referrals to the program come from various community-based single adult and family shelters and from shelters or motels, which are coordinated through DHHS.

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Volunteer and Special Events Coordinator

Purpose	The program seeks to effectively use volunteers to fill staff gaps in service or to provide additional services not available to HOC residents. The program also solicits corporate sponsorships for various activities. The program provides a way to garner external funds, in-kind services, contributions, and donated resources that benefit residents or would otherwise not be available to augment existing programs.												
FY10 Personnel Costs and Staffing	Approximately \$96,000 and 1 workyear.												
FY10 Estimated Expenditures and Funding Sources	Estimated at \$97,000 including approximately \$1,500 for operating costs. Funding for this program comes from the County Main Grant.												
<table border="1"> <thead> <tr> <th data-bbox="488 737 670 793">Agency</th> <th data-bbox="670 737 1138 793">Funding Sources (and use)</th> <th data-bbox="1138 737 1281 793">\$ (000s)</th> <th data-bbox="1281 737 1406 793">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="488 793 670 842">County</td> <td data-bbox="670 793 1138 842">County Main Grant</td> <td data-bbox="1138 793 1281 842">\$97</td> <td data-bbox="1281 793 1406 842">100%</td> </tr> <tr> <td colspan="2" data-bbox="488 842 1138 888">Total</td> <td data-bbox="1138 842 1281 888">\$97</td> <td data-bbox="1281 842 1406 888">100%</td> </tr> </tbody> </table>		Agency	Funding Sources (and use)	\$ (000s)	%	County	County Main Grant	\$97	100%	Total		\$97	100%
Agency	Funding Sources (and use)	\$ (000s)	%										
County	County Main Grant	\$97	100%										
Total		\$97	100%										
FY09 Activities and Usage	<p>The major program activities include recruiting and screening eligible volunteers; matching volunteers with stated service requests; organizing and coordinating special events to enhance existing services, and developing and sustaining corporate relationships to further promote HOC activities.</p> <p>The program uses more than 400 volunteers in several settings, including tutors, administrative aides to assist property managers, instructors for special workshops, and volunteers for holiday distributions to needy families.</p>												
Coordination and Overlap	HOC reports it works in close coordination with the County Government's volunteer office. Specifically, through meetings and phone consultations, the County and HOC share information on volunteers and specialized activities.												

Testimony of Sylvia Lake
Parent, Emory Grove Parent Resource Center

April 07, 2010

Good Evening Council Members:

Tonight I am here on behalf of Montgomery County families and parents with small children who benefit greatly from the Parent Resource Center programs. We were hoping to prevent cuts, but have since learned that funding for the ENTIRE program is in jeopardy!

I hope you will reconsider the elimination of Parent Resource Centers. PRCs are the ONLY program of their kind, county or otherwise, available to parents of students age 0-5 and served 443 children this year. 72% of this year's families make \$90,000 or less and 9% report that their child has a disability. Center participants are a racially and ethnically diverse group. Forty percent have family incomes below \$40,000 and cannot afford private preschools. More than 45% indicate that English is a second language, and approximately 64% of families describe themselves as minorities

Before the economic downturn, I might have had the resource to send my daughter to a patchwork of "educational" programs offered by private entities at \$50/day and more, but none would even begin to offer the comprehensive and enriching environment of the Parent Resource Center.

The 5 PRC centers, formerly under MSDE, offer a structured day program for parents of preschool aged children on an income adjusted membership fee. I understand that in the current year operating budget, parents' membership fees provide \$40,000, the County provides \$50,000 and the remaining \$10,000 is excess membership dues carried over from the prior year's budget. PRCs operate much like a preschool, and I know of no other place where my 2 1/2 year old and I can go from 10-2, Tuesday-Thursday and participate in teacher led activities including the following:

- **Circle time with song, physical education and reading, where all group participation is encouraged.**
- **Age appropriate tasks, ranging from creative craft, book, toys, playroom, painting, stacking and all the challenges needed for eye-hand coordination and learning.**
- **Bilingual teachers who assist parents in learning skills and techniques of parenting. Teachers answer any question, offer assistance as they observe children, provide resources for day cares, preschools and summer camps, as well as identify disabilities.**
- **Handicap accessibility.**
- **A Library (bilingual) of resources on affective parenting and health.**
- **Open "admissions" and enrollment and no waiting lists. All children are welcome year round, regardless of income.**
- **Group socialization, participatory exercises and discipline techniques in a multicultural, multilingual and racially diverse environment.**

THIS IS THE ONLY AFFORDABLE EDUCATIONAL OPTION FOR WORKING CLASS PARENTS OF PRESCHOOL AGE CHILDREN OFFERED THROUGH MONTGOMERY COUNTY. I AM PLEADING WITH YOU NOT TO HARM THIS PROGRAM ANY FURTHER.

My 2 ½ year old daughter, Eva has learned **her alphabet, numbers, shapes and colors** via my home teaching and the PRC. Without it, I don't think I could have handled the full responsibility of educating her. Parents need structure and a **supportive environment for imparting school readiness**. I would venture to say that Eva is **ready for preschool now, due in part to the enriching environment offered at Parent Resource Center.**

I realize how dear resources are right now, **and know too well that asks for resources must be accompanied by suggestions for revenue sources. I can tell you that PRCs operate on a lean and mean budget, absent of fat. The four centers employ 5 staff, and have been decimated by cuts of 30% in the two years we have been members. Over the 30 years they've in operation, PRCs have helped thousands of children to thrive and begin school ready to learn. Last year they served 304 families (443 children) with a budget of approximately \$105,000, \$37, 294 of it comprised of user fees. What a bargain! Still, last year county support was cut 30%, forcing a reduction in services during the current year. Cuts have meant 4 fewer weeks of service due to closure, staff/ teachers have reduced coverage and hours and yet, the program continues to impart learning and school preparedness.**

Emory Grove runs out of the basement of an HOC property and I believe there are two centers that do not pay rent. Running presently on a **budget where nearly 50% provided through voluntary parent contributions. I can suggest that a tweak in the membership fee could be increased to supplement costs, some grant funding could be identified, or centers could be consolidated, but I think IT IS ESSENTIAL TO YOUNG ONES TO HAVE A SCHOOL READINESS OPPORTUNITY LIKE THE PRC!**

I URGE YOU TO VISIT A SITE AND SEE THE PARENT RESOURCE CENTER IN ACTION. Let us know if there is any way I can facilitate your understanding and of this vital county resource.

I truly appreciate your attention to this matter,

Good Evening,

Sylvia Lake
301-503-7954
Slakefpe@aol.com



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Home > Parent Resource Centers

Parent Resource Centers

Parents are their children's first and most important teachers.

Parent Resource Centers support families and enhance the healthy development of children while encouraging parents as the primary teachers of their children.

At the centers, parents and their children, between the ages of 0 and 5 years, come together to play in an early childhood/parenting classroom equipped with preschool toys, books, games, and art activities. As a parenting program, the Parent Resource Centers are different from nursery schools, day care centers, and indoor playgrounds. Parent educators supervise the centers, plan the activities, provide child development information, and offer parenting support. Instead of working directly with the children, they provide the tools for parents to teach their children through play-oriented, educational parent-child activities. Parents and children are welcome to come and play together whenever they wish during the centers' daytime operating hours.

The Centers Provide:

- a place to play and learn with your child
- an opportunity to share ideas about parenting
- help with problem-solving your parenting concerns
- resources that support families
- a happy first school experience where children are valued and respected

We Hope you Will:

- learn about child development
- enhance parenting skills
- welcome and support others
- share your expertise about child development, parenting, and family life
- become involved in the center program
- let us know how we can improve the program and better meet your family's needs
- have fun with your child and enjoy the center!



How to Become a Member

Parent Resource Center Locations/Hours and Openings/Closings



The Parent Resource Centers are a program of the Housing Opportunities Commission of Montgomery County.

Parent Resource Centers "Nurturing Families"

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Parent Resource Centers



Locations and Hours

Opening Day: September 8, 2009

Closing Day: June 11, 2010

Location	Hours
Children's Resource Center, Room D-4 332 West Edmonston Drive Rockville, MD 20850 (301) 279-8497	Tuesdays, Thursdays, and Fridays 10:00 a.m. - 2:00 p.m.
Millian Memorial United Methodist Church 13016 Parkland Drive Rockville, MD 20853 (301) 933-3646	Tuesdays, Wednesdays, and Thursdays 10:00 a.m. - 2:00 p.m.
Emory Grove Family Resource Center 8107 Morningview Drive Gaithersburg, MD 20877 (301) 990-6438	Tuesdays, Wednesdays, and Thursdays 10:00 a.m. - 2:00 p.m.
Gwendolyn R. Coffield Community Center 2450 Lyttonsville Road Silver Spring, MD 20910 (202) 359-9918	Tuesdays, Wednesdays, and Fridays 10:00 a.m. - 2:00 p.m.

Openings & Closings

Center programs will open and close according to posted schedules. The Resource Centers follow the **Montgomery County Public Schools** closings for snow or other inclement weather, including heat. If in doubt, call the center.

In cases of Montgomery County Schools opening late, the Parent Educator will make every effort to arrive at the Center as soon as possible, and as close to the posted opening time as feasible.

In addition, the Parent Resource Centers will be closed the following days:

November 24 - 27	Thanksgiving
December 22 - January 1	Winter Break
March 30 - April 2	Spring Break
June 11	Closing Day

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