

PHED/HHS COMM #2
April 20, 2012

WORKSESSION

MEMORANDUM

April 19, 2012

TO: Planning, Housing, and Economic Development Committee
Health and Human Services Committee

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **FY13 Operating Budget and CIP: Housing First and Housing Initiative Fund**

Expected for this session,

Uma Ahluwalia, Director, Department of Health and Human Services
Richard Nelson, Director, Department of Housing and Community Affairs
Stacy Spann, Executive Director, Housing Opportunities Commission
Beryl Feinberg, Office of Management and Budget
Pofen Salem, Office of Management and Budget
Jennifer Bryant, Office of Management and Budget

At this session, the joint Committee will review those elements of the Department of Health and Human Services' (DHHS) and Department of Housing and Community Affairs' (DHCA) budgets that fund the Housing First initiative. The Housing Opportunities Commission (HOC) also participates in this effort with funding that is made available through the Housing Initiative Fund that is in the DHCA budget.

1. Housing First Update

DHHS Director Ahluwalia has provided an update on the Housing First effort at ©1-12. The update begins with information from the Council of Government's 2012 Point-in-Time

survey which the joint Committee also discussed at the March 22 session on housing for medically vulnerable homeless people. The FY12 Point-in-Time survey show promising results.

- The total number of homeless counted was 981. This was a 13% reduction from the 1,132 counted in 2011.
- The total number individual adults that were homeless was 600, a reduction of almost 21% from the 758 counted in 2011.
- 130 people were unsheltered on the day of the count. This was about 43% fewer than the 226 unsheltered people counted in 2011.
- The number of people in Permanent Supportive Housing on the day of the count was 598, an increase of 18% from the 505 counted in 2011 and a 35% increase from the 442 counted in 2010. People who are in Permanent Supportive Housing are **not** homeless but they are counted in order to assess whether progress is being made in moving people from shelters or unsheltered homelessness to housing.

Director Ahluwalia also highlights eviction prevention efforts, since it is far better to keep people housed than to try to find housing for them once they are homeless. So far in FY12 (July-March), 4,315 eviction prevention/housing stabilization grants have been issued using a combination of \$2,853,276 in county and state funds.

The summary also notes that federal stimulus funding is ending and will impact the program. Since FY10 when the funds became available, 240 households have received financial assistance to prevent homelessness and 80 households have received time-limited rental subsidies. This funding will not be available in FY13.

2. Trends in County-funded Rental Assistance Programs

The table on the following page provides information on the main county-funded rental assistance programs: RAP which provides a subsidy of about \$200 per month; H-RAP which provides a subsidy of about \$150 a month to people with mental illness living in a group home; HIP which is the deep subsidy program for households with incomes below 30% of AMI that has a person with special needs. Households in the HIP program have service coordination as a part of the program. The Partnership for Permanent Housing, which is similar to HIP but administered by the MC Coalition for the Homeless is also county-funded. The HOC Rent Supplement Program provides a shallow to medium subsidy to households that may become homeless because of the high percentage of income paid for rent. The HOC program is funded with proceeds from the County Recordation Tax that are directed for rental assistance.

The table shows that the FY13 budget assumes the same funding for RAP although the program has a wait list of about 960 households. Both the HIP and PPH programs will serve fewer households in FY13. Although funding is not decreased, increases in rents mean that without a funding increase the number of slots must be reduced. The information on ©12

indicates that there are currently only 5 HIP subsidies available, which means that another 8 subsidies will need to become vacant in order to meet the FY13 budget.

	Number of Subsidies – FY11	Number of Subsidies – FY12 Budget	Number of Subsidies – FY13 Budget
Rental Assistance Program (RAP) (shallow subsidy – (\$200/month) income below 50% AMI)	1,425 (Budget) 1,397 (Actual)	1,425	1,425
RAP wait list	Suspended	960	
RAP subsidy funding	\$3,207,597	\$3,340,200	\$3,340,200
Handicapped Rental Assistance Program (based on enrollment by providers – no people on wait list)	203	200	200
H-RAP subsidy funding	\$406,073	\$420,460	\$420,460
Housing Initiative Program (deep subsidy income below 30% AMI)	219	224	211
HIP subsidy funding	\$3,521,029	\$3,582,894	\$3,662,709
HIP Service Coordination	\$645,983	\$676,800	\$633,600
Partnership for Permanent Housing	55	51	51
PPH subsidy funding	\$1,026,627	\$1,043,986	\$1,043,986
HOC Rent Supplement Program	250	250	250
HOC Funding	\$1,000,000	\$1,000,000	\$1,200,000*

*Estimated cost to continue at current level – not a CE Recommendation

3. Housing Initiative Fund – Overview

The table on the following page provides an overview of the Housing Initiative Fund since FY10. The display from the FY13 Recommended Budget is attached at © 13.

- In total, the value of the HIF is about \$29 million less in FY13 than in FY12 (\$61.9 million in FY12 and \$32.7 million in FY13.) While some testimony raised concern over this decline, it is important to note that the reduction is because there is not as much new bond funding proposed on the CIP side of the HIF (Acquisition and Preservation). It was always the intent that there would be about \$100 million added to the HIF from these bond proceeds and so this decline in the total value of the HIF is not unexpected.

	A	B	C	D	E	F
1		FY10	FY11	FY12	FY13	FY12
2	Housing Initiative Fund	Budget	Budget	Estimate	REC	to FY13
3				Mar-12		
4	Resources (non-CIP):					
5	Beginning Balance	1,951,890	196,590	6,965,100	119,410	(6,845,690)
6	Transfer from the General Fund	19,919,268	10,136,300	9,573,290	15,304,210	5,730,920
7	Miscellaneous Revenues	13,316,490	5,917,070	5,646,730	9,810,276	4,163,546
8						-
9	Resources Before Required Transfers	35,187,648	16,249,960	22,185,120	25,233,896	3,048,776
10						-
11	Required Transfers:					-
12	Transfer to Debt Service Fund (debt service on acquisition and preservation bonds)	(2,180,000)	(2,500,000)	(4,090,190)	(5,643,610)	1,553,420
13	To General Fund for Indirect Costs	(177,150)	(181,340)	(190,720)	(186,970)	(3,750)
14	To General Fund for Tech Modernization	(24,770)	(20,160)	(14,340)	(15,590)	1,250
15						-
16	Non-CIP Resources for Programs	32,805,728	13,548,460	17,889,870	19,387,726	1,497,856
17						-
18	Uses:					-
19	Personnel Costs	1,290,230	1,429,730	1,531,112	1,541,377	10,265
20	Housing First	8,900,000	7,250,000	7,172,800	7,252,615	79,815
21	Rental Assistance Programs (previously tied to Recordation Tax)	3,047,000	2,000,000	2,000,000	4,415,500	2,415,500
22	Neighborhoods to Call Home	933,500	377,300	596,340	596,340	-
23	Other Operating	16,894,660	2,667,850	1,613,008	1,631,610	18,602
24	Other Debt Service (Non-tax Funds)	75,300	73,580	71,730	69,770	(1,960)
25	Special Needs and Non-Profit Housing			2,380,510	2,380,510	-
26	Other Claims on Fund Balance			2,404,957		(2,404,957)
27	Senior Housing				1,500,000	1,500,000
28	Uses of Non-CIP HIF	31,140,690	13,798,460	17,770,457	19,387,722	1,617,265
29						-
30	Ending Balance	1,665,038	0	119,413	0	(119,413)
31						-
32	New CIP Funding*	25,000,000	15,000,000	15,000,000	13,350,000	(1,650,000)
33	Other Carry Over CIP (incl repayments)		2,200,000	29,219,000	-	(29,219,000)
34	CE Estimated CIP Funding	25,000,000	17,200,000	44,219,000	13,350,000	(30,869,000)
35						-
36	TOTAL VALUE OF HIF	56,140,690	30,748,460	61,989,457	32,737,726	(29,251,731)

- While the total value of the HIF has declined, the Executive has increased the County current revenue resources for FY13. The transfer of new General Fund dollars is up by \$5.7 million or 59%. The Executive has also once again allocated all the Recordation Tax increment originally intended for rental assistance to the HIF. For the last two years because of the budget shortfall, only \$2 million has been available. For FY13, \$4.415 million has been allocated to the HIF. This is a substantial commitment of new funding for the HIF.

- As projected, the HIF must use about \$1.5 million more for debt service in FY13. This is the debt service on the taxable bonds that fund the CIP project. In FY13, \$5.6 million is needed for this purpose.
- \$1.5 million is allocated in FY13 for the proposed senior housing project that will be next to the new Silver Spring library. This is part of the Executive's Initiative. An additional \$4.5 million is allocated in the project FY14 HIF expenditures for this same project.

4. FY13 Operating Budget Recommendations

a) HIP Funding

While there is need across many of the programs within Housing First (as evidenced by the 960 on the waiting list for RAP), Council staff is concerned about the proposed decrease in HIP subsidies to 211. In FY10, 225 subsidies were provided. While it is an expensive program (\$20,360 is budgeted per slot in FY13 for both the rental subsidy and the case management), it is the level of service that is needed to help the chronically homeless stay in permanent housing. As discussed in March, there is growing evidence that stable housing produces savings in other systems, including emergency rooms and emergency response and the criminal justice system. In the cases where HIP is helping families with children, stability in housing and school is tremendously important for overall health and well being.

Council staff recommends the joint Committee place \$162,880 on the reconciliation list to provide an additional 8 HIP slots which would allow the program to continue at the 219 slots that are currently filled.

If the joint Committee wants to restore the HIP program to 225 total slots, a second increment of \$122,160 would be required.

b) Recordation Tax

As previously noted, for FY13 proceeds from an increment of the Recordation Tax are fully allocated to the HIF. The expected revenue is \$4.15 million. In FY10, the last time these revenues were fully allocated to the HIF for rental assistance, the Council allocated \$1.89 million to HOC for the Rent Supplement Program and \$1.16 million to DHHS for emergency assistance to renters. (Note: this was an allocation; the funds are appropriated to the HIF.) For the last two fiscal years, \$2 million of Recordation Tax proceeds were appropriated to the HIF, with the remainder staying in the General Fund. For these two years (FY11 and FY12), the funds were split 50%/50% between HOC and DHHS.

Council staff recommends that for FY13, the joint Committee recommend that of the \$4.415 million available from the Recordation Tax, \$1.2 million be allocated to HOC to continue the Rent Supplement Program at its current number of slots and that \$1 million

be allocated to DHHS for emergency assistance grant to renters. The remaining \$2.215 million should be unallocated at this time, but the joint Committee should require that DHCA, DHHS, and HOC develop a plan for the use of these funds that would address, to some extent, three existing problems:

- The need to replace some HOME funds that are no longer available for rent subsidies. Without an alternative for the HOME funds, households currently in stable housing are at risk for homelessness. A solution to this issue may not require a full replacement of the FY12 amount of HOME funding which is why Council staff is not recommending a specific amount.
- The need to expand permanent supportive housing for the medically vulnerable homeless as was discussed at the March session. While the specific proposal at the March session was to consider the use of Housing Choice Vouchers, it may be that an alternative source of rent subsidy may be appropriate. Under any scenario, funding will need to be made available to provide case management services. It may be that some Recordation Tax proceeds could be used for rent subsidies currently funded with General Fund dollars so that those dollars could be freed up and used for case management and care coordination. Having these funds as a resource does not mean that other possibilities, such as the use of Housing Choice Vouchers, VASH Vouchers, or seeking funds for a group home setting would not continue to be possibilities.
- The need for additional funding for emergency assistance grants because of the loss of ARRA funding that has been available. Households are limited as to the amount of assistance they can receive in any year but the Department has found that an emergency assistance grant can prevent evictions that can come when unexpected expenses keep a renter from paying rent.

DHCA, DHHS, and HOC should be asked to provide the Council with a written plan for how the funds will be used not later than July 15, 2012. Council staff recommends that this requirement be included in the Budget Resolution.

c) Winter Overflow Shelters \$442,000

Last year, the joint Committee discussed the fact that each year, the Council appropriates funds for emergency shelter services, but, the appropriation has not included funds for the expected cost of the winter overflow shelters. This has meant that each year, DHHS sends an amendment to the non-competitive contract list to increase the funding that can be provided to the non-profits that administer the overflow shelters to increase the amount of money that can be paid for this critical service. For example, for FY11 there was \$68,180 included in the original budget for the Community Vision overflow shelter but the actual cost for overflow shelters was \$200,180 for Community Vision and \$300,850 for Montgomery County Coalition for the Homeless. The joint Committee and Council asked that in FY13 OMB include an expense item for overflow shelters. **For FY13, the Executive is recommending \$422,000 for overflow shelters. Council staff recommends approval.**

d) Funding for Motel Placements - \$157,635

Motel placements are used for the homeless when other alternatives are not available. They are mainly used for families with children as the County has a policy of not letting children go without a place to stay. The amount spent on motel placements was almost cut in ½ from FY09 (\$1,214,157) to FY11 (\$668,435). For FY12, \$687,000 was approved in the DHHS budget. For FY13, the Executive is recommending \$529,365.

Council staff recommends approval of this decrease but also notes that it is important to maintain availability in other programs (such as HIP and RAP) if families are to be moved quickly into permanent housing.

e) SuperNOFA – Interfaith Works \$56,000

Almost every year, the budget shows an item that is a relatively small increment of increased funding for projects that are funded through the “SuperNofa” process. For FY13, the Executive is recommending \$56,000 for Interfaith Housing to provide 14 units of permanent supportive housing for the chronically homeless. These will be people with a disabling condition who have either been homeless for over 12 months or have had 4 episodes of homelessness in 3 years. Interfaith Works will secure one-bedroom or efficiency units for these people. The annual HUD match will be \$279,825. Council staff recommends approval.

Attached at © 14-15 is a listing of the SuperNOFA and Shelter Plus Care housing. For SuperNOFA housing, HUD provides over \$6.7 million and the County provides a match of over \$1.6 million.

5. Senior Housing – Silver Spring Library

The County Executive has included \$1.5 million in the non-CIP portion of the HIF that is specified for the development of a Senior Housing apartment building next to the new Silver Spring Library. A description of the project is attached at © 16. Affordable Housing has been the plan for this site, but the Executive has now determined that it should be an independent living building for seniors aged 62 and older.

Council staff agrees that there is a need for additional senior housing and this would be a good site, particularly because it will be transit accessible and because the library will be an important resource for those living in the building.

In addition to providing the land, the County will contribute \$5 million from the CIP side of the HIF (this has been reserved in the current CIP appropriation), \$1.5 million from the FY13 Recommended appropriation to the non-CIP side of the HIF. The project also assumed that up to

\$4.5 million may be need from the HIF in FY14. The Executives' 6-year projection shows \$4.5 million for this purpose in FY14.

The reason for this substantial up-front investment is to “buy-down” the cost of the building so that no on-going rent subsidies will be required for the 90% of units that will be restricted as to income. Most importantly, it should be noted that 10% of the units will be for those seniors with household incomes of 30% AMI or less and another 20% for households with incomes at or below 50% of AMI. Without this up-front investment, there will be a need to make sure that annual subsidies are available.

While Council staff is concerned about the assumption that an additional \$4.5 million will be available in the non-CIP side of the HIF in FY14 for this purpose, Council staff recommends approval of this project and believes it is a very good example of targeting public dollars to those most in need.

6. FY13 CIP – Affordable Housing Acquisition and Preservation

For FY13-18, the County Executive is recommending \$23.350 million in expenditures for this project, which is a revolving account that must be used for acquisition and/or renovation of properties for the purpose of preserving or increasing the county’s stock of affordable housing. The following two tables show the recommended expenditures and revenues.

Affordable Housing Acquisition and Preservation – EXPENDITURE SCHEDULE

	Total	Thru FY12	6 Years	FY13	FY14	FY15	FY16	FY17	FY18
FY11 Approved	92,500	92,500	0	0	0	0	0	0	0
Recommend	108,320	84,970	23,350	13,350	10,000	0	0	0	0
Difference	15,820	(7,530)	23,350	13,350	10,000	0	0	0	0

Affordable Housing Acquisition and Preservation – FUNDING SOURCES for FY13-18 Recommended

	Total	Thru FY12	6 Years	FY13	FY14	FY15	FY16	FY17	FY18
HIF Revolving Program (Proceeds from Bond)	92,720	80,000	12,720	10,000	2,720	0	0	0	0
Loan Repayments	13,100	2,470	10,630	3,350	7,280	0	0	0	0
HIF – Current Revenue	2,500	2,500	0	0	0	0	0	0	0
TOTAL	108,320	84,970	23,350	13,350	10,000	0	0	0	0

As the joint Committee is aware, this project originated in FY09 when the Council approved the County Executive's recommendation to issue \$25 million in taxable bonds in each of FY09 and FY10 to create a \$50 million revolving acquisition and preservation program within the Housing Initiative Fund. The creation of a short-term (up to 36 months) property acquisition fund and a long-term revolving equity fund were both recommendations included in the Affordable Housing Task Force Report. The debt service for these bonds is backed by the general revenues appropriated to the cash side of the HIF. The Executive proposed issuing an additional \$50 million in taxable bonds to fund expenditures in FY11 and FY12. The Council appropriated \$15 million in each of FY11 and FY12 to create a total fund of \$80 million. The Department of Housing and Community Affairs has expended \$43 million as of the 2nd quarter of FY12 and has committed or is considering projects that would commit an additional \$38.7 million.

For FY13 and FY14, the project shows loan repayments of \$13,100,000 as a source of revenue for the account. The Executive has determined that when loan repayments are made, they should be held and appropriated in the following fiscal year. This is an appropriate way to control the expenditures, but it should be noted that the portion of the repayment that is principal is really revolving the previously approved funding into the account.

The Executive is recommending \$12,720,000 in FY13 and FY14 be funded through taxable bond proceeds. The HIF 6-year projection shows that debt service for the CIP funds will have to increase by \$1,865,710 in FY14 to \$7,509,320 and will settle in FY16 at \$7,512,500 for the long-term pay-off of these bonds.

Council staff recommends approval of the Executive's recommendation for the CIP. Council staff hopes that DHCA will be careful about commitments is makes that would assume the use of FY14 funding until it is clear that the additional \$4.5 million needed in FY14 for the Silver Spring Senior Housing will be available from the non-CIP side of the HIF since the project is eligible to use CIP funding.

7. Payment in Lieu of Taxes

Each year the Council must include a provision in the Operating Budget resolution specifying the monetary cap for non-HOC PILOTs. The Executive recommends the following.

The Director of Finance must maintain a record of all payment-in-lieu-of-taxes (PILOT) agreements currently in effect under the Tax-Property Article of the Maryland Code. The record must estimate (in current year dollars) the amount of property taxes abated for each agreement for each of the next 10 fiscal years. As authorized by the County Code, Section 52-18M, the Director of Finance may sign payment-in-lieu-of-taxes agreements for affordable housing that abate annual property tax revenues up to the following annual limits for all properties not owned or operated by the Housing Opportunities Commission.

FY13	\$10,187,100
FY14	\$10,696,460
FY15	\$11,231,280
FY16	\$11,792,840
FY17	\$12,382,480
FY18	\$13,001,610
FY19	\$13,651,690
FY20	\$14,334,270
FY21	\$15,050,986
FY22	\$15,803,535

The Director of Finance must not sign any payment-in-lieu-of-taxes agreement that would increase the total amount of abated property tax revenues above any of the listed annual limits without prior approval of the County Council by resolution.

The Director of Finance must calculate in the FY 2014 annual operating budget the total amount of property taxes to be abated under all PILOT agreements (including those for properties owned or operated by the Housing Opportunities Commission) that will be in effect during FY 2014.

Council staff recommends approval.



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Isiah Leggett
County Executive

Uma S. Ahluwalia
Director

MEMORANDUM

April 16, 2012

TO: The Honorable George L. Leventhal, Chair
Health and Human Services Committee

FROM: Uma S. Ahluwalia, Director *Uma*

SUBJECT: Housing First Plan Update

The Montgomery County Department of Health and Human Services (DHHS) and our partnering public and private agencies continue to align the County's Homeless Continuum of Care (CoC) to a Housing First approach for which the core mission is to provide a rapid exit from homelessness for families and individuals. Through the implementation of a results-oriented approach, our key performance measures continue to be the reduction in length of stay in homelessness and the achievement of stable housing for those exiting from homeless programs. Using outreach, prevention and rapid rehousing strategies, the CoC continues to focus on both preventing homelessness and reducing the length of stay for households in homelessness.

Montgomery County's homeless point in time survey was conducted on January 25, 2012. A total of 982 homeless persons were counted that day. This is a 13.3 percent decrease over 2011 and continues a downward trend that was interrupted last year when the number of homeless persons increased for the first time since 2009. This decrease can primarily be attributed to an increase in permanent supportive housing that enabled persons to exit homelessness

As part of our Housing First Eviction Prevention program, during the FY12 (July through March) four thousand four hundred (4,315) Eviction Prevention/Housing Stabilization Grants were issued utilizing county general funds, state funds, and recordation tax funds, totaling over \$2,853,276.

The federal Homelessness Prevention and Rapid Re-Housing Program continues to be a vital resource in FY12. Since the program began operations in FY10, 240 households have received financial assistance totaling \$1,032,914 to prevent homelessness. In addition, 80 households have received time-limited rental subsidies totaling \$543,946 that enabled them to rapidly exit homelessness. This program will end in FY12.

As of March 31, 2012, HSS has served 308 households with children which is an increase from the 232 served in during the same time frame in FY11. This increase, in addition to the increase in length of stay (41 days) impacted the motel budget during the winter months. The current estimation is approximately 11%

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Honorable George L. Leventhal, Chair
April 16, 2012
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over budget in motel spending. However, despite the increase, during FY12 (July through March), in our efforts to Rapidly Re-House homeless households, the department has successfully housed 17 new households utilizing the Housing Initiative Funds. Currently, a total of 195 households are being served in the Housing Initiative Program, and 24 households are being served at Cordell PLQ. Since the inception of the Housing Initiative Program the program has served over 248 households, of which 97% remained housed for at least 12 months.

With the effective use of Prevention and Rapid Re-Housing strategies, Service Coordination, Service Integration and continued implementation of new motel placement policies, we have been able to maintain the motel census at 20-25 families per week.

In addition to implementing the original Housing First Plan, the following strategies have been employed to address the current need for services:

- During 2011, Montgomery County held a "Homeless Resource Day" as a way reach out to residents experiencing homelessness and connect them with needed community resources and supports. More than 300 people attended this highly successful event and were able to receive health screenings, registration for mainstream benefits, legal assistance, employment, haircuts and more. The Department of Health and Human Services plans to hold this event annually in the future.
- To better identify and engage homeless veterans, Montgomery County launched a one-stop center in collaboration with the Veterans Administration where veterans can apply for benefits, get linked to housing and receive case management.
- Partnered with the Montgomery County Public Library System to address disruptive behaviors exhibited by various groups including homeless persons occurring at libraries. In response to concerns, HHS is developing a strategy to help MCPLS staff to access assistance from Behavioral Health, Adult Protective Services, Child Welfare Services and Special Needs Housing.
- Continued service integration efforts via regularly scheduled meetings with supervisors of other DHHS service areas to determine the most pressing housing needs and developed strategies for creating affordable housing for all special needs populations such as seniors with mental illness.
- Continued collaboration between the Housing First plan and the Neighborhood Opportunity Network to bring emergency assistance and entitlement programs to neighborhoods most impacted by the recession;
- Continually addressed Housing First policy and ongoing issues with the Continuum of Care Leadership Workgroup consisting of DHHS and Homeless Continuum Partner agencies.

Attached please find the Housing First Implementation Plan Status Report, which outlines our progress to date on the major Housing First components.

USA:tjk

Attachments

**Montgomery County Housing First Plan Implementation
Status Update April 2012**

The key performance measure in Montgomery County’s Housing First plan is to continue to reduce the length of stay in homelessness and provide stable housing for those exiting homelessness. Efforts focus both on assisting households at imminent risk of homelessness to remain housed and assisting homeless households to rapidly exit homelessness to permanent housing. Outlined below are the accomplishments and ongoing activities for the past year.

1. Annual Point-in-Time Count

Montgomery County’s homeless point in time survey was conducted on January 25, 2012. A total of 982 homeless persons were counted that day. This is a 13.3 percent decrease over 2011 and continues a downward trend that was interrupted last year when the number of homeless persons increased for the first time since 2009. This decrease can primarily be attributed to an increase in permanent supportive housing that enabled persons to exit homelessness.

Households without children (formerly referred to as homeless single adults) experienced a 20.8 percent decrease from 758 in 2011 to 600 in 2012. Unsheltered persons decreased by over 42 percent in 2012 due to an increase in the availability of housing as well as increased case management efforts to engage and stabilize persons. It should be noted that the severe weather storm that affected the region during the 2011 enumeration may have contributed to data collection challenges that led to over reporting of homeless persons last year.

Overall, the total number of households with children (formerly homeless families) remained almost unchanged from the 2011 enumeration. However, the number households with children in emergency shelter increased 25.5 percent from 55 in the 2011 enumeration to 69 in 2012. This increase can be attributed to several factors including a lack of housing that is affordable to low-wage working families and the continued economic downturn which has exhausted not only the financial resources but the social networks of homeless households who provide temporary housing.

2. Homelessness Prevention

The Department of Health and Human Services provides an array of strategies including financial assistance, case management and linkages to community resources to resolve housing emergencies and stabilize the living situation of vulnerable households including the following:

- Emergency Assistance Grants to resolve housing emergencies - In FY11 over \$3.8 million was expended for 5,856 crisis intervention grants to stabilize at-risk households. Effective March 2012, the State made significant changes to the Emergency Assistance to Families with Children program narrowing eligibility for the program. It is anticipated that this will place additional pressure on County resources.

Crisis Intervention Emergency Grants Issued in FY11 by Funding Source

GRANT TYPE (Most grants are given to prevent eviction and utility cut-offs.)	# of Grants	Expenditure	Average
STATE Funded	2,166	\$1,195,980	\$552

COUNTY Funded*	2,894	\$1,663,255	\$536
Recordation Tax	796	\$994,313	\$1253
Total	5,856	\$3,853,548	\$658

GRANT EXPENDITURE UPDATE

Emergency Services Grants	# County Funded Grants	Expenditures (County)	# State Grants	Expenditures (State)	# of Recordation Tax Grants	Expenditures Recordation Tax
July-Mar FY12	2,033	1,178,742	1,622	\$894,836	660	\$779,698
July-Mar. FY11	2,132	\$1,125,391	1,559	\$859,714	723	\$913,676

- During FY12 (from July through March) the number of County funded grants issued declined 5% however the funds spent was 5% more as compared to FY11.
 - During FY12 (from July through March) the number of State funded grants issued increased 4% and funds spent increased by 4% as compared to FY11.
 - During FY11 (from July through March) the number of Recordation Tax grants declined by 9% and the funds spent decreased by 15%.
- Homeless Prevention and Rapid Re-housing Program (HPRP) – In FY09 Montgomery County was awarded a three-year grant in the amount of \$2.1 million dollars funded by the federal American Recovery and Reinvestment Act. The prevention component of this grant provides financial assistance and case management services to individuals and families who are currently housed but are at risk of becoming homeless. A total of 240 households have received assistance through HPRP as of March 31, 2012. A total of \$1,032,914 was provided in financial assistance for an average of approximately \$4,300 per household. These funds will be fully expended by the end of FY12.

Homeless Prevention and Rapid Re-Housing Program (HPRP)	# of Single Households	# of Family Households	Total # of Households	Funds Spent
Eviction Prevention Grants From 7/21/2009 Through 3/31/2012	44	196	240	\$1,032,914

- Rental Assistance Program (RAP) - An average of 1,417 households have received County RAP each month in FY12 through March 2012. After closing enrollment to new households in FY11 due to funding restrictions, the RAP program opened for new enrollment for three weeks in February 2011 during which 2,970 applications were received. Households referred by Emergency Services that need County RAP as an ongoing resource to prevent eviction once their immediate crisis is resolved are given priority to help ensure that housing

is maintained. The program plans to reopen for new enrollment for several weeks in early summer 2012.

- Energy Assistance - Applications for the Office of Home Energy Programs (OHEP) remained steady in FY11 at 12,356 applications compared to 12,315 in FY10. Approximately \$9.07 million was issued to help with home heating, electricity costs and past due bills. In FY12, the OHEP program experienced significant cuts at the State level as well as elimination of the locally funded energy tax rebate which resulted in a decrease in both benefit amounts and the availability of funds for arrearages. The number of FY12 applications has decreased 8% over FY11, indicating a leveling off in the growth in applications. As of March 31, 2012, 10,622 applications have been received compared to 11,528 for the same time last year. This is consistent with a State-wide trend of declining applications.
- Prevention Case Management to at-risk households - Provided 90-day eviction prevention case management for families who have had multiple evictions in order to stabilize their housing and prevent homelessness. In FY11, 71 households received prevention case management services and in FY12, 74 have received assistance through March 31, 2012.
- Neighborhood Opportunity Network - Continued to collaborate with the Neighborhood Opportunity Network to bring emergency assistance and entitlement programs to neighborhoods most impacted by the recession. Emergency Services intake staff is deployed to the Gaithersburg and Wheaton one day each week to assess the needs of families applying for emergency assistance to prevent eviction. Since the start of this initiative in March 2009, 255 households received assistance from Emergency Services intake staff including 59 households in FY12 through March 2012.

3. Rapid Exit from Homelessness:

MCDHHS, in collaboration with community partners, provides a range of services to homeless households including temporary shelter, case management and permanent supportive housing designed to limit the time spent in homelessness and improve housing outcomes.

- Outreach – Four providers conduct outreach services in Montgomery County: People Encouraging People via an outreach contract with the County, Community Visions, Bethesda Cares, and City of Gaithersburg. As of March 31, 2012 People Encouraging People has connected with 141 homeless persons on the streets, in emergency shelters, and soup kitchens. Activities include linkages to public benefit programs, referral to health and behavioral health services and access to shelter. Of the 141 served by PEP, 60 have moved into or remain in emergency or transitional shelter
- Family Assessment Shelter – Family shelters continued to focus on reducing length of stay and quickly moving households to permanent housing situations. All shelters have implemented the uniform assessment tool to identify housing barriers; provide case management to help households develop a housing plan; and implemented a Service Integration Team model to staff cases with significant barriers. In FY11, the average length of stay for families discharged from shelters was 77.4 days. As of March 31, 2012 the average length of stay for discharged families has increased to 96.2 days. The increase can

be attributed to a number of factors including the lack of affordable housing, a shortage of permanent supportive housing, and the increase in rental costs during a challenging economic period.

- Motel Overflow Shelter - HHS has continued implementation of policies to decrease the use of motel as overflow emergency shelter for families while continuing to ensure that families remain safe. In FY11, 1,038 adults and children were provided overflow shelter in motel. The average length of stay of those exiting from motel placement was 23.6 days. As of March 31, 2012, 997 adults and children have been provided motel placement and of those exiting the average length of stay was 41 days. This increase in length of stay can be attributed to the same barriers impacting households in the family assessment shelters—shortage of housing options and the challenging economic environment.
- Emergency shelter for single adults - In FY11, a total of 1,329 homeless singles were provided emergency shelter. The average length of stay of those exiting shelter was 60.2 days. As of March 31, 2012, 1,213 homeless adults have been provided emergency shelter and of those exiting shelter, the average length of stay decreased to 50 days. All emergency shelters were encouraged to refer homeless adults to People Encouraging People Homeless Outreach to obtain case management when the overflow shelters closed on April 1, 2012.
- Homeless Prevention and Rapid Re-housing Program (HPRP) - The rapid re-housing component of this federally funded grant provides a time-limited subsidy and case management to individuals and families who are homeless and need assistance in order to obtain and retain stable affordable housing. As of March 31, 2012, a total of 80 households have been served in the Rapid Re-Housing program. Case managers work closely with households to assure that supports are place, such as County RAP, to maintain housing stability once the short-term subsidy ends. It is anticipated that all households will be transitioned out of this program by June, 2012.

Homeless Prevention and Rapid Re-Housing Program (HPRP)	# of Singles Served	# of Families Served	Total # of households	Funds Spent
Rapid Re-Housing Subsidies 7/21/2009 through 3/31/2011	26	54	80	\$543,946

- Housing Locator Services – One Housing Locator provides assistance to homeless households in order to locate housing and sign leases via a Memorandum of Understanding with the Department of Housing and Community Affairs. This has been a valuable resource to help households quickly locate housing and exit homelessness. The housing locator provided assistance to Housing Initiative Program (HIP) participants, HPRP households, as well as households in motel or family shelters with significant housing barriers.
- Housing Initiative Program (HIP) - Provides permanent supportive housing including deep rental subsidies and service coordination services to vulnerable low-income homeless households. A total of 248 households have been placed in permanent housing to date, of which 195 are still housed. Due to funding cuts, 15 unfilled program slots were eliminated in FY11. An additional 5 program slots have remained unfilled in FY12 due to funding limitations caused by increased rent costs. Fifty-three households have been closed to the HIP program and twenty-one households lost housing due to lack of program compliance.

Since the program inception, less than 3% of all households have been closed to the program for compliance reasons before completing 12 months. The attached chart provides additional program detail.

- Cordell Avenue PLQ - Twenty-four rental subsidies from the HIP program are being used to support the Cordell Avenue PLQ, which opened in November, 2010. The program serves 32 formerly homeless single adults and is operated by the Montgomery County Coalition for the Homeless. All subsidies are committed at this time.
- Veterans Housing – In FY11, Montgomery County was awarded 25 Veterans Assistance Supportive Housing (VASH) vouchers to rapidly rehouse chronically homeless veterans. An additional 15 VASH vouchers have been awarded in FY12.

4. Special Projects

- During 2011, Montgomery County held a “Homeless Resource Day” as a way reach out to residents experiencing homelessness and connect them with needed community resources and supports. More than 300 people attended this highly successful event and were able to receive health screenings, registration for mainstream benefits, legal assistance, employment, haircuts and more. The CoC plans to hold this event annually in the future.
- To better identify and engage homeless veterans, Montgomery County launched a one-stop center in collaboration with the Veterans Administration where veterans can apply for benefits, get linked to housing and receive case management.

Housing First Update

HOUSING FIRST COMPONENTS:						
(Does not include ARRA or HOME Funding)	FY09	FY10	FY11	FY12 Approve	FY13 CE Rec	Comments
	Actuals	Actuals	Actuals	Budget	Budget	
RENTAL ASSISTANCE PROGRAM (RAP):						
This program provides a subsidy up to \$200 to households with incomes at 50% of AMI or less.						
Budgeted number of subsidies	1,767	1,678	1,397	1,425	1,425	Average annual RAP subsidy in FY12 is \$2,340
Subsidy Dollars - DHHS Funded	3,632,080	0	600,000	600,000	600,000	3.6 million RAP budget shifted from DHHS budget to DHCA HIF budget for FY10 600K left in DHHS budget for RAP subsidies.
Subsidy Dollars - HIF Funded	600,000	3,899,080	2,607,597	2,740,200	2,740,200	HIF funding cuts and funding resorations in FY11 budget process required various projections for # of budgeted subsidies which depended on final FY11 funding level. Budget and natural attrition expectations determined FY11 budgeted RAP subsidies. FY12 budgeted subsidies will remain consistent with FY11 if funding remains the same for FY12. April 22, 2010 work session estimated budget subsidies 1,110, FY11 budget approved budget book, 1204 subsidies. March 28, 2011 Housing First draft update to Linda updates RAP subsidy for FY11 1,425
Combined RAP subsidies	4,232,080	3,899,080	3,207,597	3,340,200	3,340,200	FY11 HIF funding cut by 1.65 million. HIF funds RAP (859,000) and (\$791,000) HIP slots & related components of HIP. Actual FY11 budgeted in RAP and HIP managed via attrition between programs.
Staff Dollars - DHHS Funded	514,193	462,911	465,898	439,660	433,267	
Average Waiting List	800	*	*	960		*At the end of FY10 RAP changed its application process and no longer accepts applications on a rolling basis. The program opened to new applicants in Feb 2011 during which 2,970 households applied received. As of April 2012, 960 households remain on the waiting list and an additional 2,607 are on the RAP mailing list to be notified when the program reopens
Handicapped Rental Assistance Program (HRAP):						
This program provides an average subsidy of \$150 per month to people residing in licensed group home who have a mental illness						
Budgeted number of subsidies	219	205	203	200	200	Average per month. Based on enrollment by providers
Dollars Budgeted	420,460	393,667	406,073	420,460	420,460	
Average Waiting List	none	none		none	none	
Housing Initiative Program (HIP): This program provides a deep rental subsidy to households that have a person with special needs and an income below 30% AMI. Case management is also provided.						
Budgeted number of subsidies	225	195	219	224	211	*As of 4/10/12, \$16,572 is actual avg. subsidy for rent expenses in FY12. FY13 CE recommended HIF allocation increased by 79,815. This increase is being used to offset inflationary increases to rents in order to maintain maximum amount of housing subsidies. Therefore, in FY13, our current budget of \$3,196,709 will provide approximately 187 HIP subsidies with an estimated annual rent of \$17,069 (FY13 187 general HIP slots + 24 Cordell. FY13 budget HIP subsidies =211)
Subsidy Dollars - DHHS Funded	2,595,820	0	0	0	0	Old SHRAP & PPH2 budget in DHHS used for HIP operating expenses-rent subsidies shifted to HIF
Subsidy Dollars - HIF Funded	0	3,049,323	3,190,160	3,116,894	3,196,709	FY13 Housing First Budget increased by \$79,815. The increase is allocated in FY13 to offset rent increases. It is anticipated that the average subsidy will increase 3% in FY13 to \$17,069. Due to notice of FY11 budget cuts in late FY10, vacant HIP slots were held, in order to remain within anticipated reduced FY11 budget. FY11 budgeted subsidies for HIF RAP and HIP programs managed by natural attrition, without terminating households from these programs which shared a combined budget of 7,250,000 in FY11. (FY10 HIF budget 8,900,000) FY11 1.65 million cut affected RAP, HIP slots and components of HIP program
Cordell Property (24 Slots) DHHS Funded	0	0	330,869	466,000	466,000	Cordell Project (24 slots includes service coordination) (FY11 surplus is due to new contract executed 09/08/10, open for placements 12/14/10) FY11 budget includes SuperNofa match 34,000 DHHS funded

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Housing First Update

HOUSING FIRST COMPONENTS: (Does not include ARRA or HOME Funding)	FY09 Actuals	FY10 Actuals	FY11 Actuals	FY12 Approve Budget	FY13 CE Rec Budget	Comments
Dollars Budgeted - Service Coordination	363,700	644,015	645,983	676,800	633,600	HIF Funded FY13-Assumes 176 HIP household receive service coordination by open solicitation contracts with various contractors 11 cases are estimated to be managed in house for a total of 187 HIP subsidies in FY13
Dollars Budgeted - Service Coordination PPH1 (\$300 p/m for 20 households provided by MCCH)	0	0	72,000	72,000	72,000	DHHS Funded
Average Waiting List						
Partnership for Permanent Housing:						
Serves same clients as HIP but services are provided through the MC Coalition for the Homeless						
Budgeted number of subsidies	55	55	55	51	51	Subsidies provided have been reduced due to inflationary increases.
Dollars Budgeted - DHHS	1,000,722	221,020	207,580	212,065	212,065	7% reduction to administrative portion of contract for FY11
Dollars Budgeted - HIF		831,921	819,047	831,921	831,921	
HOC Rent Stabilization Program:						
Rental assistance to families who are in danger of losing housing because of percent of income they are paying to rent - households earn 20%-40% AMI. Location based subsidy - does not travel with household. (Funded with Recordation Tax)						
Average Subsidy \$325 per Household			HIF Funded - HOC will reduce through attrition as people move or are found not to be income eligible			
Dollars (subsidy and staff at HOC)		1,300,000		1,000,000		
Households Serves		295		250		
DHHS Assessment Shelter Contracts:						
NCCF	644,691	751,175	744,249	760,000	760,000	Grant/ DHHS General Fund (760,000 includes State Grant of 39,617-- Lost of 70K ARRA grant in FY11)
The Dwelling Place	20,397	20,063	20,126	20,379	18,579	General and State ETHS grant funded contract. Notice of ETHS grant cut will carry forward in FY13. Fy13 contract based on estimated ETHS grant cut in FY13 by by 22%
Stepping Stones	138,988	202,147	221,584	225,898	221,343	Grant/DHHS General Funding - Contract renegotiated in FY10
Motel Placements						
Dollars	1,214,157	1,071,296	668,435	687,000	529,365	CE recommended budget proposes to reduces motel service contract (157,635)
Emergency Shelters (DHHS Budget):						
Men's Shelter at Gude Drive	699,655	824,757	773,717	792,948	785,608	Grant/DHHS General Fund (does not include winter overflow) Includes 66,983 HIF case mgmt-\$33,371 is State funding
Women's Shelter at Wilkens Avenue	528,947	585,205	560,060	575,662	565,692	Includes 66,300 HIF case mgmt & \$45,328 State funding
Winter Overflow (new for FY13)	0	0	0	0	442,000	Enhance winter overflow shelters
Emergency/Homeless Prevention Grants - State Funded						
Dollars	1,122,334	1,198,730	1,195,180	1,216,904	1,216,904	Includes HPP, WAGS and EAFC State Grants
Number of Grants	1,903	2,120	2,166	2,205	2,205	For FY12 Number of grants based on \$552 avg grant size
Average Grant	590	565	552	552	552	

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Housing First Update

HOUSING FIRST COMPONENTS: (Does not include ARRA or HOME Funding)		FY09 Actuals	FY10 Actuals	FY11 Actuals	FY12 Approve Budget	FY13 CE Rec Budget	Comments
Emergency/Homeless Prevention Grants - DHHS Budget (Non-Recordation Tax)							
Dollars for Homeless Prevention (includes ES grants and Giant food gift cards)	1,801,748	1,704,292	1,663,255	1,384,570	1,655,570		FY11 actual figures from ERP may vary with JDE due to technical issues in the FAMIS to ERP conversion. JDE data supports actual grants issued for FY11. FY13 CE recommended budget increases Emergency assistance grants by \$271,000
Number of Grants	3,226	3,181	2,894	2,408	2,879		Burial assistance funds eliminated in FY12 Giant gift card purchases not included in avg. grant size
Average Grant	237	526	536	575	575		FY12 number of grants based on est. avg. grant size of 575
Dollars budgeted for Burial Assistance	63,765	58,215	56,432	0	0		Burial Assistance Cut in FY12
Burial Assistance # served	99	89	90	0	0		
DHHS Emergency/Homeless Prevention Grants: (Recordation Tax Funded)							
DHCA Homelessness Prevention Grant Dollars	1,416,786	1,157,000	994,313	1,000,000	1,000,000		Total FY10 actuals 1,204,070
DHHS Funded	0	47,070	0	0	0		moved overexpenditure to DHHS budget for FY10
Number of Grants	1,662	910	796	845	845		Special Needs Housing's FY13 recommended allocation of Rental Assistance Grants budget increased by \$1,207,502 (from \$1,000,000 to \$2,207,502)
Average Grant	852	1,323	1,253	1,184	1,184		FY13 number of grants based on est. avg. grant size of 1,184
For FY13 - Maintain 13 HIP Subsidies & Service Coordination to keep program at current size of 200 HIP slots	0	0	0	0	268,697		Average subsidy and service coordination for FY13 estimated at \$20,669 based on FY12 average data plus 3% rent increase. \$20,669 x 13 = \$268,697
For FY13- Add 25 single HIP subsidies & service coordination	0	0	0	0	333,300		Single subsidy estimated at \$13,065 based on FY12 data plus 3% rent increase. 25 x \$13,065 = \$333,300
For FY13- Add 5 family HIP subsidies & service coordination	0	0	0	0	114,655		Family subsidy and service coordination estimated at \$22,931 based on FY12 data plus 3% rent increase. 5 x \$22,931 = \$114,655
Nurse Case Manager and one Community Service Aide	0	0	0	0	180,000		personnel cost for 2 FTE merit positions
100 Rental Assistance Program Subsidies (County RAP)	0	0	0	0	234,000		Estimate based average annual subsidy of \$2,340 per household
HIP Client Needs	0	0	0	0	77,098		funding for security deposits and move in expenses.
Other HIF Related Items:							
Broker contracts for case management in family shelters, eviction prevention, and administrative support	194,600	316,494	0	278,000	0		DHHS Budget
Service coordination for family self sufficiency cases NCCF ct	0	58,613	66,275	74,689	74,689		DHHS Budget
Shelter Plus Care case management to leverage HOC housing placements. MHA ct	25,000	65,000	60,450	60,450	60,450		DHHS Budget
Housing Locators (By HOC contract)	126,070	143,223	71,392	0	0		FY12 ct cut. DHCA assuming these duties. DHHS Budget - Reduced to 1 Housing Locator for FY11
Outreach Workers for Chronically Homeless (2 by contract)	108,330	111,860	111,860	0	0		Tied to Community Vision/PIT/Homeless Outreach proposal. Budget of 111,860 shifted to shelter service in FY12 and is part of new outreach contract for FY13
Adult Shelter/Emergency Shelter case management (2 by contract) (MCCH MES & Wilkens Ave ct)	108,300	122,601	130,650	133,263	133,263		HIF Case management-(2 by contract) (MCCH MES & Wilkens Ave ct)
Technical Assistance with data management (Bowman contract)	125,000	68,000	73,440	75,216	75,216		DHHS

Housing First Update

HOUSING FIRST COMPONENTS: (Does not include ARRA or HOME Funding)	FY09 Actuals	FY10 Actuals	FY11 Actuals	FY12 Approve Budget	FY13 CE Rec Budget	Comments
Other Items:						
General operating expenses and criminal checks	25,000	4,415	0	27,480	0	DHHS
Operating expenses for Arcola House		3,762	0	4,950	0	DHHS
One-time shelter start-up (Carroll House)	475,000	55,460	0	0	0	DHHS-FY10 70,272 encumbered in late FY10 for one time start up costs . 14,800 carried forward to FY11 to complete build out and pay expenses
Case management for NCCF Transitional Shelter	0	58,614	66,275	74,689	74,689	DHHS
RAP Support Staff	0	0	0	0	0	DHHS Funding for RAP program cut in FY11
Service Linked Cuts	0	0	36,459	36,459	36,459	DHHS - State funds cut SLH contract by 36,459 in FY11
ART Licenses	0	2,764	0	2,785	0	DHHS
Additional Funds for Family Shelters	0	190,000	303,552	0	0	DHHS 251,000 in NCCF & 52,552 in Mt. Calvary Helping Hands include 190K noted in FY09 & 10. Funding shifted to shelter services for FY12 (not shown on this chart) 190K sited in FY10 is part of the 303,552 for FY11. Family shelter RFP awarded contracts mid FY10 \$303,552 represents annualized amount to family shelters.
Gaynor House- Utilities	0	0	0	10,000	0	DHHS
Gaynor House-maintenance	0	0	0	18,700	0	DHHS
backfill FY11 State grant cut to IW & CC contracts	0	0	14,870	0	0	FY11 only

The Housing Initiative Program (HIP) AS OF 4/13/12:

	Singles	Families	Total
Housing Initiative Program Placements			
4/1/2007-6/30/2008 (FY08)	35	32	67
7/1/2008-6/30/09(FY09)	31	41	72
7/1/2009-6/30/10 (FY10)	26	57	83
7/1/2010 - 6/30/11 (FY 11)	1	8	9
7/1/2011 - 4/13/12 (FY 12)	4	13	17
Total HIP Placements to Date	97	151	248
Closures			
<i>Not Renewed (Over Income)</i>	-2		-2
<i>Not Renewed (Received HCV)</i>	-1		-1
<i>Deceased</i>	-6		-6
<i>Received HCV - Other Subsidy</i>	-6	-9	-15
<i>Terminated (Failed to Maintain Lease)</i>	-6	-5	-11
<i>Closed - Terminated Failed to Comply</i>	-5	-5	-10
<i>Closed - Client Request</i>		-4	-4
<i>Moved</i>	-1	-2	-3
<i>Over Income</i>		-1	-1
TOTAL Closures	-27	-26	-53
TOTAL HIP CURRENTLY HOUSED IN HIP	70	125	195
Assigned to Housing Locator-Search for Housing	0	0	0
TOTAL HIP SUBSIDIES COMMITTED	70	125	195
Total HIP Subsidies Pending	0	0	0
Total HIP Subsidies Available	2	3	5
HIP SUBSIDIES BUDGETED	72	128	200
Cordell Place	24	0	24
HIP SUBSIDIES BUDGETED	96	128	224

FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Montgomery Housing Initiative					
FISCAL PROJECTIONS	FY12 ESTIMATE	FY13 RECOMMENDED	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION
ASSUMPTIONS							
Indirect Cost Rate	12.59%	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%
CPI (Fiscal Year)	3.1%	2.7%	2.9%	2.9%	2.7%	2.7%	2.7%
Investment Income Yield	0.15%	0.25%	0.35%	0.85%	1.60%	2.35%	2.85%
BEGINNING FUND BALANCE	6,965,100	119,410	0	122,850	371,970	745,680	1,248,860
REVENUES							
Miscellaneous	5,646,730	9,810,276	10,202,736	10,570,636	11,009,986	10,183,286	10,334,036
Subtotal Revenues	5,646,730	9,810,276	10,202,736	10,570,636	11,009,986	10,183,286	10,334,036
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To Debt Service Fund	(4,090,190)	(5,643,610)	(7,509,320)	(7,508,500)	(7,512,500)	(7,512,410)	(7,514,040)
Transfers To The General Fund	(205,060)	(202,560)	(198,360)	(196,350)	(186,970)	(186,970)	(186,970)
Indirect Costs	(190,720)	(186,970)	(186,970)	(186,970)	(186,970)	(186,970)	(186,970)
Technology Modernization	(14,340)	(15,590)	(11,390)	(9,380)	0	0	0
Transfers From The General Fund	9,573,290	15,304,210	20,505,490	16,255,200	16,499,000	16,757,850	17,032,260
TOTAL RESOURCES	17,889,870	19,387,726	23,000,546	19,243,836	20,181,486	19,987,436	20,914,146
Operating Budget							
Operating Budget	(3,144,120)	(3,172,987)	(3,295,837)	(3,422,107)	(3,546,697)	(3,676,167)	(3,812,557)
Debt Service: Other (Non-Tax Funds only)	(71,730)	(69,770)	(67,730)	(65,630)	(63,480)	(61,280)	(59,030)
Annualizations and One-Time	n/a	n/a	25,337	25,337	25,337	25,337	25,337
Rental Assistance Program	(2,000,000)	(4,415,500)	(4,810,000)	(5,180,000)	(5,621,500)	(4,797,000)	(4,950,000)
Housing First	(7,172,800)	(7,252,615)	(7,252,615)	(7,252,615)	(7,252,615)	(7,252,615)	(7,252,615)
Neighborhoods to Call Home	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)
Special Needs and Nonprofit Housing	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)
Senior Housing	n/a	(1,500,000)	(4,500,000)	0	0	0	0
Subtotal PSP Oper Budget Approp / Exp's	(15,365,500)	(19,387,722)	(22,877,695)	(18,871,865)	(19,435,805)	(18,738,575)	(19,025,715)
OTHER CLAIMS ON FUND BALANCE	(2,404,957)	0	0	0	0	0	0
TOTAL USE OF RESOURCES	(17,770,457)	(19,387,722)	(22,877,695)	(18,871,865)	(19,435,805)	(18,738,575)	(19,025,715)
YEAR END FUND BALANCE	119,410	0	122,850	371,970	745,680	1,248,860	1,888,430
TOTAL INVESTMENT							
TOTAL USE OF RESOURCES	(17,770,457)	(19,387,722)	(22,877,695)	(18,871,865)	(19,435,805)	(18,738,575)	(19,025,715)
Affordable Housing Acquisition and Preservation CIP Project # 760100	(44,219,000)	(13,350,000)	(10,000,000)	(2,150,900)	(7,531,000)	(761,000)	(1,166,000)
TOTAL INVESTMENT IN AFFORDABLE HOUSING (MHI Fund + CIP Project)	(61,989,457)	(32,737,722)	(32,877,695)	(21,022,765)	(26,966,805)	(19,499,575)	(20,191,715)

Assumptions:

1. Maintains the County Executive's commitment to affordable housing. In addition to expenditures reflected in this fund, the Affordable Housing Acquisition and Preservation CIP Project #760100 includes the issuance of \$10 million of debt in FY13 in addition to \$3.4 million in estimated loan repayments in FY13 to provide continued high level of support for the Housing Initiative Fund Property Acquisition Revolving Program created in FY09.

2. FY12 Estimated CIP resources includes the unencumbered balance from prior years.

3. Montgomery County Executive Order 136-01 provides for an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) equivalent to 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year. The actual transfer from the General Fund will be determined each year based on the availability of resources.

Notes:

1. These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.

Montgomery County Department of Health and Human Services

Special Needs Housing

FY13 Super Notice of Funding Availability (SuperNOFA) for Economic Development

SUPPORTIVE HOUSING PROGRAMS						
Grantee Name	Program	Families Served	Individuals Served	Project Type	Annual HUD Amount	Annual County Match
Housing Opportunities Commission of Montgomery County	Permanent Supportive Housing, McKinney 8 Merged	25	35	permanent supportive housing	Combined with McKinney 10	HUD approved Program Merge with McKinney 10
Housing Opportunities Commission of Montgomery County	Permanent Supportive Housing, McKinney 10 Merged	37	33	permanent supportive housing	\$2,307,766	County Match Merged with McKinney 10 & 3 \$286,054
Housing Opportunities Commission of Montgomery County	Permanent Supportive Housing, McKinney 3	10		permanent supportive housing	\$79,533	Match included above
Housing Opportunities Commission of Montgomery County	McKinney 12		14	permanent supportive housing	\$217,406	\$49,525
Montgomery County Coalition for the Homeless	Home First 3		10	permanent supportive housing	135,435	\$31,919.67
Montgomery County Coalition for the Homeless	Personal Living Quarters – Seneca Heights Apartments		40	permanent supportive housing	359,232	\$526,255
Montgomery County Coalition for the Homeless	Hope Housing	2	40	permanent supportive housing	511,058	\$86,980
Montgomery County Coalition for the Homeless	Home First		12	permanent supportive housing	\$134,433	\$31,919.66
Montgomery County Coalition for the Homeless	Home First 2		10	permanent supportive housing	131,260	\$31,919.66
Montgomery Avenue Women's Center	Montgomery Avenue Women's Center, Inc.			supportive services only	138,183	-
Interfaith Works	Carroll House		32	transitional	235,903	\$202,315

SUPPORTIVE HOUSING PROGRAMS						
Grantee Name	Program	Families Served	Individuals Served	Project Type	Annual HUD Amount	Annual County Match
City of Gaithersburg - Well/Robertson House Program	Wells/Robertson House		14	transitional	128,247	\$9,234
Montgomery County Coalition for the Homeless	Safe Haven		40	transitional	826,569	\$218,295
National Center for Children and Families (NCCF)	Rapid Re-Housing Demonstration Project	9		transitional	180,579	Combined with NCCF Supportive Housing Program
National Center for Children and Families (NCCF)	Supportive Housing Program (SHP)	24		transitional	640,658	\$74,689
Montgomery County Coalition for the Homeless	Cordell		32	Permanent supportive housing	135,434	\$34,000
The Dwelling Place	New Opportunity Homes	6		Permanent supportive housing	\$271,956	\$30,000
Interfaith Works	New Project		14	Permanent supportive housing	279,825	\$56,000
Total Supportive Housing Programs					\$6,713,477	\$1,669,107

SHELTER PLUS CARE PROJECTS						
Grantee Name	Program	Families Served	Individuals Served	Project Type	Annual HUD Amount	Annual County Match
Housing Opportunities Commission of Montgomery County	Housing Opportunities Commission - Shelter Plus Core	3	39	permanent supportive housing	\$673,477	\$673,477, this requires an aggregate \$ for \$ match
Housing Opportunities Commission of Montgomery County	New Neighbors 1	3	14	permanent supportive housing	\$270,912	\$270,912, this requires on aggregate \$ for \$ match
Housing Opportunities Commission of Montgomery County	New Neighbors 2		5	permanent supportive housing	54,348 on 5 year cycle	54,348, this requires an aggregate \$ for \$ match
TOTAL SHELTER PLUS CARE PROJECTS					\$998,742.00	

Silver Spring Library Senior Housing

The Silver Spring Library senior housing project is currently designed as an 11-story high-rise with up to 140 units and ground-level retail of up to 10,000 square feet on County owned land. The project includes one level of below grade parking with 35 spaces. Approximately 75 percent of the units will be affordable with the following income mix distribution:

- Approximately 45 percent will be for tenants whose area median income (AMI) is 60 percent or less,
- Twenty percent will be for tenants whose AMI is 50 percent or less,
- Ten percent will be for tenants whose AMI is 30 percent or less,
- The balance of the units will be rented at market rate levels.

The targeted age group – dependent on the State’s definition of senior housing – will be seniors 62 years of age and older. While the project is an independent senior living project it is customary for senior projects of this type to include accessible units.

The development team consists of Montgomery Housing Partnership, Inc. and Donohoe Construction Company, Inc, which were selected via a Request for Qualifications (RFQ) process in August 2010. The library’s utility infrastructure work is currently in progress. Construction of the library is scheduled to begin in 2013 with the building expected to open in 2014. The timeline is partially driven by the project financing which includes Low Income Housing Tax Credits (LIHTC) development submitting an application in the Maryland Department of Housing and Community Development’s Fall 2012 LIHTC Request for Proposal (RFP). DHCA has been working with the development team on all aspects of the project and a new or additional RFQ/RFP is not required or needed.

The project’s proposed funding structure includes private debt and equity along with state and local financing. These are preliminary financing figures, subject to change. The local financing is projected to include \$5 million from the County’s Housing CIP (0760100) and up to \$6 million from the Montgomery County Housing Initiative Fund – of which \$1.5 million will be from the County Executive’s recommended FY13 operating budget and \$4.5 million will be included in the County Executive’s FY14 operating budget.

S:\Files\recurring\Housing\MF Housing\Projects\Silver Spring Library\Senior Housing\SSLR_responses_CIP_inf04162012.doc

Affordable Housing Acquisition and Preservation -- No. 760100

Category	Community Development and Housing	Date Last Modified	January 09, 2012
Subcategory	Housing	Required Adequate Public Facility	No
Administering Agency	Housing & Community Affairs	Relocation Impact	None.
Planning Area	Countywide	Status	On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY11	Est. FY12	Total 6 Years	FY13	FY14	FY15	FY16	FY17	FY18	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	108,320	40,751	44,219	23,350	13,350	10,000	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	108,320	40,751	44,219	23,350	13,350	10,000	0	0	0	0	0

FUNDING SCHEDULE (\$000)

HIF Revolving Program	92,720	38,251	41,749	12,720	10,000	2,720	0	0	0	0	0
Loan Repayment Proceeds	13,100	0	2,470	10,630	3,350	7,280	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0	0
Total	108,320	40,751	44,219	23,350	13,350	10,000	0	0	0	0	0

DESCRIPTION

This project provides funding for acquisition and/or renovation of properties for the purpose of preserving or increasing the county's affordable housing inventory. The county may purchase properties or assist not-for-profit, tenant, or for-profit entities, or HOC with bridge financing to purchase and renovate properties. The monies may be used to purchase properties that are offered to the county under the Right of First Refusal law or otherwise available for purchase. A portion of the units in these properties must serve households with incomes that are at or below incomes eligible for the Moderately Priced Dwelling Unit (MPDU) program. A priority should be given to rental housing.

COST CHANGE

The issuance of \$12.7 million of debt and the use of loan repayments provides continued support for the Housing Initiative Fund (HIF) Property Acquisition Revolving Program created in FY09.

JUSTIFICATION

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement (Right of First Refusal), of the Montgomery County Code.

Opportunities to purchase property utilizing the County's Right of First Refusal arise without advance notice and cannot be planned in advance. Properties may be acquired by the County, non-profit developers, HOC or other entities that agree to develop or redevelop property for affordable housing.

OTHER

Resale or control period restriction to ensure long term affordability should be a part of projects funded with these monies.

FISCAL NOTE

Debt service will be financed by the Montgomery Housing Initiative Fund. In addition to the appropriation show below, this PDF assumes that any actual revolving loan repayments received will be appropriated in the subsequent year as displayed above. Future loan repayments are expected and will be used to finance future housing activities in this project.

<h4>APPROPRIATION AND EXPENDITURE DATA</h4> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Date First Appropriation</td> <td style="text-align: center;">FY01</td> <td style="text-align: right;">(\$000)</td> </tr> <tr> <td>First Cost Estimate</td> <td style="text-align: center;">FY13</td> <td style="text-align: right;">108,320</td> </tr> <tr> <td>Current Scope</td> <td></td> <td></td> </tr> <tr> <td>Last FY's Cost Estimate</td> <td></td> <td style="text-align: right;">92,500</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <td>Appropriation Request</td> <td style="text-align: center;">FY13</td> <td style="text-align: right;">13,350</td> </tr> <tr> <td>Appropriation Request Est.</td> <td style="text-align: center;">FY14</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>Supplemental Appropriation Request</td> <td></td> <td style="text-align: right;">0</td> </tr> <tr> <td>Transfer</td> <td></td> <td style="text-align: right;">0</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <td>Cumulative Appropriation</td> <td></td> <td style="text-align: right;">84,970</td> </tr> <tr> <td>Expenditures / Encumbrances</td> <td></td> <td style="text-align: right;">40,751</td> </tr> <tr> <td>Unencumbered Balance</td> <td></td> <td style="text-align: right;">44,219</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <td>Partial Closeout Thru</td> <td style="text-align: center;">FY10</td> <td style="text-align: right;">0</td> </tr> <tr> <td>New Partial Closeout</td> <td style="text-align: center;">FY11</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total Partial Closeout</td> <td></td> <td style="text-align: right;">0</td> </tr> </table>	Date First Appropriation	FY01	(\$000)	First Cost Estimate	FY13	108,320	Current Scope			Last FY's Cost Estimate		92,500				Appropriation Request	FY13	13,350	Appropriation Request Est.	FY14	10,000	Supplemental Appropriation Request		0	Transfer		0				Cumulative Appropriation		84,970	Expenditures / Encumbrances		40,751	Unencumbered Balance		44,219				Partial Closeout Thru	FY10	0	New Partial Closeout	FY11	0	Total Partial Closeout		0	<h4>COORDINATION</h4> <p>Housing Opportunities Commission (HOC) Nonprofit housing providers Private sector developers</p>	<h4>MAP</h4>
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