

WORKSESSION

MEMORANDUM

May 5, 2009

TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst *LMM*  
Minna Davidson, Legislative Analyst *MD*

SUBJECT: **Worksession: FY10 Recommended Operating Budget  
Department of Housing and Community Affairs (DHCA)**

*Those expected for this worksession:*

Richard Nelson, Director, Department of Housing and Community Affairs  
Joe Giloley, Chief, DHCA Housing Division  
LuAnn Korona, Chief, Community Development Division  
Fred Wilcox, DHCA Management and Budget  
Jennifer Bryant, Office of Management and Budget

**Summary of PHED Committee Recommendation**

The Planning, Housing, and Economic Development Committee held worksessions on the Department of Housing and Community Affairs' budget on April 21<sup>st</sup> and April 29<sup>th</sup>. **The PHED Committee recommends approval (3-0) of the DHCA budget as recommended with the following caveats:**

- **In response to the Executive's recommendation to eliminate Long Branch Neighborhood Maintenance monies in the DHCA budget, the Committee recommends that two increments of \$125,000 each (\$250,000 total) be placed on the reconciliation list for the Regional Service Centers, with the understanding that the funds allocated to the Silver Spring Regional Service Center are to be used for neighborhood maintenance in Long Branch. (Regional Services Centers were Agenda Item #23 on May 5<sup>th</sup>.)**
- **Recommendations for the Housing Initiative Fund (HIF) that support the Housing First Initiative are included in Agenda Item #4, as they were made jointly by the PHED and Health and Human Services Committees.**

## Overview and Recommendations

**The Executive's Recommended Budget is attached at ©1-10.**

For FY10, the County Executive is recommending an operating budget appropriation of \$43,861,190 to the Department of Housing and Community Affairs (DHCA). This is an increase of 3.4% from the approved FY09 operating budget of \$42,412,790.

<b>Housing and Community Affairs</b>					
in \$000's	<b>FY07</b>	<b>FY06</b>	<b>FY09</b>	<b>FY10</b>	<b>%Change*</b>
	<b>Approved</b>	<b>Actual</b>	<b>Approved</b>	<b>Rec</b>	<b>FY09-10</b>
<b>Personnel Costs:</b>					
General Fund	4,528	4,759	4,918	4,482	-8.9%
Housing Initiative Fund	666	919	1,239	1,290	4.1%
Grant Fund	1,896	1,932	1,915	1,948	1.7%
<b>Subtotal</b>	<b>7,090</b>	<b>7,610</b>	<b>8,072</b>	<b>7,720</b>	<b>-4.4%</b>
Charges to others	692	752	834	810	-2.9%
<b>Operating Costs:</b>					
General Fund	610	841	717	668	-6.8%
Housing Initiative Fund*	23,059	32,699	27,393	29,774	8.7%
Grant Fund	7,283	6,832	6,154	5,622	-8.6%
<b>Subtotal</b>	<b>30,952</b>	<b>40,372</b>	<b>34,264</b>	<b>36,064</b>	<b>5.3%</b>
Capital Outlay	-	-	-	-	na
HIF Debt Service	79	78	77	77	0.0%
<b>TOTAL</b>	<b>38,121</b>	<b>48,060</b>	<b>42,413</b>	<b>43,861</b>	<b>3.4%</b>
Full-time Positions	86	89	85	80	-5.9%
Part-time Positions	4	4	5	5	
Total Workyears	74.1	76.5	73.5	66.7	-9.3%
* HIF expenditures to not include \$25 million in bond proceeds for revolving account or transfer to debt service fund, general fund, or indirect costs					

### **Workyears by Program**

<b>Program</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
	<b>Approved</b>	<b>Approved</b>	<b>Approved</b>	<b>Recommend</b>
Multi-Family Housing Programs	8.7	9.5	9.0	9.0
Single-Family Housing Programs	7.7	7.9	9.0	8.0
Housing Code Enforcement	18.1	19.5	19.9	17.4
Federal Programs	7.0	7.0	7.0	6.0
Landlord-Tenant	8.8	8.8	8.0	7.5
Neighborhood/Commercial Revitalization	8.0	8.0	4.0	3.0
Licensing and Registration	3.0	3.0	3.0	3.0
Housing Administration	2.0	2.0	2.0	2.0
Administration	10.8	10.8	10.8	10.8
<b>TOTAL</b>	<b>74.1</b>	<b>76.5</b>	<b>73.5</b>	<b>66.7</b>

Included in the Executive's recommended budget are about \$810,000 in personnel costs that are charged to others, primarily Permitting Services and the Solid Waste Disposal Fund. The appropriation for these staff is not included in the appropriation to DHCA. In addition, \$858,140 in personnel costs are charged to the CIP.

### **Summary of FY09 Personnel Reductions to the DHCA Budget**

As a part of the FY09 budget, three positions were abolished in DHCA and two positions were eliminated from the DHCA budget by being shifted to other departments.

- Abolished Vacant Program Specialist (Hispanic/Latino Liaison)
- Abolished Vacant Business Development Specialist
- Abolished Filled Business Development Specialist
- Shifted Business Development Specialist to Department of Economic Development
- Shifted Planning Specialist to Mid-County RSC and charged to CIP

### **2008 (FY09) Retirement Incentive Program**

The FY10 Recommended Operating Budget shows that there is a FY10 savings of \$76,550 to the appropriation to the Department of Housing and Community Affairs from participation in the 2008 (FY09) RIP. One Administrative Principal Aide participated and this position was abolished. The position was in Landlord Tenant Mediation.

### **FY09 Savings Plan**

The Department of Housing and Community Affairs is expected to reduce expenses by \$139,050 as a part of the FY09 Savings Plan. The reductions are to come from increasing lapse (\$93,630), filling vacant Code Enforcement Inspector positions at a lower level (\$29,300), and charging a portion of existing staff to a HUD grant received in FY09 for foreclosure assistance (\$16,120). The Savings Plan did not include any reduction in the Housing Initiative Fund.

The FY09 Second Quarterly Analysis provided to the Council in February projects that DHCA will come in under budget by \$146,070, slightly more than called for in the FY09 Savings Plan.

### ***FY10 Expenditure Issues***

#### **1. Same Services Adjustments**

The Executive has included the following adjustments in the FY10 budget.

<b>Same Service Adjustments (General Fund and HIF)</b>	
Annualization of FY09 Personnel Costs	70,520
Service Increment	38,830
Group Insurance Adjustment	11,440
Retirement Adjustment	5,120
Motor Pool Rate Adjustment (net)	2,250
Printing and Mail Adjustment	14,930
Postage Reduction	(22,850)
Increase Lapse	(2,010)
Annualize HIF Operating Expenses	(33,940)

**The PHED Committee recommends approval.**

<b>2. Clean and Lien Program</b>	<b>\$ 25,000</b>
<b>Code Enforcement Outreach</b>	<b>\$ 25,000</b>
<b>Code Enforcement Inspector Positions</b>	<b>(\$179,000)</b>
<b>Reduce Overtime</b>	<b>(\$ 42,030)</b>

The Executive's budget for DHCA includes four items that impact Code Enforcement. In December, the Public Safety and PHED Committees received an update on the work of the County Executive's Work Group (briefing documents at © 12-15). The Work Group did not call for additional positions in DHCA Code Enforcement but did call for, among other things, cross training Permitting Services, Police, Environmental Protection, and Fire and Rescue regarding over crowded housing so that they can report situations to DHCA and the development of a community outreach campaign regarding permits, licensing, and regulations.

The Executive's budget provides additional funds for outreach as well as for the "Clean and Lien" program. The FY10 budget assumes two Code Enforcement Investigators will remain lapsed for all of FY10. This is a continuation of the FY09 Savings Plan which proposed lapsing these positions and filling them at a lower classification. In addition, overtime in Code Enforcement will be reduced from \$79,661 to \$37,634. If additional work hours are required, compensatory time will be substituted for overtime.

**The Committee was told that the Department has stepped up its monitoring of foreclosed properties and the additional \$25,000 for the "Clean and Lien" program is needed to pay contractors who provide the cleaning and mowing services. The County is eventually paid back by the property owner. DHCA has been working to make process improvements that have allowed them to operate in a timely manner with reduced staff, including the use of computer generated citations. DHCA told the Committee that while DHCA will be receiving Federal stimulus money, so far the Federal stimulus programs do not have much money for administration. Hopefully, one or two positions in Code Enforcement will be able to be filled.**

**The Committee remains interested in the issue of overcrowding and asked for additional information on overcrowding complaints during the past 12 months and the outcome of the investigation.**

**The PHED Committee recommends approval.**

**3. Abolish Filled Principal Administrative Aide (\$68,220)**

This is a filled position in the Moderately Priced Dwelling Unit/Single Family Housing Program. Work would be absorbed by other staff in the Program. The Single Family Housing Program will have a Manager III, four Sr. Planning Specialists, two Program Managers, one Planning Specialist, and One Office Services Manager for FY10.

**DHCA said that they are able to absorb this reduction because more information about the MPDU program is available on-line. Customers have indicated they are very happy with the on-line services.**

**The PHED Committee recommends approval.**

**4. Reduce PT Landlord Tenant Investigator (\$21,970)**

The Department proposes that a part time Investigator position can be reduced by 0.2WYs in FY10 and that workload can be absorbed by remaining staff. As previously noted, in addition to this reduction, this program also has been reduced by a Principal Administrative Aide position through the 2008 (FY09) RIP. This program will have a Manager III position, five full-time Investigators, and 2 part-time Investigator positions.

**The PHED Committee recommends approval.**

**5. Reduce Planning Specialist (\$31,150)  
Shift CDBG Costs (\$78,810)**

As a part of the reorganization of the Community Affairs Division, a Planning Specialist position was abolished. A portion of this position (\$31,150) was funded through the General Fund. Because this position was also with funded with CDBG monies, CDBG funding was freed-up and applied to a position that was funded by the General Fund. The net result of these changes is the abolishment of one position and savings to the General Fund of \$109,960.

**DHCA staff said that the reorganization has been in place for a while. It is intended to shift the Division's focus to a more comprehensive neighborhood-based assistance initiative. With the help of CountyStat staff, DHCA has identified two areas, one in the mid-County and one in the upcounty, for focused assistance. By concentrating on targeted areas, the Division expects to be able to manage with the staff that it will have in FY10. In addition, the Division has reduced its workload by funding CDBG grant requests at or near the requested level, and reducing the number of small grants and the staff time needed to monitor them. The Division is structured in two Sections: Neighborhood Revitalization, and Grants and Special Projects.**

**The PHED Committee recommends approval.**

**This reorganization is the background for this as well as the next two items.**

**6. Abolish Vacant Principal Administrative Aide (\$33,870)**  
**(savings shown is to the General Fund)**

As a result of the reorganization within DHCA, the Executive recommends abolishing one Principal Administrative Aide position in Neighborhood Revitalization. The full position would be abolished. Since the position was funded half from the General Fund and half from grant funds, the dollar and workyear reduction reflects the General Fund portion of the reduction. The position is currently vacant.

**The PHED Committee recommends approval.**

**7. Adjust Charges to the CIP (Grant Fund) (\$499,000)**

As a part of the previously noted reorganization, charges to the CIP have been adjusted. This is showing as a reduction in the Grant Fund (non-tax supported). DHCA has provided the following information on the budget changes from FY09 to FY10. Organizationally, the Community Affairs side of DHCA will be organized into two sections, Neighborhood Revitalization and Grants and Special Projects. The reorganization resulted in the abolishment of one Manager III position.

	FY09	FY10
CIP Personnel	\$ 1,050,670	\$ 858,140
CIP Other	\$ 200,330	\$ 891,860
Total CIP Charges	\$ 1,251,000	\$1,750,000

**The PHED Committee recommends approval.**

**8. Eliminate Long Branch Neighborhood Maintenance (\$60,370)**

DHCA currently uses this funding for urban district type services in the public space in the Long Branch commercial area. DHCA issues a memorandum agreement with the Silver Spring Regional Center for the service which is provided by competitively bid private contractors. The scope of services under the current agreement is shown in the table on the next page. If the funding is eliminated, the services will be discontinued, and the Long Branch commercial area will receive the same level of public maintenance services as provided in other commercial areas located outside of Urban Districts.

**DHCA staff said that they recognize the importance of the neighborhood maintenance funding to the Long Branch Community and have tried to preserve it for several years, but did not have other options for reductions in FY10. They noted that the community is very concerned about losing this funding.**

**Without this funding, services would be the same as for other shopping centers outside of Urban Districts. There would be: no flower installation; tree maintenance provided by DOT on an 80-year schedule; occasional cleaning of some bus shelters by Ride-on; and one street sweeping by DOT after winter operations, with the possibility of an**

**additional sweeping in protected watershed areas. Executive staff has asked the Long Branch Business League if they would commit to emptying trash cans.**

**The Committee wanted to understand how the funding for Long Branch might relate to the Emerging Communities Initiative funding in the Regional Services Centers (RSC) budget, and whether the Long Branch maintenance services could be funded through that source.**

The Committee continued its review of this item during its review of the budget for the Regional Services Centers. (The packet for the continuation of this item is on © 16-18.)

**Long Branch Maintenance FY09 Costs and Services**

Maintenance Service	# Occurrences	Quantity	Unit Pricing	Annual Cost	Comments
Turf Maintenance	24x per year	178 sq yd		\$2,795	
Litter Control	4x per week	9,504 sq yd		\$20,209	
Tree Maintenance	per year	123 trees		\$6,647	
Special Landscape	per year	644 sq yd		\$13,274	
Flower Installation (Annuals)	2x per year	65 sq yd		\$8,000	Fall & Summer Rotation 4,000 each rotation
Bus Shelter Power Wash	2x per month	12 shelters		\$953	
Trash Receptacle Service	3x per week	14 receptacles		\$8,157	
<b>TOTAL:</b>				<b>\$60,000</b>	

The Committee ultimately decided to recommend the following:

**The PHED Committee recommends placing \$250,000 on the Reconciliation List for the Regional Services Centers budget in two increments of \$125,000 each to fund the Emerging Communities Initiative, with the understanding the funds allocated to the Silver Spring Regional Services Center are to be used for neighborhood maintenance services in Long Branch that were funded in FY09 through the Department of Housing and Community Affairs.**

**Community Development Grants**

*Note: All Federal funding included in this packet is based on what was known for the March 15<sup>th</sup> budget. There will be additional funding to the Department from stimulus dollars and potentially increases in the Community Development Block Grant (such as the Neighborhood Stabilization Program.)*

The following expenditures are recommended by the County Executive. The CDBG grants to non-profits process is considered to be “competitive” and not a private agency request. HOME awards to non-profits are included on the non-competitive award list.

Projects Administered by DHCA (\$1,795,255 – does not include CIP charges)

Commercial Façade Improvements	\$ 50,000
Comprehensive Neighborhood Assistance	50,000

Demolition of Condemned Structures	30,000
Group Home Acquisition and Rehabilitation	150,000
Housing Rehabilitation and Production	1,260,255
Public Housing Modernization	50,000
Project Analysis and Engineering	105,000
Housing Acquisition	50,000

Grants to Non-Profits (\$605,000)

The County Executive recommends funding 20 grants to non-profits with CDBG funding. Details of these grants are attached at © 19-22.

Projects Administered by Municipalities (\$434,000)

For FY08 the Executive is recommending \$434,000 be administered to municipal projects. Detail is provided at © 23-24.

Contingency (\$ 50,000)

DHCA has budgeted \$50,000 in the operating budget for emergency community development needs including on-going CDBG projects that may require additional funding and funding out-of-cycle requests.

Administration (\$1,083,563)

HUD regulations permit the County to expend up to 20 percent of CDBG funding on program administration. DHCA proposes allocating \$1,083,563 for planning, administration and monitoring of the CDBG program. This funding also provides for review of grant applications, staff support for a citizen's advisory committee, environmental reviews, contract preparation, payment processing and auditing, federal reporting, and loan servicing.

**Emergency Shelter Grants**

The County expects to receive a \$226,875 in Emergency Shelter Grant (ESG) funds from the Federal Government. ESG revenues may be used to provide housing and other services to persons who are homeless or in danger of becoming homeless. Planned ESG expenditures fall into the following general categories:

- a. Homeless Prevention Assistance (\$68,000): The ESG plan includes funds to assist persons in danger of eviction by providing emergency rent and utility payments and prevent homelessness by assisting with security deposits or first month's rent.
- b. Shelter Renovation/Maintenance (\$87,532): This funding will be used to renovate and maintain homeless shelters in the County.
- c. Grants to Non-Profits (\$60,000): A \$15,000 grant will be provided to Interfaith Works, Inc. for the supported employer program and a \$45,000 grant will go to the Montgomery County Coalition's Partnership for Permanent Housing program.

- d. Administration (\$11,343): Federal regulations permit the County to expend a portion of ESG funding on program administration. DHCA proposes allocating \$11,330 for administration and monitoring of the ESG program.

## HOME Investment Partnership Program

The County is expects to receive \$2,760,535 in HOME funds and program income to be used to increase housing choices for low-income households through rental and home ownership programs. The funds are budgeted to be spent in the following categories.

### Projects Administered by County Government (\$2,314,380)

Housing Production and Rehabilitation	\$1,947,517
Community Housing Development Organizations (CHDOs) Housing Production	347,162
American Dream Down-payment Initiative	19,701

### Projects Administered by Non-Profits and other Agencies (\$446,155)

CHDO Operating Assistance (Montgomery Housing Partnership will receive \$84,042 and Housing Unlimited \$28,000)	\$ 112,040
Rental Assistance	112,000
Fair Housing Activities	37,000

### Administration (\$185,113)

**The PHED Committee recommends approval of the CDBG, ESG, and HOME grants as recommended by the County Executive. The Committee asked that better information be provided about the total investment in affordable housing for low income households that pulls together HIF, CDBG, ESG, HOME and other funds.**

### ***Montgomery Housing Initiative Fund (HIF)***

*Note: As a part of the FY09 budget, the Council approved allocating \$4.5 million in the HIF to implement the Housing First Plan. In addition, Recordation Tax resources which are appropriated through the HIF are dedicated to rental assistance, including emergency grants and HOCs Rent Supplement Program. These issues were reviewed jointly by the PHED and HHS Committees and the recommendations are included in Agenda Item #4.*

For FY10, the County Executive is recommending \$57,805,730 in resources to be appropriated to the Housing Initiative Fund. This includes \$25 million in bond proceed for the revolving acquisition and preservation program. In addition, there is \$25 million in revolving resources that were approved for FY09 and a portion of these funds will eventually be returned to the HIF. The budget indicates that about \$5.5 million of these revolving funds will come back

into the HIF in FY11. Therefore it should be expected that the annual appropriation for the HIF will be lower in FY11 than it is was in FY09 and is proposed to be in FY10.

The following table shows the source of funds available to the HIF in the FY07, FY08, FY09 and the County Executive’s recommendation for FY10.

**Summary of HIF Fiscal Plan**

	<b>FY07 Approved</b>	<b>FY08 Approved</b>	<b>FY09 Approved</b>	<b>FY10 Rec</b>
Beginning Balance	4,825,440	1,075,930	7,583,260	1,951,890
<b>HIF Revenues:</b>				
MPDU Alternative Payments	143,900	-		281,750
MPDU Resale Recapture	2,000,000	2,000,000	3,000,000	2,000,000
Mortgage Repayments	800,000	800,000	5,500,000	5,672,450
HOC Loan Replacement	79,420	78,260	76,870	75,290
Pooled Investment Income	380,000	640,000	210,000	190,000
Condo Transfer Tax	4,000,000	4,400,000	3,000,000	2,000,000
Net Transfer from General Fund	7,718,880	20,760,060	7,754,390	17,537,350
<b>TOTAL</b>	<b>19,947,640</b>	<b>29,754,250</b>	<b>27,124,520</b>	<b>29,708,730</b>
Developer Approval			50,000	50,000
Recordation Tax			2,615,500	3,047,000
Extraordinary Revenue Financing			25,000,000	25,000,000
<b>TOTAL</b>			<b>54,790,020</b>	<b>57,805,730</b>

The net transfer from the General Fund has been increased by about \$10 million as other resources, such as the Condominium Transfer Tax and MPDU Resale Recapture, have declined and because there is a relatively small FY09 ending balance/FY10 beginning balance projected. The following table shows the FY09 estimated revenues by category.

**Revenue**

	<b>FY09 Approved</b>	<b>FY09 Est</b>	<b>FY10 Rec</b>
Program Income			
Dev. Auth	50,000	50,000	50,000
MPDU Recapture	3,000,000	2,000,000	2,000,000
Mortgage Repayment	5,500,000	2,500,000	5,672,450
Condo Tax	3,000,000	3,000,000	2,000,000
Investment	210,000	220,000	190,000
HOC Loan Repayment	76,870	76,870	75,290
MPDU Cont.		385,000	281,750
CIP	25,000,000	25,000,000	25,000,000
General Fund Net Transfer	9,604,390	7,754,390	17,537,350
Recordation Tax	2,615,500	2,615,500	3,047,000

The Council will also discuss the Recordation Tax in its worksession(s) on Bill 15-09, Recordation Tax – Use of Revenue. Council staff understands that in terms of the HIF, the Executive is proposing a FY10 appropriation of \$3,047,000 which is to cover the amounts needed for the HOC Rent Supplement Program and emergency rental assistance in DHHS. Currently, if this portion of the Recordation Tax exceeds the amount assumed in the original appropriation, it is held for future appropriation in the HIF. If Bill 15-09 is enacted, any amount collected in FY10 over the \$3,047,000 could be used for other budget purposes. As introduced

in Bill 15-09, the requirement that it be used for rental assistance for low and moderate income households would become effective again in FY13.

**Summary of HIF Expenditures**

	<b>FY07 Approved</b>	<b>FY08 Approved</b>	<b>FY09 Approved</b>	<b>FY10 Rec</b>
Personnel	729,150	932,240	1,239,370	1,290,230
Operating Expenses	298,250	434,000	500,000	500,000
Building Neighborhood to Call Home	1,000,000	1,000,000	1,026,130	933,500
Debt Service	79,420	78,260	76,870	75,300
Capital Budget	500,000	500,000	25,000,000	25,000,000
Projected End of Year Balance	389,070	587,750	1,080,710	1,665,040
Available for Loans and Projects	16,951,750	26,222,000	16,135,940	17,748,660
Housing First			4,500,000	4,500,000
Rent Assistance (Rec. Tax)			2,615,500	3,047,000

**A table showing the known FY2010 HIF commitments is attached at © 25. The table indicates that there are about \$14.4 in HIF expenditures that are needed to meet FY10 commitments for projects that were acquired or begun in FY09. In addition, there are \$12 million in staff, debt service, operating, and Housing First costs, and projected end of year balance assumed in the Executive’s FY10 Operating Budget.**

**The PHED Committee recommends approval of the staff, operating, and non-competitive and competitive contracts. These contracts are for the “Building Neighborhoods to Call Home” initiative. These funds support direct social and community building services in affordable housing projects that have received public funds for project development.**

<b>Building Neighborhoods to Call Home</b>		<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
CASA (competitive bid since FY09)	Tenant counseling in Long Branch	350,000	350,000	350,000	350,000
CASA of Maryland	Operation of the Pine Ridge Community Center	150,000	150,000	185,130	92,500
Montgomery Housing Partnership	Training and support to owners of small rental properties	150,000	150,000	150,000	100,000
Montgomery Housing Partnership	Long Branch revitalization planning	100,000	100,000	100,000	
Rebuilding Together	Assistance to low-income homeowners with repairs, accesibility modifications, and referrals	185,000	185,000	200,000	200,000
Interfaith Works, Inc.	Cost of part-time property manager	33,000	39,000	41,000	41,000
Neighborhood Revitalization (competitive bid for FY10)	Revitalization Planning				150,000
<b>TOTAL</b>		<b>968,000</b>	<b>974,000</b>	<b>1,026,130</b>	<b>933,500</b>

## Payment in Lieu of Taxes Limits

Each year the Council must include a provision in the Operating Budget resolution specifying the monetary cap for non-HOC PILOTs. **The PHED Committee recommends inclusion of the following language in the FY10 Operating Budget resolution which includes the projections provided by DHCA.**

*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.*

	FY09 Maximum	FY10 Maximum	Increase
	Approved	Recommended	
FY2009	\$ 7,800,000		
FY2010	\$ 8,190,000	\$ 8,800,000	7%
FY2011	\$ 8,599,500	\$ 9,240,000	7%
FY2012	\$ 9,029,500	\$ 9,702,000	7%
FY2013	\$ 9,481,000	\$ 10,187,100	7%
FY2014	\$ 9,955,000	\$ 10,696,455	7%
FY2015	\$ 10,452,800	\$ 11,231,278	7%
FY2016	\$ 10,975,500	\$ 11,792,842	7%
FY2017	\$ 11,524,200	\$ 12,382,484	7%
FY2018	\$ 12,100,410	\$ 13,001,608	7%
FY2019		\$ 13,651,688	na

*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 2011 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 2011.*

# Housing and Community Affairs

## MISSION STATEMENT

The mission of the Department of Housing and Community Affairs is to plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of affordable housing; and maintain existing housing in a safe and sanitary condition.

## BUDGET OVERVIEW

The total recommended FY10 Operating Budget for the Department of Housing and Community Affairs is \$43,861,190, an increase of \$1,448,400 or 3.4 percent from the FY09 Approved Budget of \$42,412,790. Personnel Costs comprise 17.6 percent of the budget for 80 full-time positions and five part-time positions for 66.7 workyears. Operating Expenses and Debt Service account for the remaining 82.4 percent of the FY10 budget.

DHCA expects the total signed agreements for affordable housing projects through the PILOT program to abate \$8.8 million in taxes in FY10.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ *A Responsive, Accountable County Government*
- ❖ *Affordable Housing in an Inclusive Community*
- ❖ *Healthy and Sustainable Neighborhoods*

## DEPARTMENT PERFORMANCE MEASURES

This table presents the department's headline measures or submeasures that relate to multiple programs including projections from FY09 through FY11. These estimates reflect funding based on the FY09 savings plan, the FY10 budget, and funding for comparable service levels in FY11.

Measure	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
<b>Headline Measures</b>					
Average days required to conciliate Landlord/Tenant disputes that do not go to the Commission	37.9	35.9	34.0	32.0	32.0
Cost per unit of affordable housing units preserved	NA	57,932	59,670	61,460	63,300
Cost per unit of affordable housing units produced	NA	68,270	70,320	72,430	74,600
Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services <sup>1</sup>	NA	NA	TBD	TBD	TBD
Percent of Cases that Achieve Voluntary Compliance	95	93	93	93	93
Percent of Landlord/Tenant cases mediated successfully (not referred to the Commission)	97	98	97	97	97
Properties with more than two cases in a two year period	NA	212	200	190	175

<sup>1</sup> being developed

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ *Provide \$57.8 million in total resources from the Montgomery Housing Initiative (MHI) fund. This dedicated funding source provides for renovation of distressed housing, the preservation of affordable housing units, creation of housing units for special needs residents, services to the "Building Neighborhoods to Call Home", and the creation of mixed-income housing.*
- ❖ *Utilized \$53.7 million in FY09 from the MHI fund for the acquisition and rehabilitation of affordable housing.*

- ❖ Continue to use resources from the recordation tax premium to support rental assistance programs in the Department of Housing and Community Affairs (DHCA), the Department of Health and Human Services (DHHS), and the Housing Opportunities Commission (HOC).
- ❖ Continued funding from Federal Grants (CDBG, HOME, and ESG) to provide funding for affordable housing rehabilitation, commercial revitalization, public services, and preventing homelessness.
- ❖ Provides housing code enforcement to neighborhoods for improving safety and sanitary living conditions.
- ❖ Provides landlord-tenant mediation services to an expanding immigrant population and provides emergency housing services for eviction prevention and for special relocations such as Charter House.

## PROGRAM CONTACTS

Contact Fred Wilcox of the Department of Housing and Community Affairs at 240.777.3607 or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's operating budget.

## PROGRAM DESCRIPTIONS

### Multi-Family Housing Programs

This program creates and preserves affordable multi-family housing units. Loans are made to the Housing Opportunities Commission, nonprofit organizations, property owners, and for-profit developers. This program provides funding to:

- preserve existing affordable housing units;
- construct and acquire affordable housing units;
- rehabilitate existing rental housing stock;
- participate in housing or mixed-use developments that will include affordable housing;
- acquire land to produce affordable housing;
- provide low income rental housing assistance.

Major funding for these projects is provided from the Montgomery Housing Initiative Fund, the Federal HOME Grant, the Federal Community Development Block Grant, and State grants. The program emphasizes the leveraging of County funds with other public and private funds in undertaking these activities.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
Affordable housing units preserved - County funded	NA	34	344	612	166
Affordable housing units preserved - no cost to County	NA	131	448	TBD	TBD
Affordable housing units preserved in production (pipe line)	NA	954	678	366	500
Affordable housing units produced - County funded	NA	103	225	274	156
Affordable housing units produced - no cost to County	NA	116	327	51	394
Affordable housing units produced in production (pipe line)	NA	336	289	591	547
Cost per unit of affordable housing units preserved	NA	57,932	59,670	61,460	63,300
Cost per unit of affordable housing units produced	NA	68,270	70,320	72,430	74,600

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>28,549,590</b>	<b>9.0</b>
Enhance: MHI Affordable Housing	2,414,460	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-13,110	0.0
<b>FY10 CE Recommended</b>	<b>30,950,940</b>	<b>9.0</b>

### Single-Family Housing Programs

This program creates and preserves affordable single-family housing units. It enforces Chapter 25A of the County Code to ensure that Moderately Priced Dwelling Units (MPDUs) are provided and monitored for resale control. The Code requires that 12.5 percent to 15.0 percent of an approved development of 20 dwelling units or more be MPDUs, depending on the amount of density bonus achieved. The housing units produced are marketed at controlled prices, which makes them affordable to moderate-income households. Additional single-family housing programs provide funding to replace, rehabilitate and weatherize single-family housing units and rehabilitate group homes for the special needs population. In addition, this program is responsible for the newly created Work Force Housing Initiative.

<b>Program Performance Measures</b>	<b>Actual FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Projected FY10</b>	<b>Projected FY11</b>
Number of Housing Units Improved/Rehabilitated <sup>1</sup>	106	98	446	440	90

<sup>1</sup> Programs include SF Rehab, GH Rehab, Home Replacement, Weatherization, and Sprinklers. Large increases in FY09 and FY10 are attributed to \$3.2 million in economic stimulus funds for the Weatherization Program.

<b>FY10 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>715,950</b>	<b>9.0</b>
Reduce: Principal Administrative Aide (MPDU)	-68,220	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	7,180	0.0
<b>FY10 CE Recommended</b>	<b>654,910</b>	<b>8.0</b>

## Housing Code Enforcement

This program enforces Chapter 26 of the County Code, Housing Maintenance, by inspecting rental condominiums, multi-family apartments, and single-family housing to ensure safe and sanitary conditions; and Chapter 48, Solid Wastes; and Chapter 58, Weeds, the County's residential weeds and rubbish codes. Approximately 80 percent of the single-family inspections result from tenant and/or neighbor complaints; other inspections are the result of concentrated code enforcement efforts in specific areas. The multi-family inspections are based on a requirement for triennial inspections and in response to tenant and/or neighbor complaints. This program is supported by the collection of single-family and apartment/condominium licensing fees.

<b>Program Performance Measures</b>	<b>Actual FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Projected FY10</b>	<b>Projected FY11</b>
Percent of Cases that Achieve Voluntary Compliance	95	93	93	93	93
Properties with more than two cases in a two year period	NA	212	200	190	175

<b>FY10 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>2,098,350</b>	<b>19.9</b>
Enhance: Clean and Lien Program	25,000	0.0
Enhance: Code Enforcement Outreach	25,000	0.0
Increase Cost: Motor Pool Rate Adjustment	10,710	0.0
Decrease Cost: Increase Lapse	-2,010	0.0
Decrease Cost: Motor Pool Cost for Inspector	-8,460	0.0
Decrease Cost: Code Enforcement Inspector Positions	-179,860	-2.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	4,000	-0.5
<b>FY10 CE Recommended</b>	<b>1,972,730</b>	<b>17.4</b>

## Grants Administration - Federal Programs

Staff provides management and oversight to ensure compliance with all regulatory requirements for Federal funding awarded to Montgomery County by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant, the HOME Investment Partnership Grant, and the Emergency Shelter Grant programs.

Funds from these programs support both operating activities and capital projects. Activities funded may include property acquisition, new construction, housing rehabilitation, commercial area revitalization and handicapped accessibility improvements.

Staff administers contracts with the cities of Rockville and Takoma Park, as well as not-for-profit organizations awarded funding to provide a variety of public services involving assistance to low-income persons.

<b>Program Performance Measures</b>	<b>Actual FY07</b>	<b>Actual FY08</b>	<b>Estimated FY09</b>	<b>Projected FY10</b>	<b>Projected FY11</b>
Number of Contracts Awarded and Monitored <sup>1</sup>	80	71	63	62	62

<sup>1</sup> Contracts include CDBG, ESG, HOME, MHI, Historic, Community Grants, and Empowerment Grants. Four workyears are devoted to this program.

<b>FY10 Recommended Changes</b>	<b>Expenditures</b>	<b>WYs</b>
<b>FY09 Approved</b>	<b>8,043,450</b>	<b>7.0</b>
Add: Community Development Block Grant: Habitat for Humanity of Montgomery County, MD (AmeriCorp/Vista Volunteer)	45,000	0.0
Add: Community Development Block Grant: Montgomery County, MD, Delta Alumnae Foundation, Inc. (Saturday Academy)	45,000	0.0

	Expenditures	WYs
Add: Community Development Block Grant: Washington Youth Foundation (Professional Youth Initiative)	45,000	0.0
Add: Emergency Shelter Grant: Montgomery County Coalition for the Homeless, Inc. (Partnership for Permanent Housing)	45,000	0.0
Add: Community Development Block Grant: GapBuster Learning Center, Inc. (Cross-Tutorial Mentoring Program)	35,000	0.0
Add: Community Development Block Grant: Interfaith Works, Inc. (Supported Employment)	30,000	0.0
Add: Community Development Block Grant: Legal Aid Bureau (Legal Assistance for Housing Preservation)	30,000	0.0
Add: Community Development Block Grant: Liberty's Promise (Enriching Montgomery County's Immigrant Youth)	30,000	0.0
Add: Community Development Block Grant: Mobile Medical Care, Inc. (Chronic Disease Care at Long Branch)	30,000	0.0
Add: Community Development Block Grant: Montgomery County Department of Health & Human Services (Get a Check-Up)	30,000	0.0
Add: Community Development Block Grant: Reginald S. Lourie Center for Infants and Young Children (Lourie Center Early Head Start)	27,000	0.0
Add: Community Development Block Grant: Boat People SOS, Inc. (Educational and Recreational Activities for Youth)	25,300	0.0
Add: Community Development Block Grant: Eastern Montgomery Emergency Assistance Network, Inc. (Prescription Assistance)	25,000	0.0
Add: Community Development Block Grant: Independence Now, Inc. (Access to Success!)	25,000	0.0
Add: Community Development Block Grant: Korean Community Service Center of Greater Washington (Asian Minority Outreach)	25,000	0.0
Add: Community Development Block Grant: The Shepherd's Table, Inc. (Shepherd's Table Eye Clinic)	21,000	0.0
Add: Community Development Block Grant: Career Transition Center, Inc. (Transportation Supplement)	20,000	0.0
Add: Community Development Block Grant: CASA de Maryland, Inc. (Legal Services Program)	20,000	0.0
Add: Community Development Block Grant: Maryland Vietnamese Mutual Association, Inc. (Golden Age Project for Seniors)	20,000	0.0
Add: Community Development Block Grant: Muslim Community Center, Inc. (Clinic for the Uninsured)	20,000	0.0
Add: Community Development Block Grant: Spanish Catholic Center, Inc. (English for Speakers of Other Languages)	20,000	0.0
Add: Community Development Block Grant: Lutheran Social Services of the National Capital Area, Inc. (Employment Services Program)	19,700	0.0
Add: Emergency Shelter Grant: Interfaith Works, Inc. (Supported Employment)	15,000	0.0
Add: Community Development Block Grant: Pyramid Atlantic, Inc. (Y.E.S. Youth Empowerment Skills)	10,000	0.0
Add: Community Development Block Grant: Circle of Rights, Inc. (Hispanic Stroke Support Group)	7,000	0.0
Technical Adj: Adjust compensation increases and shifts in staff funding	0	-0.4
Reduce: Senior Planning Specialist	-31,150	-0.4
Shift: CDBG Costs Related To Position Eliminations	-78,810	-0.7
Decrease Cost: Increase charges to CIP	-499,000	0.0
Decrease Cost: Adjust Individual Federal Programs	-665,000	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	85,230	0.5
<b>FY10 CE Recommended</b>	<b>7,519,720</b>	<b>6.0</b>

### Landlord-Tenant Mediation

This program ensures fair and equitable relations between landlords and tenants and encourages the maintenance and improvement of housing. Activities including mediating and arbitrating disputes; providing information and technical assistance to all parties; and taking legal action as necessary, including referring unresolved complaints to the Montgomery County Commission on Landlord-Tenant Affairs.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
Average days required to conciliate Landlord/Tenant disputes that do not go to the Commission	37.9	35.9	34.0	32.0	32.0
Percent of Landlord/Tenant cases mediated successfully (not referred to the Commission)	97	98	97	97	97

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>1,089,670</b>	<b>8.8</b>
Decrease Cost: Reduce PT Investigator from .7 to .5 wys	-21,970	-0.2
Decrease Cost: Retirement Incentive Program (RIP) Savings	-76,550	-1.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	30,680	-0.1
<b>FY10 CE Recommended</b>	<b>1,021,830</b>	<b>7.5</b>

## Neighborhood Revitalization

This program provides planning and implementation for neighborhood revitalization in targeted areas. Activities include commercial revitalization (physical and economic) in both local retail centers and central business districts as well as assistance to address other community concerns, including issues related to housing and public services. Primary funding for these activities is provided from the County's Capital Improvements Program and from other Federal and State funds, including Community Development Block Grants and State Community Legacy Grants.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services <sup>1</sup>	NA	NA	TBD	TBD	TBD

<sup>1</sup> being developed

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>447,480</b>	<b>4.0</b>
Decrease Cost: Principal Administrative Aide	-33,870	-0.5
Eliminate: Long Branch Neighborhood Maintenance	-60,370	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-92,170	-0.5
<b>FY10 CE Recommended</b>	<b>261,070</b>	<b>3.0</b>

## Licensing and Registration

This program issues licenses to all rental housing (apartments, condominiums, single-family) and registers all housing units within common ownership communities.

Program Performance Measures	Actual FY07	Actual FY08	Estimated FY09	Projected FY10	Projected FY11
Number of Rental Licenses Issued <sup>1</sup>	80,193	82,205	82,121	83,062	83,700

<sup>1</sup> Programs include Accessory Apartments, Condominiums, Single Family, and Apartments.

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>366,230</b>	<b>3.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	14,750	0.0
<b>FY10 CE Recommended</b>	<b>380,980</b>	<b>3.0</b>

## Housing Administration

This program provides management and oversight to support activities within the housing division including single and multi-family housing programs, code enforcement and landlord tenant mediation.

This program was formerly included as part of Housing Development and Loan Programs.

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>112,910</b>	<b>2.0</b>
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-7,860	0.0
<b>FY10 CE Recommended</b>	<b>105,050</b>	<b>2.0</b>

## Administration

This program provides overall direction, administration, and managerial support to the Department. Activities include budgeting, financial management, personnel management and administration, program oversight, training, automated systems management, and policy/program development and implementation (legislation, regulations, procedures).

FY10 Recommended Changes	Expenditures	WYs
<b>FY09 Approved</b>	<b>989,160</b>	<b>10.8</b>
Decrease Cost: Printing and Mail Adjustments	-14,930	0.0
Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	19,730	0.0
<b>FY10 CE Recommended</b>	<b>993,960</b>	<b>10.8</b>

## BUDGET SUMMARY

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Res
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	3,548,848	3,565,310	3,565,120	3,204,000	-10.1%
Employee Benefits	1,210,539	1,352,450	1,165,850	1,278,140	-5.5%
<b>County General Fund Personnel Costs</b>	<b>4,759,387</b>	<b>4,917,760</b>	<b>4,730,970</b>	<b>4,482,140</b>	<b>-8.9%</b>
Operating Expenses	840,585	716,610	841,610	668,250	-6.7%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>5,599,972</b>	<b>5,634,370</b>	<b>5,572,580</b>	<b>5,150,390</b>	<b>-8.6%</b>
<b>PERSONNEL</b>					
Full-Time	89	85	85	80	-5.9%
Part-Time	4	5	5	5	—
Workyears	50.4	46.1	46.1	39.7	-13.9%
<b>REVENUES</b>					
Miscellaneous - LTA Registry	5,153	5,000	5,000	5,000	—
Common Ownership Commission Fees	0	3,000	5,000	5,000	66.7%
Miscellaneous - Common Ownership Communities	0	3,000	1,000	1,000	-66.7%
Common Ownership Communities Fees	285,491	283,500	283,500	355,850	25.5%
Miscellaneous - LTA	17,947	0	0	0	—
Landlord Apartment Rental License	2,336,440	2,330,000	2,330,000	2,352,960	1.0%
Miscellaneous - Landlord-Tenant	265	15,000	15,000	15,000	—
Civil Citations - Landlord-Tenant	75,402	75,000	75,000	75,000	—
Landlord Single Family Rental License	1,353,425	1,262,000	1,374,000	1,380,000	9.4%
Landlord Condominium Rental License	367,224	334,000	380,000	400,000	19.8%
<b>County General Fund Revenues</b>	<b>4,441,347</b>	<b>4,310,500</b>	<b>4,468,500</b>	<b>4,589,810</b>	<b>6.5%</b>
<b>GRANT FUND MCG</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,406,939	1,399,720	1,408,450	1,408,410	0.6%
Employee Benefits	525,383	515,590	518,200	539,620	4.7%
<b>Grant Fund MCG Personnel Costs</b>	<b>1,932,322</b>	<b>1,915,310</b>	<b>1,926,650</b>	<b>1,948,030</b>	<b>1.7%</b>
Operating Expenses	6,831,699	6,153,800	11,132,860	5,622,080	-8.6%
Capital Outlay	0	0	0	0	—
<b>Grant Fund MCG Expenditures</b>	<b>8,764,021</b>	<b>8,069,110</b>	<b>13,059,510</b>	<b>7,570,110</b>	<b>-6.2%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	16.2	15.9	15.9	15.5	-2.5%
<b>REVENUES</b>					
Community Development Block Grant	4,660,874	3,817,130	3,817,130	3,318,130	-13.1%
Community Development Block Grant: Program Income	0	1,100,000	2,761,080	1,100,000	—
Emergency Shelter: Group Homes	214,390	226,880	226,880	226,880	—
HOME Grant: Program Income	0	500,000	500,000	500,000	—
HOME Investment Partnership Grant	2,977,756	2,260,420	2,260,530	2,260,420	—
Takoma Park Code Enforcement	225,887	0	0	0	—
Weatherization	167,974	164,680	3,493,890	164,680	—
Community Legacy	440,103	0	0	0	—
Weatherization Universal Svc	57,062	0	0	0	—
Weatherization - Washington Gas	19,975	0	0	0	—
<b>Grant Fund MCG Revenues</b>	<b>8,764,021</b>	<b>8,069,110</b>	<b>13,059,510</b>	<b>7,570,110</b>	<b>-6.2%</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	684,921	927,610	969,970	934,400	0.7%
Employee Benefits	234,417	311,760	326,400	355,830	14.1%
<b>Montgomery Housing Initiative Personnel Costs</b>	<b>919,338</b>	<b>1,239,370</b>	<b>1,296,370</b>	<b>1,290,230</b>	<b>4.1%</b>
Operating Expenses	32,699,350	27,393,070	27,337,400	29,773,590	8.7%
Debt Service Other	78,255	76,870	76,870	76,870	—
Capital Outlay	35,841	0	0	0	—
<b>Montgomery Housing Initiative Expenditures</b>	<b>33,732,784</b>	<b>28,709,310</b>	<b>28,710,640</b>	<b>31,140,690</b>	<b>8.5%</b>
<b>PERSONNEL</b>					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	9.9	11.5	11.5	11.5	—

	Actual FY08	Budget FY09	Estimated FY09	Recommended FY10	% Chg Bud/Rec
<b>REVENUES</b>					
Extraordinary Revenue Financing	0	25,000,000	25,000,000	25,000,000	—
Recordation Tax Revenue for Rental Assistance Prog	0	2,615,500	2,615,500	3,047,000	16.5%
Developer Approval Payments	13,579	50,000	50,000	50,000	—
MPDU Alternative Payments	989,800	0	0	0	—
MPDU Resale Recapture	2,722,721	3,000,000	2,000,000	2,000,000	-33.3%
MPDU Contributions	0	0	385,000	281,750	—
MPDU Foreclosures	348,794	0	0	0	—
Mortgage Repayments	2,051,859	5,500,000	2,500,000	5,672,450	3.1%
Miscellaneous	4,015	0	0	0	—
Other Interest Income	380,817	0	0	0	—
Other Sales	5,479,201	0	0	0	—
Sale of Property	61,332	0	0	0	—
Condo Transfer Tax	4,877,974	3,000,000	3,000,000	2,000,000	-33.3%
Investment Income: Pooled	870,676	210,000	220,000	190,000	-9.5%
HOC Loan Repayment	78,255	76,870	76,870	75,290	-2.1%
Prior Year Adjustment	109,156	0	0	0	—
<b>Montgomery Housing Initiative Revenues</b>	<b>17,988,179</b>	<b>39,452,370</b>	<b>35,847,370</b>	<b>38,316,490</b>	<b>-2.9%</b>
<b>DEPARTMENT TOTALS</b>					
Total Expenditures	48,096,777	42,412,790	47,342,730	43,861,190	3.4%
Total Full-Time Positions	89	85	85	80	-5.9%
Total Part-Time Positions	4	5	5	5	—
Total Workyears	76.5	73.5	73.5	66.7	-9.3%
Total Revenues	31,193,547	51,831,980	53,375,380	50,476,410	-2.6%

## FY10 RECOMMENDED CHANGES

	Expenditures	WYs
<b>COUNTY GENERAL FUND</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>5,634,370</b>	<b>46.1</b>
<b>Changes (with service impacts)</b>		
Enhance: Clean and Lien Program [Housing Code Enforcement]	25,000	0.0
Enhance: Code Enforcement Outreach [Housing Code Enforcement]	25,000	0.0
Eliminate: Long Branch Neighborhood Maintenance [Neighborhood Revitalization]	-60,370	0.0
Reduce: Principal Administrative Aide (MPDU) [Single-Family Housing Programs]	-68,220	-1.0
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: Annualization of FY09 Personnel Costs	35,190	0.0
Increase Cost: Service Increment	29,720	0.0
Increase Cost: Retirement Adjustment	29,690	0.0
Increase Cost: Motor Pool Rate Adjustment [Housing Code Enforcement]	10,710	0.0
Increase Cost: Group Insurance Adjustment	10,140	0.0
Decrease Cost: Increase Lapse [Housing Code Enforcement]	-2,010	0.0
Decrease Cost: Motor Pool Cost for Inspector [Housing Code Enforcement]	-8,460	0.0
Decrease Cost: Printing and Mail Adjustments [Administration]	-14,930	0.0
Decrease Cost: Reduce PT Investigator from .7 to .5 wys [Landlord-Tenant Mediation]	-21,970	-0.2
Decrease Cost: Postage Reduction	-22,850	0.0
Decrease Cost: Principal Administrative Aide [Neighborhood Revitalization]	-33,870	-0.5
Decrease Cost: Overtime Reduction	-50,380	-0.6
Decrease Cost: Retirement Incentive Program (RIP) Savings [Landlord-Tenant Mediation]	-76,550	-1.0
Decrease Cost: Code Enforcement Inspector Positions [Housing Code Enforcement]	-179,860	-2.0
<b>Federal Programs</b>		
Reduce: Senior Planning Specialist	-31,150	-0.4
Shift: CDBG Costs Related To Position Eliminations	-78,810	-0.7
<b>FY10 RECOMMENDED:</b>	<b>5,150,390</b>	<b>39.7</b>

	Expenditures	WYs
<b>GRANT FUND MCG</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>8,069,110</b>	<b>15.1</b>
<b><u>Federal Programs</u></b>		
Add: Community Development Block Grant: Boat People SOS, Inc. (Educational and Recreational Activities for Youth)	25,300	0.0
Add: Community Development Block Grant: Career Transition Center, Inc. (Transportation Supplement)	20,000	0.0
Add: Community Development Block Grant: CASA de Maryland, Inc. (Legal Services Program)	20,000	0.0
Add: Community Development Block Grant: Circle of Rights, Inc. (Hispanic Stroke Support Group)	7,000	0.0
Add: Community Development Block Grant: Eastern Montgomery Emergency Assistance Network, Inc. (Prescription Assistance)	25,000	0.0
Add: Community Development Block Grant: GapBuster Learning Center, Inc. (Cross-Tutorial Mentoring Program)	35,000	0.0
Add: Community Development Block Grant: Habitat for Humanity of Montgomery County, MD (AmeriCorp/Vista Volunteer)	45,000	0.0
Add: Community Development Block Grant: Independence Now, Inc. (Access to Success!)	25,000	0.0
Add: Community Development Block Grant: Interfaith Works, Inc. (Supported Employment)	30,000	0.0
Add: Community Development Block Grant: Korean Community Service Center of Greater Washington (Asian Minority Outreach)	25,000	0.0
Add: Community Development Block Grant: Legal Aid Bureau (Legal Assistance for Housing Preservation)	30,000	0.0
Add: Community Development Block Grant: Liberty's Promise (Enriching Montgomery County's Immigrant Youth)	30,000	0.0
Add: Community Development Block Grant: Lutheran Social Services of the National Capital Area, Inc. (Employment Services Program)	19,700	0.0
Add: Community Development Block Grant: Maryland Vietnamese Mutual Association, Inc. (Golden Age Project for Seniors)	20,000	0.0
Add: Community Development Block Grant: Mobile Medical Care, Inc. (Chronic Disease Care at Long Branch)	30,000	0.0
Add: Community Development Block Grant: Montgomery County Department of Health & Human Services (Get a Check-Up)	30,000	0.0
Add: Community Development Block Grant: Montgomery County, MD, Delta Alumnae Foundation, Inc. (Saturday Academy)	45,000	0.0
Add: Community Development Block Grant: Muslim Community Center, Inc. (Clinic for the Uninsured)	20,000	0.0
Add: Community Development Block Grant: Pyramid Atlantic, Inc. (Y.E.S. Youth Empowerment Skills)	10,000	0.0
Add: Community Development Block Grant: Reginald S. Lourie Center for Infants and Young Children (Lourie Center Early Head Start)	27,000	0.0
Add: Community Development Block Grant: Spanish Catholic Center, Inc. (English for Speakers of Other Languages)	20,000	0.0
Add: Community Development Block Grant: The Shepherd's Table, Inc. (Shepherd's Table Eye Clinic)	21,000	0.0
Add: Community Development Block Grant: Washington Youth Foundation (Professional Youth Initiative)	45,000	0.0
Add: Emergency Shelter Grant: Interfaith Works, Inc. (Supported Employment)	15,000	0.0
Add: Emergency Shelter Grant: Montgomery County Coalition for the Homeless, Inc. (Partnership for Permanent Housing)	45,000	0.0
Decrease Cost: Adjust Individual Federal Programs	-665,000	0.0
Decrease Cost: Increase charges to CIP	-499,000	0.0
Technical Adj: Adjust compensation increases and shifts in staff funding	0	-0.4
<b>FY10 RECOMMENDED:</b>	<b>7,570,110</b>	<b>15.5</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>		
<b>FY09 ORIGINAL APPROPRIATION</b>	<b>28,709,310</b>	<b>11.5</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: MHI Affordable Housing (Multi-Family Housing Programs)	2,414,460	0.0
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY09 Personnel Costs	35,330	0.0
Increase Cost: Service Increment	9,110	0.0
Increase Cost: Retirement Adjustment	5,120	0.0
Increase Cost: Group Insurance Adjustment	1,300	0.0
Decrease Cost: Annualization of FY09 Operating Expenses	-33,940	0.0
<b>FY10 RECOMMENDED:</b>	<b>31,140,690</b>	<b>11.5</b>

## PROGRAM SUMMARY

Program Name	FY09 Approved		FY10 Recommended	
	Expenditures	WYs	Expenditures	WYs
Multi-Family Housing Programs	28,549,590	9.0	30,950,940	9.0
Single-Family Housing Programs	715,950	9.0	654,910	8.0
Housing Code Enforcement	2,098,350	19.9	1,972,730	17.4
Grants Administration - Federal Programs	8,043,450	7.0	7,519,720	6.0
Landlord-Tenant Mediation	1,089,670	8.8	1,021,830	7.5
Neighborhood Revitalization	447,480	4.0	261,070	3.0
Licensing and Registration	366,230	3.0	380,980	3.0
Housing Administration	112,910	2.0	105,050	2.0
Administration	989,160	10.8	993,960	10.8
<b>Total</b>	<b>42,412,790</b>	<b>73.5</b>	<b>43,861,190</b>	<b>66.7</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY09		FY10	
		Total\$	WYs	Total\$	WYs
<b>COUNTY GENERAL FUND</b>					
CIP	CIP	1,050,670	8.0	858,140	7.0
Permitting Services	Permitting Services	110,170	1.0	118,000	1.0
Solid Waste Services	Solid Waste Disposal	675,290	5.6	683,620	5.6
<b>Total</b>		<b>1,836,130</b>	<b>14.6</b>	<b>1,659,760</b>	<b>13.6</b>

## FUTURE FISCAL IMPACTS

Title	CE REC.		(5000's)				
	FY10	FY11	FY12	FY13	FY14	FY15	
This table is intended to present significant future fiscal impacts of the department's programs.							
<b>COUNTY GENERAL FUND</b>							
<b>Expenditures</b>							
<b>FY10 Recommended</b>	5,150	5,150	5,150	5,150	5,150	5,150	
No inflation or compensation change is included in outyear projections.							
<b>Labor Contracts</b>	0	13	13	13	13	13	
These figures represent the estimated cost of service increments and associated benefits.							
<b>Subtotal Expenditures</b>	<b>5,150</b>	<b>5,163</b>	<b>5,163</b>	<b>5,163</b>	<b>5,163</b>	<b>5,163</b>	
<b>MONTGOMERY HOUSING INITIATIVE</b>							
<b>Expenditures</b>							
<b>FY10 Recommended</b>	31,141	31,141	31,141	31,141	31,141	31,141	
No inflation or compensation change is included in outyear projections.							
<b>Labor Contracts</b>	0	4	4	4	4	4	
These figures represent the estimated cost of service increments and associated benefits.							
<b>Subtotal Expenditures</b>	<b>31,141</b>	<b>31,145</b>	<b>31,145</b>	<b>31,145</b>	<b>31,145</b>	<b>31,145</b>	

FY10-15 PUBLIC SERVICES PROGRAM FISCAL PLAN		MONTGOMERY HOUSING INITIATIVE					
FISCAL PROJECTIONS	FY09 ESTIMATE	FY10 REC	FY11 PROJECTION	FY12 PROJECTION	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	12.88%	13.73%	13.73%	13.73%	13.73%	13.73%	13.73%
CPI (Fiscal Year)	4.1%	3.3%	2.8%	2.5%	2.5%	2.5%	2.5%
Investment Income Yield	0.013	0.011	0.0165	0.0255	0.028	0.031	0.0335
<b>BEGINNING FUND BALANCE</b>	<b>11,615,290</b>	<b>1,951,890</b>	<b>1,665,040</b>	<b>1,583,580</b>	<b>2,801,300</b>	<b>4,666,330</b>	<b>7,405,680</b>
<b>REVENUES</b>							
Miscellaneous	35,847,370	38,316,490	15,106,530	17,225,180	13,807,140	14,964,640	14,824,720
Extraordinary Revenue Financing	25,000,000	25,000,000					
Extraordinary Revenue Revolving			5,390,000	6,640,000	2,434,920	2,709,920	2,500,000
<b>Subtotal Revenues</b>	<b>35,847,370</b>	<b>38,316,490</b>	<b>15,106,530</b>	<b>17,225,180</b>	<b>13,807,140</b>	<b>14,964,640</b>	<b>14,824,720</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To Debt Service Fund	9,604,290	17,537,348	21,983,460	23,112,640	23,699,950	24,492,230	25,192,230
Transfers To The General Fund	0	(2,180,000)	(4,400,000)	(4,400,000)	(4,400,000)	(4,400,000)	(4,400,000)
Indirect Costs	(178,100)	(201,920)	(206,540)	(197,360)	(190,050)	(177,770)	(177,770)
Transfers From The General Fund	(159,630)	(177,150)	(177,770)	(177,770)	(177,770)	(177,770)	(177,770)
	9,782,490	19,919,268	26,590,000	27,710,000	28,290,000	29,070,000	29,770,000
<b>TOTAL RESOURCES</b>	<b>57,067,050</b>	<b>57,805,728</b>	<b>38,755,030</b>	<b>41,921,400</b>	<b>40,308,390</b>	<b>44,123,200</b>	<b>47,422,630</b>
<b>CIP Property Acquisition Revolving Fund</b>							
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>	<b>(25,000,000)</b>	<b>(25,000,000)</b>	<b>(5,390,000)</b>	<b>(6,640,000)</b>	<b>(2,434,920)</b>	<b>(2,709,920)</b>	<b>(2,500,000)</b>
Operating Budget	(26,018,270)	(28,018,390)	(28,018,390)	(28,018,390)	(28,018,390)	(28,018,390)	(28,018,390)
Debt Service: Other (Non-Tax Funds only)	(76,870)	(75,300)	(73,580)	(71,730)	(69,770)	(67,730)	(65,630)
Labor Agreement	n/a	0	(4,490)	(4,490)	(4,490)	(4,490)	(4,490)
Rental Assistance Programs	(2,615,500)	(3,047,000)	(3,680,500)	(4,381,000)	(5,110,000)	(5,912,500)	(5,912,500)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(28,710,640)</b>	<b>(31,140,690)</b>	<b>(31,781,450)</b>	<b>(32,480,100)</b>	<b>(33,207,140)</b>	<b>(34,007,600)</b>	<b>(34,005,500)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(1,404,518)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(55,115,158)</b>	<b>(56,140,690)</b>	<b>(37,171,450)</b>	<b>(39,120,100)</b>	<b>(35,642,060)</b>	<b>(36,717,520)</b>	<b>(36,505,500)</b>
<b>YEAR END FUND BALANCE</b>	<b>1,951,890</b>	<b>1,665,040</b>	<b>1,583,580</b>	<b>2,801,300</b>	<b>4,666,330</b>	<b>7,405,680</b>	<b>10,917,130</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>	<b>3.4%</b>	<b>2.9%</b>	<b>4.1%</b>	<b>6.7%</b>	<b>11.6%</b>	<b>16.8%</b>	<b>23.0%</b>

**Assumptions:**

- Maintains the County Executive's commitment to affordable housing. Per Montgomery County Executive Order 136-01, includes an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) to ensure the availability of \$19.9 million or the equivalent of 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year, whichever is greater.
- Per Council Bill 25A-4, paragraph (c), enacted November 30, 2004, effective April 1, 2005, the FY08 Montgomery Housing Initiative Fund (HIF) will not include an additional allocation from MPDU alternative payments.

**Notes:**

- 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.
- MHI expenditures assume a \$375,000 grant in FY10 and FY11 for the National Center for Children and Families.

## Affordable Housing Acquisition and Preservation -- No. 760100

Category	Community Development and Housing	Date Last Modified	May 15, 2008
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 FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	52,500	1,095	405	51,000	25,500	25,500	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
<b>Total</b>	<b>52,500</b>	<b>1,095</b>	<b>405</b>	<b>51,000</b>	<b>25,500</b>	<b>25,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

Montgomery Housing Initiative Fund	2,500	1,095	405	1,000	500	500	0	0	0	0	0
HIF Revolving Program	50,000	0	0	50,000	25,000	25,000	0	0	0	0	0
<b>Total</b>	<b>52,500</b>	<b>1,095</b>	<b>405</b>	<b>51,000</b>	<b>25,500</b>	<b>25,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 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 \$25 million of debt in FY09 and FY10 provided for the creation of a Housing Initiative Fund (HIF) Property Acquisition Revolving Program. This significantly increases the County's capacity to acquire affordable housing.

#### JUSTIFICATION

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement, of the Montgomery County Code.

Opportunities to purchase property come up with little notice and cannot be planned in advance. Once the properties are acquired by the County, the properties may be transferred to a nonprofit housing organization or other entity that will agree to renovate and keep rents affordable.

#### 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.

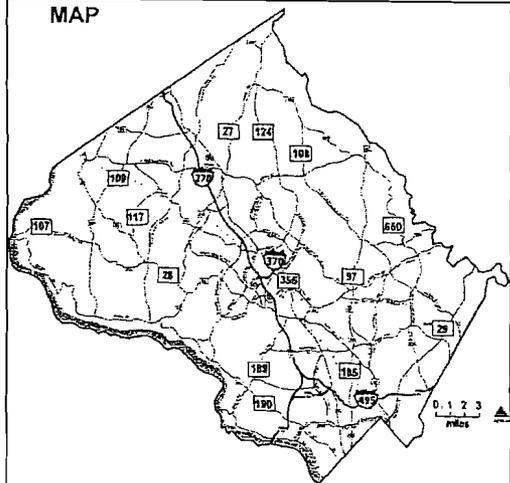
#### APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY01	(\$000)
First Cost Estimate	FY09	52,500
Current Scope		
Last FY's Cost Estimate		2,500
Appropriation Request	FY09	25,000
Appropriation Request EsL	FY10	25,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,500
Expenditures / Encumbrances		1,095
Unencumbered Balance		1,405
Partial Closeout Thru	FY06	0
New Partial Closeout	FY07	0
Total Partial Closeout		0

#### COORDINATION

Housing Opportunities Commission (HOC)  
Nonprofit housing providers  
Tenant Associations

#### MAP



11

**Code Enforcement Work Group Presentation**  
**To PS & PHED Committees**  
**Montgomery County Council**  
**December 8, 2008**

In September 2007, the County Executive directed the formation of a Code Enforcement Work Group, a group comprised largely of Executive Branch staff whose responsibilities include enforcing various chapters of the County Code. The County Executive wanted a comprehensive review of enforcement activities because of concerns raised by a number of individuals and civic groups, and his belief in the importance that these issues dramatically impact on the quality of life in the County and the residential character of neighborhoods. The concerns raised include:

- Portions of the Code were outdated or inconsistent;
- Code enforcement is uneven;
- Too much time passes between the issuance of a citation and correction of a Code violation; and
- There is poor coordination among the various departments responsible for issuing citations.

The Work Group's mission has been to study and make recommendations regarding a wide variety of Code enforcement issues including:

- Unkempt properties;
- Residential code violations enforced by multiple County agencies;
- Overcrowded homes;
- Vehicles parked on front lawns;
- Unsafe passage on residential streets resulting from large parked commercial and recreational vehicles;
- Inoperable or unregistered vehicles;
- Coordination of solid waste enforcement;
- Definition and enforcement of Home Occupations;
- Repeat violation offenders;
- Houses occupied, or accessory structures used without an approved final inspection; and
- Failure to complete construction of residential building projects subject to building permits.

Over the past year the Work Group, with the assistance of Council staff has reviewed a number of case studies, identified a number of general issues common to many of the case studies, and is in the process of developing a set of recommendations that will address many of the issues that concern communities throughout the county. Proposed solutions to some of the concerns raised, fall into three broad categories:

1. Legislative changes to various chapters of the County Code;
2. Internal work process (sometimes referred to as business processes) changes and cross training for DPS, DHCA, MCFRS, MCPD and DEP staff; and

3. Education programs for residents and community associations that inform property owners of their rights and responsibilities.

The Work Group has made the following recommendations to the County Executive and he has approved the following proposals:

a. Legislation

- i. Parking limits on oversize, commercial, and recreational vehicles (off-property);
- ii. Parking limits-on-property: Limit the amount of impervious surface on residential lots and number of commercial and recreational vehicles in certain zones;
- iii. Make definition for “heavy-commercial, light-commercial, and recreational vehicle” the same in all sections of the Code (specifically in sections 31 and 59);
- iv. Make Code chapters 48 and 26 consistent by requiring unregistered or inoperable vehicles to be removed within the same number of days of being cited. Currently, one Chapter specifies 90 days and the other one 30 days. It is recommended to establish 30 days as the period for removal after being cited;
- v. Clarifications and limits for Home Occupations including:
  1. Requiring a citation for violation of the home occupation law instead of a warning;
  2. Requiring any violation that can be remedied with a special exception to file a special exception petition within 60 days of receiving the citation;
  3. For no-impact home occupations:
    - a. Limiting the number of vehicles visiting the property to 5 per week (currently, the limit is 5 visits and is difficult to enforce); and
    - b. In the R-60 and R90 zones, limiting the number of vehicles visiting the property to two at any one time.
  4. For registered home occupations:
    - a. Clarifying that no more than one employee may come to a home occupation within a 24 hour period; and
    - b. Requiring that a registered home occupation may not begin without an on-site inspection.
- vi. Require an approved occupancy and use permits prior to occupation of residential properties or change in use of residential properties;
- vii. Require permit expiration dates (18 months) and require more than one inspection in a 18 month period; and
- viii. Increased fines for various violations:
  1. Building without a permit;
  2. Erecting signage without a permit; and
  3. Establishing inappropriate home-based businesses.

b. Business Process Changes and Training:

- i. Expanded use of the eReferral system. Over the last 8 months DPS, DHCA, DEP and MCP have worked cooperatively to develop an internal, online “eReferral” system which is used by code enforcement workers and police officers to refer potential violations that are reported to them, or that are observed when they visit a property, to the agency that is responsible for enforcement of the suspected code violation. This enables efficient and timely reporting by the first responding agency to other agencies that need to respond and eliminates the need for residents to report violations to multiple agencies. All referrals are recorded in the County’s eProperty Data Mining application and can be viewed by residents when searching an address using eProperty. Also using eProperty, residents can see agency-by-agency cases opened in response to the referral. Currently, eProperty displays and links to case data from Housing Code Enforcement, Permitting, Zoning. Police information is being developed and will be added in the near future. Additional data sources that are planned to be added are Solid Waste, DEP, and FRS. This is a work in progress and will be improved over the next few months by expanding County employee awareness of and training for the eReferral system, adding data sources to the eProperty system, and perhaps integrating these systems with the planned “311” system.
- ii. Implementing a revised abatement program that impacts repeat Code offenders and others. Under the approach, if a property owner fails to make required corrections within the time specified in a Court-issued abatement order, the County would utilize its contractors to correct a violation and the expenses would be charged to the property owner. Should the property owner fail to compensate the county for incurred expenses, a lien would be put on the property and collected through the property tax bill or tax sales. Once funded these activities could be further directly supported by revenue from fines imposed by the Court.
- iii. Overcrowded residences:
  1. Cross train MCP, DPS, DEP, and MCFRS inspectors to observe and report situations of overcrowding to DHCA
  2. DHCA to ask for number of bedrooms and number of renters when property owner applies for license.
- iv. Quality Assurance process for all departments;
- v. Licensing of providers of fire safety systems and equipment (specifically sprinkler and other fire suppression systems) – MCFRS;
- vi. Narrow period completing residential permits and set final inspection dates for residential building permits:

1. Use the Hansen permitting information system to monitor expiration dates and to trigger more frequent inspections.
  2. DPS needs to proactively inspect residential building projects and not have all inspections be driven by requests.
- vii. Solid Waste – revised jurisdiction for solid waste violations between DEP and DHCA.
- viii. Non-English speaking inspection procedures (all departments); and
- ix. Proposal to change DPS permit review process to require that permit requests that are accompanied by drawings that indicate that materials for the addition for which the permit is being applied will match the existing structure do, in fact, match the existing materials (DPS).
- c. Community Outreach
- i. Develop an outreach program to share information on DPS and DHCA code requirements -- what is and isn't covered, how the requirements are enforced, when permits are required, and how and to whom complaints can be made.
  - ii. Work with realtors to encourage them to monitor, and correct as appropriate, the number of bedrooms advertised in listed single-family properties.
  - iii. Provide information to new renters so that they better understand the landlord's responsibilities for property maintenance and know how to file a complaint.

PHED COMMITTEE #3  
April 29, 2009

MEMORANDUM

April 28, 2009

TO: Planning, Housing, and Economic Development Committee  
FROM: Minna K. Davidson, <sup>MKD</sup>Legislative Analyst  
SUBJECT: FY10 Operating Budget – Department of Housing and Community Affairs  
(continued)

The PHED Committee began its review of the FY10 operating budget for the Department of Housing and Community Affairs (DHCA) on April 21. At that time, the Committee deferred a recommendation on one item.

In the Neighborhood Revitalization Program, the Executive recommended a reduction of \$60,370 for Long Branch neighborhood maintenance. The description of this item from the April 21 packet is on © 1. Current baseline standards for DOT street services outside of Urban Districts are attached on © 2. DHCA staff said that they recognize the importance of the neighborhood maintenance funding to the Long Branch community, and have tried to preserve it for several years, but did not have other options for reductions in FY10.

The Committee wanted to understand how the funding for Long Branch might relate to the Emerging Communities Initiative funding in the Regional Services Centers (RSC) budget, and whether the Long Branch maintenance services could be funded through that source. The Committee asked to return to this item when the Regional Services Centers budget is reviewed.

The packet for the RSC budget (PHED Committee #1 on April 29) includes a discussion of Emerging Communities Initiative funding on pages 6-7 of the cover memo. Funding for Emerging Communities has been uneven over the past several years. The RSCs generally were not able to use the Emerging Communities funds for urban district type services because the amounts were too small and there was no assurance that the funds would be available on an ongoing basis. Instead, funds were used for smaller, one-time projects. For FY10, the Executive recommends eliminating all but \$4,900 in Emerging Communities Initiative funding.

**Council staff recommendation:** Place \$60,370 for Long Branch neighborhood maintenance on the Reconciliation List in two increments of \$30,185. Work with DHCA and the RSCs on a longer term resolution of this issue after budget season.

**8. Eliminate Long Branch Neighborhood Maintenance (\$60,370)**

DHCA currently uses this funding for urban district type service in the public space in the Long Branch commercial area. DHCA issues a memorandum agreement with the Silver Spring Regional Center for the service which is provided by competitively bid private contractors. The scope of services under the current agreement is shown in the table below. If the funding is eliminated, the services will be discontinued, and the Long Branch commercial area will receive the same level of public maintenance services as provided in other commercial areas located outside of Urban Districts.

Maintenance Service	# Occurrences	Quantity	Unit Pricing	Annual Cost	Comments
Turf Maintenance	24x per year	178 sq yd		\$2,795	
Litter Control	4x per week	9,504 sq yd		\$20,209	
Tree Maintenance	per year	123 trees		\$6,647	
Special Landscape	per year	644 sq yd		\$13,274	
Flower Installation (Annuals)	2x per year	65 sq yd		\$8,000	Fall & Summer Rotation 4,000 each rotation
Bus Shelter Power Wash	2x per month	12 shelters		\$953	
Trash Receptacle Service	3x per week	14 receptacles		\$8,157	
<b>TOTAL:</b>				<b>\$60,000</b>	

**Council staff comments:** Council staff is concerned about the impact of this reduction on the Long Branch community. Before making a recommendation, the Committee may want to discuss the following questions with DHCA staff.

1. **What level of service will be provided for the Long Branch commercial area if the DHCA funding is eliminated?**
2. **What was the original rationale for providing additional funding for enhanced services in Long Branch? Has the need for enhanced services changed over time?**
3. **How will the proposed reduction impact the Long Branch community?**

**Davidson, Minna**

**From:** Boucher, Kathleen  
**Sent:** Monday, October 27, 2008 11:36 AM  
**To:** Davidson, Minna  
**Subject:** Questions for 10/30 PHED -- DOT  
**Importance:** High

Minna

Momentarily, Leslie Hamm will forward to you consolidated answers developed by the RSDs to the questions you posed regarding services in Urban Districts and Emerging Communities.

Here are additional DOT comments.

KB

**From:** Compton, Keith  
**Sent:** Thursday, October 23, 2008 11:15 AM  
**To:** Roshdieh, Al  
**Subject:** FW: Follow up questions for 10/30 PHED

Al:

I have added in our enhanced Gateway Roads.....also, under "litter collection", I have noted the "Refresh Montgomery Program" as an enhancement.

The current baseline standards, per current funding parameters, are as follows:

- Sweeping:
  - One countywide sweeping is conducted by DOT following winter road operations. This sweeping focuses on the collection of all salt and sand deposited throughout the winter months.
  - An additional two sweepings, funded by DEP, are carried out in the sensitive watershed areas such as the Anacostia watershed. Generally, this increased level of sweeping occurs in the Silver Spring geographic area including Colesville and Burtonsville.
  - DEP also funds sweeping 50 lane miles of "Gateway Roads" such as Randolph Road, Fairland Road, Middlebrook Road an additional nine (9) times annually. This is a proactive "water quality" initiative to capture road debris before it enters storm drains and watersheds.
- Litter Collection
  - DOT utilizes Alternative Community Service (ACS) personnel three days a week, 52 weeks a year for litter collection.
  - As an enhancement DOT initiated a "Refresh Montgomery Program" two years ago whereby we undertake an intensive 6-8 week litter pick up campaign, immediately following winter operations, using three dedicated crews. This has become a very effective and popular program.
  - DOT responds to litter Service Requests, as needed
- Mowing
  - Baseline in rural areas is three (3) times annually
  - Mowing in urban districts, including the medians of "Gateway Roads" is conducted 10-14 times annually, depending on vegetative activity.
- Tree Pruning
  - Tree pruning is currently on an 80-year (plus) cycle; depending on the inventory number used. Typically, DOT is funded at approximately \$1M annually for proactive tree pruning. This level of funding provides for approximately 4,100 prunes annually. Our street tree inventory is on the order of magnitude of 350,000 trees, and counting. Therefore, this places us on a cycle exceeding 80years. The Street Tree Preservation CIP (500700) recognizes a 40-90 year pruning cycle.
- Streetlight Maintenance
  - The 5-year cycle noted in the table is correct.

In addition to the above DOT has labeled the following twenty-five roads as its "Gateway Roads" and provides an enhanced level of litter pick up, mowing, tree maintenance, and general road maintenance. The Gateway Roads include:

1. Gude Drive
2. Crabbs Branch Way
3. Shady Grove Road
4. Mid County Highway (County portion)
5. Montgomery Village Avenue
6. Randolph Road
7. Cherry Hill Road
8. Fairland Road
9. Norbeck Road
10. BelPre Road

18

**ATTACHMENT 1  
PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG**

<b>NONPROFIT PROVIDERS</b>	<b>\$605,000</b>
<b>Boat People SOS</b> <b>“Educational and Recreational Activities for Youth”</b> The project in first year funding will be used to support one full-time AmeriCorps volunteer and supervision time to carry out a youth enrichment program for 35 low-income Vietnamese youth in Montgomery County. An estimated 35 people will benefit.	<b>\$25,300</b>
<b>Career Transition Center, Inc. (CTC)</b> <b>“Transportation Supplement”</b> The project in first year funding will be used to supplement the amount of support CTC can devote to local transportation for the County’s job seekers. The Countywide program will benefit an estimated 100 people.	<b>\$20,000</b>
<b>CASA de Maryland, Inc.</b> <b>“Employment Rights/Legal Services”</b> The project in second year funding will be used to provide employment rights services through counseling, representation and education of low-wage workers who have not been paid their wages, as well as to domestic workers and victims of trafficking. The Countywide program will benefit an estimated 2,000 people.	<b>\$20,000</b>
<b>Spanish Catholic Center, Inc.</b> <b>“English for Speakers of Other Languages”</b> The project in first year funding will be used to expand English for Speakers of Other Languages (ESOL) services to a new Germantown site. An estimated 150 people will benefit.	<b>\$20,000</b>
<b>Circle of Rights, Inc.</b> <b>“Hispanic Stroke Support Group”</b> The project in first year funding to be used to support a stroke survivor support group and personal care assistant support group facilitated by Hispanic counselors with English interpretation primarily in the Gaithersburg area. An estimated 50 people will benefit.	<b>\$7,000</b>
<b>Eastern Montgomery Emergency Assistance Network</b> <b>“Networking Rx Assistance in Eastern Montgomery County”</b> The project in first year funding will be used to provide prescription medication to eligible low-income individuals who lack insurance coverage in Eastern Montgomery County. An estimated 80 households will benefit.	<b>\$25,000</b>

ATTACHMENT 1  
PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG

**GapBuster Learning Center** \$35,000  
**“Cross-Tutorial Mentoring Program”**

The project in second year funding will be used to purchase supplies and educational material for each student, pay staff, provide incentives, and other operating costs associated with providing the Cross-Tutorial Mentoring Program. The Countywide program will benefit an estimated 90 people.

**Habitat for Humanity of Montgomery County, Maryland, Inc.** \$45,000  
**“AmeriCorp/VISTA Volunteer”**

The project in first year funding will be used to provide housing assistance to AmeriCorp volunteers. An estimated 8 households will benefit.

**Independence Now, Inc.** \$25,000  
**“Access to Success!”**

The project in first year funding will be used to assist residents acquire assistive technology, minor home access modifications and minor vehicle modifications to empower them to be able to participate in their community. The Countywide program will benefit an estimated 30 people.

**Interfaith Works. Inc.** \$30,000  
**“Supported Employment Program”**

The project (see ESG for additional funding) in third year funding will be used to help homeless residents of Montgomery County achieve independence through employment and to help employers by providing qualified, dependable employees. The Countywide program will benefit an estimated 80 people.

**Korean Community Service Center of Greater Washington, Inc.** \$25,000  
**“Asian Minority Outreach and Services”**

The project in second year funding will be used to assist low-income families to become self-sufficient community members through promoting health and well being, ensuring stable housing, increasing service accessibility and achieving legal immigrant status. The Countywide program will benefit an estimated 1,530 people. Project includes \$20,000 from Montgomery County and \$5,000 from the City of Rockville.

**Legal Aid Bureau, Inc.** \$30,000  
**“Legal Assistance for Housing Preservation”**

The project in first year funding will be used to support one dedicated full-time attorney who will conduct community forums; provide outreach and education; and legal assistance to low-income residents who are at risk of losing their homes to foreclosure. The Countywide program will benefit an estimated 300 people.

**Liberty’s Promise, Inc.** \$30,000  
**“Enriching Montgomery County’s Immigrant Youth”**

The project in third year funding will be used to continue providing professional internship and civic education programs to low-income immigrant youth living in assisted or subsidized housing units. The Countywide program will benefit an estimated 50 immigrant youth.

**ATTACHMENT 1**  
**PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG**

**Lutheran Social Services of the National Capital Area** \$19,700  
**“MC Placement & Matching Grant Employment Services Program”**

The project in first year funding will be used to provide intensive case management and employment services to low-income refugee families with unemployed heads of households who are homeless or threatened with homelessness in Montgomery County. An estimated 250 people will benefit.

**Maryland Vietnamese Mutual Association** \$20,000  
**“Golden Age Project for Seniors”**

The project in second year funding will be used to continue to help GAPS program to support healthy aging in-place for low-income seniors through staffing for direct services, quality of life activities, volunteer recruiting efforts and translation fees. The Countywide program will benefit an estimated 100 people.

**Mobile Medical Care, Inc.** \$30,000  
**“Chronic Disease Care at Long Branch Community Center”**

The project in third year funding will be used to continue providing health care services, at the Long Branch Community Center, to individuals who need more intensive intervention and comprehensive education, training and support to help treat, control and manage their conditions. The program will benefit an estimated 800 people.

**Montgomery County Department of Health and Human Services** \$30,000  
**“Get a Check-Up”**

The project in first year funding will be used to expand on its prostate cancer screenings program by providing eligible low-income men with the appropriate screening, follow-up, patient navigation, and care coordination for suspicious prostate exam or symptoms. The Countywide program will benefit an estimated 300 people.

**Montgomery County MD Delta Alumnae Foundation, Inc.** \$45,000  
**“Science, Technology, Engineering and Mathematic Saturday Academy”**

The project in first year funding will be used to conduct a five week learning experience for eighth grade students in Science, Technology, Engineering, and Mathematics. The program will be designed as an effort to provide an engineering orientation experience for lower-income students from underrepresented segments of the population. The Countywide program will benefit an estimated 50 people.

ATTACHMENT 1  
PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG

**Muslim Community Center** \$20,000  
**“Muslim Community Center Clinic for the Uninsured”**

The project in first year funding will be used to pay the salary of a health care provider instructor and one administrative staff person. The Countywide program will benefit an estimated 200 people.

**Pyramid Atlantic, Inc.** \$10,000  
**“Y.E.S. (Youth Empowerment & Skills)”**

The project in first year funding will be used to support an after-school and weekend job-readiness program serving lower-income teens. Activities include learning the elements of effective storytelling, the crafts of paper-making and bookmaking, researching future professions, plotting career paths and creating a power point presentation summarizing their aspirations. The program is focused in Silver Spring and will benefit an estimated 30 people.

**Reginald S. Lourie Center for Infants & Young Children** \$27,000  
**“Community Resource Specialist for Lourie Center Early Head Start”**

The project in first year funding will be used to provide individualized support for all families in the Early Head Start program who need to be connected to community services, such as citizenship, housing, employment, childcare, education and health services. The Countywide program will benefit an estimated 88 people.

**The Shepherd’s Table, Inc.** \$21,000  
**“Shepherd’s Table Eye Clinic”**

The project in second year funding will be used to serve individuals who do not have eye care insurance and are in need of eye exams and eye glasses. The funds will support staff salaries and operating expenses. The Countywide program will benefit an estimated 650 people.

**Washington Youth Foundation** \$45,000  
**“Professional Youth Initiative Program”**

The project in first year funding will be used to support staff salaries and program operating costs. The Countywide program will benefit an estimated 370 students.

ATTACHMENT 1  
PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG

**PROJECTS ADMINISTERED BY MUNICIPALITIES** **\$434,000**

**CITY OF TAKOMA PARK** **\$135,000**

**Manna Food Center Inc.** **\$5,000**

**“Smart Sacks and Takoma Park Distribution”**

The project will be used by the grantee to provide for weekly distribution of boxes of food to low and moderate income residents of Franklin Apartments and other low income housing units in Takoma Park and backpacks of child friendly food to low and moderate income children attending local public elementary schools. An estimated 153 low and moderate income persons will benefit by the project.

**CSAFE** **\$10,000**

**“Quality of Life Initiative”**

Community engagement and problem oriented policing initiative designed to address certain crime-related concerns raised by residents which adversely affect their quality of life - public urination, public drinking, prostitution and loitering, etc. – as reflected in recent resident survey. The project will benefit an estimated 850 low and moderate income persons.

**Crossroads Farmers Market** **\$10,000**

**“Opportunity and Community in the Crossroads”**

Bi-lingual marketing and educational initiative designed to improve access to fresh and locally grown foods, increase awareness of the nutritional benefits of fresh food, and to promote use of WIC and food stamps. An estimate 5 low and moderate income persons will benefit by the project.

**City of Takoma Park** **\$110,000**

**“Affordable Housing Initiative”**

The project will be used by the City of Takoma Park to provide gap financing for the acquisition, demolition and/or renovation of existing housing, and down-payment assistance. Projects may include rental and ownership opportunities. A total of 12 households are expected to benefit.

**CITY OF ROCKVILLE** **\$299,000**

**Community Ministries of Rockville** **\$16,000**

**“Latino Outreach Program”**

The project will be used to provide basic English classes, workplace instruction and assistance to become U.S. citizens for foreign born community members in Rockville. This service will assist approximately 150 individuals.

**ATTACHMENT 1**  
**PROJECTED USE OF FUNDS – FY2010 - CDBG/HOME/ESG**

**Community Ministries of Rockville** \$12,500  
**“Elderly Ministries Program**

The project will provide funds to support administrative expenses associated with providing case management to senior citizens and frail elderly residents of the City of Rockville. This service will be able to assist approximately 50 individuals.

**Rockville Housing Enterprises** \$70,000

The project will be used by Rockville Housing Enterprises for improvements to David Scull Courts. These improvements will benefit approximately 10 families.

**Single-Family Rehabilitation** \$200,500

The project will be used to provide low-interest loans and grants to income eligible homeowners who need financial assistance in eliminating major code violations. An estimated 15 families will benefit.

							FY 2010 Project Commitments			
HIF APPROPRIATION							\$	57,805,730		
Project			Amount	USE	Source	FY 10 Date				
Tildenwood		special needs	\$ 120,000	Rehab	HIF	Jul-09				
Maple Towers		MHP	\$3,287,500	Rehab	HIF	Oct-09				
Paddington			\$1,600,000	Rehab	HIF	1-Jul				
Paddington			\$4,672,471	Rehab/Finance	HIF	Mar-10				
4715 Cordell		MCCH	\$2,800,000	Rehab	HIF	Sep-09				
Montgomery County Revolving Loan Closing Cost Assistance Program			\$592,120	DP Closing Cost	HIF	Aug-09				
Montgomery County Closing Cost Assistance Program for Employees (MC-CAP4E)			\$500,000	DP Closing Cost	HIF	Aug-09				
National Childrens Center			\$375,000	Rehab	HIF	Sep-09				
Victory St. Chamais		Victory Housing	\$300,000	Predev	HIF	Aug-09				
University Gardens			\$150,000	Predev	HIF	Sep-09				
<b>SUBTOTAL COMMITTED PROJECTS</b>			<b>\$14,397,091</b>							
Housing First			\$4,500,000		HIF	Jul-09				
Neighborhoods to Call Home			\$933,500		HIF	Jul-09				
Staff Costs			\$1,300,000		HIF	Ongoing				
Operating Expenses			\$500,000							
Debt Service (non-debt service fund)			\$75,300							
Rental Assistance (Recordation Tax)			\$3,047,000							
End of Year Balance			\$1,665,040							
<b>SUBTOTAL OTHER COMMITMENTS</b>			<b>\$12,020,840</b>							
<b>AVAILABLE FOR OTHER PROJECTS/USES</b>			<b>\$31,387,799</b>							

25