

AGENDA ITEM # 14
March 9, 2010

Worksession

MEMORANDUM

March 5, 2010

TO: County Council

FROM: Minna K. Davidson, Legislative Analyst *MKD*
Linda McMillan, Senior Legislative Analyst *LM*

SUBJECT: Worksession: Recommended FY11-16 Capital Improvements Program, Housing and Community Development

Those expected to attend this worksession include:

Rick Nelson, Director, Department of Housing and Community Affairs (DHCA)
Luann Korona, Chief, Community Development Division, DHCA
Roylene Roberts, Chief, Redevelopment Section, DHCA
Jennifer Bryant, Budget Analyst, Office of Management and Budget

PHED COMMITTEE RECOMMENDATIONS

The Planning, Housing, and Economic Development (PHED) Committee reviewed the CIP for the Department of Housing and Community Affairs (DHCA) on March 1, and unanimously recommends the following:

- Defer a recommendation on the Affordable Housing Acquisition and Preservation CIP project so that the Committee may consider the project with the County Executive's operating budget recommendations for the Housing Initiative Fund.
- Approve as recommended by the Executive:

Focused Neighborhood Assistance
Burtonsville Community Revitalization
CDBG Capital appropriation
Facility Planning: HCD
Fenton Street Village Pedestrian Linkages
Long Branch Pedestrian Linkages

CIP OVERVIEW

For FY 09-14 the Executive recommends seven CIP projects for Housing and Community Development totaling \$60.59 million over six years. This is an increase of \$3.67 million or 6.4% from the FY09-14 total six year cost of \$56.92 million. The increase is the result of the addition of one new project, Focused Neighborhood Assistance, as well as the addition of construction and site improvement costs to the Burtonsville Community Revitalization. One project which was in the FY09-14 CIP, South Silver Spring Pedestrian Linkages, has been completed and is recommended for pending closeout.

The recommended FY11-16 active projects include:

- Affordable Housing Acquisition
- Burtonsville Community Revitalization
- CBDG Capital Appropriation
- Facility Planning: HCD
- Fenton Street Village Pedestrian Linkages
- Focused Neighborhood Assistance (new)
- Long Branch Pedestrian Linkages

The following projects are recommended for pending or final closeout:

- Montgomery Hills Pedestrian Linkages
- South Silver Spring Pedestrian Linkages

In addition, the Executive recommends the continuation of two related projects, Long Branch Town Center Redevelopment and Wheaton Redevelopment Program. They are scheduled as Item #15 for this worksession.

REVIEW OF PROJECTS

Affordable Housing

**Affordable Housing Acquisition and Preservation
(FY11-16 Recommended PDF © 3 and page 34-3 of CIP; FY09-14 Approved PDF © 28)**

PHED COMMITTEE RECOMMENDATION: Defer a recommendation on the Affordable Housing Acquisition and Preservation CIP project so that the Committee may consider the project with the County Executive's operating budget recommendations for the Housing Initiative Fund. (3-0)

For FY11-16, the County Executive is recommending an additional \$50 million in proceeds from the sale of appropriation-backed taxable bonds for the Housing Initiative Fund's (HIF) Affordable Housing Acquisition and Preservation program. The following two tables provide a summary of the current approved and recommended expenditure levels and the sources of funding for the FY11-16 recommendation.

Affordable Housing Acquisition and Preservation – EXPENDITURE SCHEDULE

	Total	Thru FY10	6 Years	FY11	FY12	FY13	FY14	FY15	FY16
Approved	52,500	52,500	0	0	0	0	0	0	0
Recommend	102,500	52,500	50,000	25,000	25,000	0	0	0	0
Difference	0	0	50,000	25,000	25,000	0	0	0	0

Affordable Housing Acquisition and Preservation – FUNDING SOURCES for FY11-16 Recommended

	Total	Thru FY10	6 Years	FY11	FY12	FY13	FY14	FY15	FY16
HIF Revolving Program (Proceeds from Bond)	100,000	50,000	50,000	25,000	25,000	0	0	0	0
HIF – Current Revenue	2,500	2,500	0	0	0	0	0	0	0
TOTAL	102,500	52,500	50,000	25,000	25,000	0	0	0	0

Background

As a part of FY09 budget actions, the Council approved the County Executive's recommendation to issue \$25 million in taxable bonds in each of FY09 and FY10 to create a \$50 million revolving acquisition and preservation program within the Housing Initiative Fund. The creation of a short-term (up to 36 month) property acquisition fund and a long-term revolving equity fund were both recommendations included in the Affordable Housing Task Force Report. While the PDF does not include language limiting the term of the loan to three years, the briefing material provided to the Council in 2008 said, "The intent of the program is to provide the initial, short-term capital for the acquisition of housing with various levels of affordability potential. By issuing taxable bonds in two consecutive years (FY09 and FY10), and anticipating refinancing of properties in an average of two years after initial acquisition, this property acquisition program should provide a steady source of acquisition resources, at an approximately \$25 million per year level." (see © 33-35 for 2008 briefing documents)

The debt service for these bonds was to be backed by the general revenues appropriated to the cash side of the HIF. The FY09 the debt service requirement was expected to be \$1.850 million. Once the full \$50 million was issued the annual debt service (interest and principal) was expected to be \$4.94 million for the 20 year term. This amount would have to be appropriated to the cash side of the HIF each year for this purpose. To date, debt service has not been charged to the HIF.

The Committee reviewed the updates on FY09 and FY10 uses of the funding in this program. (updates attached at © 29-32). The updates indicate:

- The bonds have not been issued by the Department of Finance yet, but Finance expects to issue them at the end of March. Finance has been advancing the funds needed to cover approved projects.
- The criteria require that the project must be able to demonstrate an ability to repay all or part of the loan (as opposed to all the loan).
- Both revolving and non-revolving costs are being funded through this program. In FY09, the acquisition program provided about \$23.2 million in financing with \$15.36 million being provided as non-revolving debt and \$7.8 million as revolving debt. In FY09, the revolving debt was short term, with loans expected to be repaid in FY12. In FY10, about \$18.8 million in financing has been approved. \$1.5 million is non-revolving and \$18.1 million is revolving. The repayment date has not been determined for four projects; one project has a repayment date of FY2017 and one project has a repayment date of FY31. Six projects will have short-term repayments.
- Director Nelson says, “our experience has demonstrated two key facts: (1) that all projects cannot repay 100 percent of the funding and, (2) projects that can demonstrate the ability to repay often require a longer time frame than two-three years to repay the investment.”

PHED COMMITTEE DISCUSSION: The Committee discussed with Director Nelson that more than half of the \$50 million provided from the FY09 and FY10 bond proceeds will be used for non-revolving assistance. The Committee members said that they thought one of the criteria for use of the money would be that there would be a payback so that a revolving fund would truly be established. Director Nelson said that the projects that have come forward have mostly been from the non-profit sector that is providing housing for the lowest incomes and for special needs populations and that these projects do not generate income that allows for a substantial payback. He noted that in order to achieve the goal of disbursing affordable housing throughout the county several of the projects have higher costs for building acquisition. He said that they have recently seen increased interest in the private for-profit sector that is looking for gap or mezzanine financing which would have a payback to the county.

Councilmember Knapp expressed his concern that, while the projects being cited are worthy projects, it appears that the county is using debt to pay for something that it would have traditionally paid for with current revenue.

Councilmember Elrich expressed his concern about the cost per affordable unit of some of the projects and also said that the terms should be set based on the intent of the program rather than by the experience of the projects that come forward.

Councilmember Floreen agreed that there should be further discussion of how this fund will be used in the future and that if the Council has concerns or issues it should state them clearly in the project PDF or the operating budget resolution.

The Committee agreed to defer a recommendation on this CIP project so that they may consider it with the operating budget recommendations for the Housing Initiative Fund and have further discussion about the criteria for the use of proceeds from any new bonding authority.

Community Development – New Project

Focused Neighborhood Assistance, No. 761100, PDF 34-10 (in \$000s), © 10

	Total*	Thru FY10	6 Years	FY11	FY12	FY13	FY14	FY15	FY16
CE Rec.	4,540	0	4,070	970	720	720	720	470	470

Recommended funding sources: \$4,040 in CDBG, \$500 in Federal Stimulus

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

This project will provide for focused neighborhood assistance in selected neighborhoods throughout the County with primary focus on residential areas to comprehensively address community needs for neighborhood preservation and enhancement.

Two focus areas have been identified at this time, one in the Mid-County, and one in the Upcounty. Studies of each area conducted over the summer of 2009 found that these communities are in need of pedestrian linkages, appropriate lighting, youth activities, mitigation of foreclosed properties, overcrowding, home maintenance, and overall safety of the neighborhoods. Maps of the Focus areas are attached on © 23 for the Mid-County and © 25 for the Upcounty. The full studies are available online at http://www.montgomerycountymd.gov/dhctmpl.asp?url=/content/dhca/community/Focused_Neighborhood_Assistance.asp#Mid.

DHCA anticipates that staff will concentrate efforts in the two identified neighborhoods for approximately two years. The next two neighborhoods will be identified through the Facility Planning project in FY12. For FY13, it is probable that some efforts will continue in the first two neighborhoods, while concentrated efforts are made in the next two neighborhoods.

The PDF says that this project will be funded with a combination of \$4 million in Community Development Block Grant (CDBG) funds and \$500,000 in Federal Stimulus funds. No appropriation is requested for this project because CDBG funds are appropriated through the CDBG Capital Appropriation Project (© 6), and Federal Stimulus funds provided through the American Reinvestment and Recovery Act (ARRA) of 2009 have been appropriated in the Department’s operating budget. The recommended appropriations in the CDBG Capital Appropriation Project are \$470,000 in FY11 and \$720,000 in FY12.

Responses to Council staff questions about this project are attached on © 18-20.

Questions

1. How will ongoing programs such as out of school-time activities in the Upcounty be funded after the initial two years of this project?
2. Although the PDF lists two funding sources for this project, the response to Question 5 on © 20 mentions other funding sources such as the Community Legacy Program, the Housing Initiative Fund, and federal and State sources under the Neighborhood Stabilization Program. How do these funding sources relate to this project?

PHED COMMITTEE DISCUSSION: The Committee received an overview of this new project from DHCA staff. In response to Committee questions about whether programs like after school activities should be funded in the CIP or operating budget, DHCA staff clarified that the after school programs will be funded with CDBG-R funds that are appropriated in the FY10 operating budget, and that these programs are only intended to operate for one year.

Community Development – Ongoing Projects

Burtonsville Community Revitalization, No. 760900, PDF 34-4 (in \$000s), © 4-5

	Total	Thru FY10	6 Years*	FY11	FY12	FY13	FY14	FY15	FY16
FY10 Amd.	460	460	0	0	0	0	0	0	0
CE Rec.	4,215	460	3,755	945	1,080	880	850	0	0
Difference	3,755	0	3,755	945	1,080	880	850		

Recommended funding sources: \$3,755 in GO bonds, \$460 in current revenue

**Approved 6 years = FY09-14, CE Rec. 6 years = FY11-16*

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

This project provides for community revitalization in the Burtonsville area with primary focus on the commercial core. The objective is to support the existing small businesses and create new opportunities for private investment. The project would also create a village center by improving the area’s visual appearance. Project elements include gateway signage, pedestrian lighting, streetface elements, acquisition of long-term façade easements, and center signage.

Responses to Council staff questions about the implementation schedule and the status of nearby road projects are attached on © 15-16. A map of the revitalization area is on © 21A. Public hearing testimony in support of this project from Kim Bobola, a former member of the East County Citizens Advisory Board, is on © 26-27.

DHCA staff has provided the following information about the implementation schedule for the first two years of the project.

The expectation is that the following will be accomplished:

FY11

- *Develop gateway signage in partnership with community to reflect community identity, design pedestrian lighting plan based on pedestrian and CPTED Survey and installation*
- *Installation of planters and other design elements to define street edge between pedestrian and vehicular traffic in partnership with community, and SHA*
- *Public Private partnership to improve exterior using façade easements*
- *Public/Private partnership to redesign existing signage to reflect community identity*
- *Coordination with Regional Center, Citizen Advisory Board, MDOT and SHA*

FY12

- *Continue Public/Private partnership to improve the appearance of current structures with façade easements*
- *Design, reconfiguration, parking enhancements such as resurfacing and restriping*
- *Develop plan for possible improvements to south side of Route 198*
- *Coordination with Regional Center, Citizen Advisory Board, MCDOT and SHA*

The total project cost would increase by \$3.7 million because of the addition of gateway signage, façade improvements, streetface elements, and pedestrian lighting to the project scope. An appropriation of \$945,000 is requested for FY11 and an estimated appropriation of \$1 million is requested for FY12.

Issue: The Executive recommends funding this project with GO bonds. Although all of the recommended improvements are intended to be long-term, and to complement any future road improvements, it is not clear whether all of the elements in this project will be eligible for bond funding. DHCA staff has consulted with bond counsel and anticipates a positive response, but bond counsel has not yet made a final determination.

1. What will be the timeframe for bond counsel to make a final determination on this issue?
2. How will the project be managed if some of the elements are bond-eligible and some are not?
3. Should the project be funded at the full recommended level if some of the elements may not be eligible for bond funding?

PHED COMMITTEE DISCUSSION: The Committee received an overview of the proposed expansion of this project from DHCA staff. The Committee discussed the status of the Burtonsville Crossing Shopping Center (on the east side of Old Route 29) which currently has eight vacancies and will have more vacant space when the Giant Food Store moves to the renovated shopping center on the west side of Old Route 29. Committee members were concerned about the prospects for new businesses to occupy the space and the impact of any long term vacant space on the Center's other merchants. Executive staff said that the Department of Economic Development and the East County Regional Services Center are working with the owner of the Burtonsville Crossing Shopping Center on how to fill the vacant space.

CDBG Capital Appropriation, Project No. 767820, PDF 34-6, © 6

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

This PDF consolidates the CDBG appropriation for several projects. It is used for the submission to HUD. No expenditures are shown as they are included in the individual project PDFs. The following chart shows the uses identified in this PDF for FY11 and FY12.

Project	FY11	FY12
Facility Planning	50,000	50,000
Fenton Street Village Pedestrian Linkages	400,000	458,000
Focused Neighborhood Assistance	470,000	720,000
Long Branch Pedestrian Linkages	870,000	0
Contingency	100,000	100,000
Total	1,890,000	1,328,000

Facility Planning: HCD, No. 769375, PDF 34-7 (in \$000s), © 7

	Total	Thru FY10	6 Years*	FY11	FY12	FY13	FY14	FY15	FY16
FY10 Amd.	3,371	2,475	700	175	175	175	175	**	
CE Rec.	3,810	2,532	1,038	163	175	175	175	175	175*
Difference	439	57	338	(12)	0	0	0	175	175

Recommended funding sources: \$1,072 in CBDG, \$2,348 in Current Revenue: General, \$200 in Federal Aid, \$100 in Current Revenue Parking – Montgomery Hills

*Approved 6 years = FY09-14, CE Rec. 6 years = FY11-16

**Expenditures will continue indefinitely

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

This project provides funds for DHCA facility planning studies for a variety of projects for possible inclusion in the CIP. Projects for FY10 include: collection of CountyStat data, development of the Focused Neighborhood Assistance Program, and completion of the West Howard Urban Design Study. Candidate projects for FY11-16 include: investigation of non-County sources of funding, program of requirements and project cost development, analysis of current Focused Neighborhood Assistance areas, and refinement of data to determine new Focused Neighborhood Assistance areas.

This project is generally funded at \$175,000 per year with \$50,000 in CDBG funding and \$125,000 in current revenue. However, in FY10 current revenue funding was reduced by \$15,000 for fiscal reasons, bringing the total funding to \$160,000. For FY11 the Executive recommends funding this project at \$163,000, also for fiscal reasons. The total project cost is recommended to increase because of the addition of FYs 15 and 16. An appropriation of \$113,000 in current revenue is requested for FY11, and an appropriation of \$125,000 in current

revenue is estimated for FY12. In addition, appropriations of \$50,000 per year are recommended for FY11 and FY12 in the CDBG Capital Appropriation PDF.

Fenton Street Village Pedestrian Linkages, No. 760500, PDF 34-8 (in \$000s), © 8-9

	Total	Thru FY10	6 Years*	FY11	FY12	FY13	FY14	FY15	FY16
Approved	2,175	1,317	858	400	458	0	0	0	0
CE Rec.	2,299	1,441	858	400	458	0	0	0	0
Difference	124	124	0	0	0	0	0	0	0

Recommended funding sources: \$2,101 in CBDG, \$198 in Federal Aid

*Approved 6 years = FY09-14, CE Rec. 6 years = FY11-16

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

This project is intended to provide funds for pedestrian links in the commercial area of approximately 35 acres at the eastern edge of the Silver Spring CBD. The extended pedestrian network will ensure safe pedestrian connections from the public parking facilities in the interior of each city block to the businesses on Georgia Avenue, Fenton Street, and the side streets. The objective is to overcome the inconvenience, to organize and better integrate vehicular and pedestrian access throughout the area, and to improve links to the redevelopment project on the north and the residential neighborhoods on the east and south. These links will use existing streets, alleyways and pathways in the area.

Change in focus: The first element of this project was to be Mayor Lane, an alleyway parallel to the east side of Georgia Avenue between Thayer and Sligo Avenues. A topographic survey of Mayor Lane, site analysis, and list of potential improvements were completed. However, recent private development proposals and the proposed alignment for the Purple Line have altered the conditions on the ground.

For the FY09-14 CIP, after close coordination with the Silver Spring Regional Services Center, and in consultation with M-NCPPC and local business and property owners, DHCA decided to refocus the project to the east side of Georgia Avenue between Wayne Avenue and Selim Road. The project as currently envisioned would replace the current pavers and street trees, and make the necessary adjustments to ensure that the cross slopes on sidewalks meet ADA standards. These changes are described in more detail in the response to question 3 on © 17-18.

Because this project must meet updated standards, the cost has increased by \$124,000. The CDBG Capital Appropriation PDF includes appropriations of \$400,000 in FY11 and \$458,000 in FY12 for this project.

Question

- This project is only funded through FY12. What is planned after that?

PHED COMMITTEE DISCUSSION: The Committee questioned the rationale for the proposed streetscaping project on Georgia Avenue and wondered whether there might be higher priorities in the Fenton Village area for the use of the scheduled funds. Executive staff explained that the current streetscape on this part of Georgia Avenue is old and is not ADA compliant. They anticipate that private developers will upgrade the streetscape to current design standards on the west side of Georgia Avenue when the Ripley District is redeveloped. The east side of Georgia Avenue is populated by several smaller individual property owners and there are no plans for redevelopment. Executive staff believe that the streetscape on the east side of Georgia Avenue will not be upgraded unless the County does it. Councilmember Elrich said that the facades on the east side of Georgia Avenue also need to be improved and that the County should determine whether housing could be added to the top floors of the buildings.

Long Branch Pedestrian Linkages, No. 760600, PDF 36-10 (in \$000s), © 11-12

	Total	Thru FY10	6 Years*	FY11	FY12	FY13	FY14	FY15	FY16
Approved	2,976	2,106	240	120	120	0	0	0	0
CE Rec.	3,026	2,156	870	870	0	0	0	0	0
Difference	50	50	630	750	(120)	0	0	0	0

Recommended funding sources: \$2,828 in CDBG, \$198 in Federal Aid

*Approved 6 years = FY09-14, CE Rec. 6 years = FY11-16

PHED COMMITTEE RECOMMENDATION: Approve as recommended by the Executive. (3-0)

The Long Branch Pedestrian Linkages project will provide for a series of linkages in the Long Branch community that will connect the high-density residential areas with the Village Center and other key locations such as the Long Branch library, playground, and community center. The project will include signage, enhanced streetscaping, and other improvements to support the vitality of the commercial area, improve the visual appearance of the main streets, improve vehicular, bike, and pedestrian accessibility and circulation, and stabilize and enhance existing streamside areas and nature paths in the Village Center.

An appropriation of \$870,000 is recommended for FY11 in the CDBG Capital Appropriation project. No additional appropriation is recommended for FY12.

Long Branch Walkway Bridge: The first element of the project is the planning, design, and construction of the Long Branch Walkway Bridge which will link the Long Branch Community Center to the Long Branch Library. The bridge was originally conceived as a small scale pedestrian passage. However, because it would traverse parkland owned by M-NCPPC, it was determined that the bridge must comply with M-NCPPC requirements to meet American Society of Transportation Officials (ASTO) standards. Under these standards, the bridge must be 10 feet wide, able to support a vehicle, and must have line of sight vision from one end to the other.

DHCA staff has summarized the current status of the bridge project as follows:

The project is at 95% design in compliance with the approved M-NCPPC mandatory approval and facility plan (May 2007); however, in order to receive needed additional federal funding (\$742,500) that is managed by the State Highway Administration (SHA), we are required to redesign the project to comply with SHA's interpretation of the ADA. An engineering contract to complete the required redesign was approved by the CRC on Thursday, February 18, 2010. The current time line is as follows:

<i>Procurement Processing</i>	<i>to March 15, 2010</i>
<i>Contract Execution</i>	<i>March 22</i>
<i>Redesign</i>	<i>June 21</i>
<i>DPS Permit*</i>	<i>July 19</i>
<i>Bid Process</i>	<i>September 6</i>
<i>Procurement Processing</i>	<i>October 25</i>
<i>Notice to Proceed</i>	<i>November 8</i>
<i>Construction (10 mos. – given est. Notice to Proceed – weather delays anticipated)</i>	<i>November 15, 2011</i>
<i>Two year plant material management (2011 – 2013)</i>	

Other initiatives under this project: Streetscape improvements are being constructed on Arliss Street, from Flower Avenue to Garland Avenue. Phase I has been completed. Design of a second phase is completed and construction is expected to be completed in the fall.

Questions

1. The Long Branch Walkway Bridge has changed from the original concept of small scale pedestrian passage with an estimated cost of \$800,000 to a much larger project with a much higher cost. The new required redesign would cost an additional \$90,000 for engineering and design. Construction costs would increase by about \$300,000, from \$1.3 million to \$1.6 million. Other costs for staff time and permitting would increase as well.

How much has been spent on the bridge project to date?

What was the estimated total cost for the project before the newly required redesign?
What is the estimated total cost including the redesign?

How complicated is the redesign? Is it likely to receive approval on the first submittal, or will additional redesigns be necessary?

Although this is a much anticipated project in the community, is there a point when the cost outweighs the benefit? Could the unspent funds for the bridge be used more effectively for other projects in the Long Branch community?

2. The Long Branch Pedestrian Linkages project is funded through FY11. What is planned after FY11?

PHED COMMITTEE DISCUSSION: DHCA staff explained that the County had received a federal earmark of \$742,500 toward the cost of the bridge. The earmark is being administered by the State Highway Administration (SHA). Although the bridge was designed to meet the outdoor trail standards for the ADA which allows for short portions of a trail to be at more than 5% grade (the standard that Parks uses for their bridges), the SHA uses a stricter interpretation of the ADA which requires the whole trail not to exceed a 5% grade. To meet this requirement one end of the bridge will have to be raised by three feet and retaining walls will have to be added.

Committee members expressed their frustration that this project, which started as a simple pedestrian bridge across a creek, has continued to become bigger and costlier. Although they were concerned that the newest modifications might detract from the appearance of the bridge, they did not feel that at this point there are any alternatives other than to redesign and complete the bridge.

Closeout/Pending Closeout

DHCA staff provided the following updates on the two projects recommended for closeout.

- o Montgomery Hills Pedestrian Linkages – completed
- o South Silver Spring Pedestrian Linkages – completed with commemorative event Friday, December 18, 2009.

The PHED Committee did not raise any questions about the closeout projects.

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Housing and Community Development

PROGRAM DESCRIPTION AND OBJECTIVES

The County's Housing and Community Development Program involves the design and implementation of intergovernmental strategies that address problems contributing to the physical decline of residential and commercial areas, and that support improvements to the quantity and quality of housing for low- and moderate-income families.

The major problem areas addressed by the Department of Housing and Community Affairs are:

- An insufficient and unevenly distributed supply of new as well as older code-conforming housing available to low- and moderate-income families;
- A need for rental housing for populations at risk, particularly low-income elderly, the homeless, and other populations requiring special assistance;
- Maintenance of housing and public facilities in older urban single-family and multi-family residential neighborhoods;
- Rural communities characterized by deteriorated housing, inadequate means of sewage treatment, and a shortage of public facilities;
- A shortage of community facilities in areas where concentrations of low- and moderate-income persons reside; and
- The decline of older retail centers and central business districts.

The activities carried out within the Capital Program of the Department of Housing and Community Affairs (DHCA) include: land and building acquisition; design and construction of street improvements, sidewalks, and other infrastructure improvements in both rural neighborhoods and older urban neighborhoods; public facilities and amenities to assure the compatibility of assisted housing and small retail centers with surrounding areas; and Central Business District (CBD) revitalization.

Housing activities in this program are designed to allow for acquisition of affordable rental properties that are in deteriorated condition or at risk of having significant rent increases that would result in displacement of lower-income working families.

The Community Development Block Grant (CDBG) program provides the County with the opportunity to develop viable communities by funding activities that provide decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income

persons. The Community Development Advisory Committee assists the Department of Housing and Community Affairs in recommending the distribution of Community Development Block Grant program funds and in making recommendations on other Federally-assisted housing programs. The members of this Committee are appointed by the County Executive to serve three-year terms.

The Department's commercial revitalization activities are designed to encourage renewal of older shopping areas to meet contemporary commercial demands. The primary focus of the Commercial Revitalization Program is on the maintenance of the County's Central Business Districts (Wheaton and Silver Spring) as well as revitalization of smaller commercial centers as focal points for the local community.

HIGHLIGHTS

- Establish the Focused Neighborhood Assistance project to begin planning and design for neighborhood preservation efforts
- Begin site improvements on the Burtonsville Revitalization project
- Continue streetscape and pedestrian linkages in the Fenton Street Village and Long Branch area
- Allocate Community Development Block Grant (CDBG) funding of \$1,890,000 for commercial revitalization efforts

PROGRAM CONTACTS

Contact Roylene Roberts, the Department of Housing and Community Affairs at 240.777.3690 or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's capital budget.

CAPITAL PROGRAM REVIEW

Seven ongoing projects comprise the recommended FY11-16 Capital Improvements Program for Housing and Community Affairs, for a total six-year cost of \$60.59 million, which is a \$3.67 million, or percent 6.4 percent increase from the Amended FY09-14 total six-year cost of \$56.92 million. The increase is due to the addition of one new project, as well as, the addition of construction and site improvement costs to a project completing the design phase.

All the funds provided to Montgomery County through the Community Development Block Grant (CDBG) Program are awarded on the basis of an annual statement submitted to the Federal Department of Housing and Urban Development

(HUD). The amount of the award is determined by a formula based on population size and other characteristics, including poverty rate and overcrowded housing.

For FY11, the County anticipates receiving approximately \$5.0 million for both capital and non-capital community development activities through the CDBG program. The County has programmed \$1.9 million for capital programs in FY11 and the remainder for non-capital community development activities, which will be included in the operating budget. DHCA will continue to monitor Federal program activity which would impact the amount of CDBG funds allocated to Montgomery County.

Affordable Housing Acquisition and Preservation -- No. 760100

Category	Community Development and Housing	Date Last Modified	January 09, 2010
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 FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0

FUNDING SCHEDULE (\$000)

HIF Revolving Program	100,000	16,067	33,933	50,000	25,000	25,000	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0	0
Total	102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0

DESCRIPTION

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

COST CHANGE

The issuance of \$25 million of debt in FY11 and FY12 provides continued high level of support for the Housing Initiative Fund (HIF) Property Acquisition Revolving Program created in FY09.

JUSTIFICATION

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement, 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

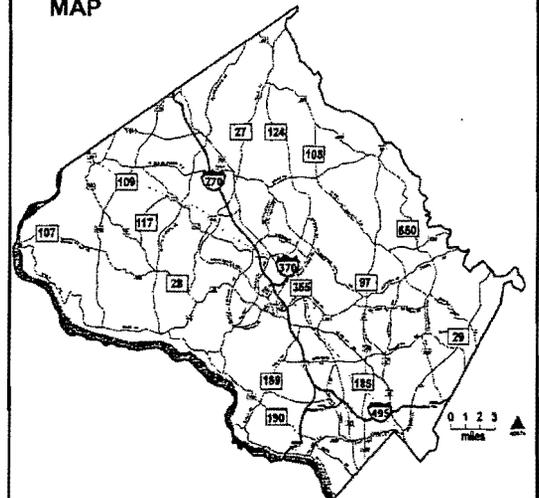
Debt service will be financed by the Montgomery Housing Initiative Fund.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY01	(\$000)
First Cost Estimate	FY11	102,500
Current Scope		
Last FY's Cost Estimate		52,500
Appropriation Request	FY11	25,000
Appropriation Request Est.	FY12	25,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		52,500
Expenditures / Encumbrances		19,622
Unencumbered Balance		32,878
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION

Housing Opportunities Commission (HOC)
Nonprofit housing providers
Tenant Associations

MAP



Burtonsville Community Revitalization -- No. 760900

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Fairland-Beltsville

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 09, 2010
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	885	62	158	665	155	180	180	150	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,800	0	0	1,800	600	600	300	300	0	0	0
Construction	1,430	0	140	1,290	190	300	400	400	0	0	0
Other	100	0	100	0	0	0	0	0	0	0	0
Total	4,215	62	398	3,755	945	1,080	880	850	0	0	0

FUNDING SCHEDULE (\$000)

Current Revenue: General	460	62	398	0	0	0	0	0	0	0	0
G.O. Bonds	3,755	0	0	3,755	945	1,080	880	850	0	0	0
Total	4,215	62	398	3,755	945	1,080	880	850	0	0	0

DESCRIPTION

This project provides for community revitalization in the Burtonsville area with primary focus on the commercial core. Project elements will mitigate the impact of transportation improvement projects to businesses in the Burtonsville commercial area. The objective is to support the existing small businesses and create new opportunities for private investment, as well as, create a "village center" by improving the visual appearance of the area. Project elements include Gateway Signage, pedestrian lighting, streetface elements, acquisition of long-term façade easements and center signage.

COST CHANGE

Increase due to the addition of gateway signage, facade improvements, streetface elements and pedestrian lighting to the project scope.

JUSTIFICATION

The project responds to concerns relating to changes in the community resulting from population increases and the road realignment of US Rte 29 and MD Rte 198.

OTHER

Plans and Studies: M-NCPPC Fairland Master Plan in 1997; Burtonsville Market Study (2007); the Burtonsville Legacy Plan.

OTHER DISCLOSURES

- A pedestrian impact analysis will be performed during design or is in progress.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP												
<table border="1"> <tr> <td>Date First Appropriation</td> <td>FY09</td> <td>(\$000)</td> </tr> <tr> <td>First Cost Estimate</td> <td>FY11</td> <td>4,215</td> </tr> <tr> <td>Current Scope</td> <td></td> <td></td> </tr> <tr> <td>Last FY's Cost Estimate</td> <td></td> <td>460</td> </tr> </table>	Date First Appropriation	FY09	(\$000)	First Cost Estimate	FY11	4,215	Current Scope			Last FY's Cost Estimate		460	Department of Transportation Maryland State Highway Administration M-NCPPC Maryland Department of the Environment Department of Permitting Services	See Map on Next Page
Date First Appropriation	FY09	(\$000)												
First Cost Estimate	FY11	4,215												
Current Scope														
Last FY's Cost Estimate		460												
<table border="1"> <tr> <td>Appropriation Request</td> <td>FY11</td> <td>945</td> </tr> <tr> <td>Appropriation Request Est.</td> <td>FY12</td> <td>1,080</td> </tr> <tr> <td>Supplemental Appropriation Request</td> <td></td> <td>0</td> </tr> <tr> <td>Transfer</td> <td></td> <td>0</td> </tr> </table>	Appropriation Request	FY11	945	Appropriation Request Est.	FY12	1,080	Supplemental Appropriation Request		0	Transfer		0		
Appropriation Request	FY11	945												
Appropriation Request Est.	FY12	1,080												
Supplemental Appropriation Request		0												
Transfer		0												
<table border="1"> <tr> <td>Cumulative Appropriation</td> <td></td> <td>460</td> </tr> <tr> <td>Expenditures / Encumbrances</td> <td></td> <td>86</td> </tr> <tr> <td>Unencumbered Balance</td> <td></td> <td>374</td> </tr> </table>	Cumulative Appropriation		460	Expenditures / Encumbrances		86	Unencumbered Balance		374					
Cumulative Appropriation		460												
Expenditures / Encumbrances		86												
Unencumbered Balance		374												
<table border="1"> <tr> <td>Partial Closeout Thru</td> <td>FY08</td> <td>0</td> </tr> <tr> <td>New Partial Closeout</td> <td>FY09</td> <td>0</td> </tr> <tr> <td>Total Partial Closeout</td> <td></td> <td>0</td> </tr> </table>	Partial Closeout Thru	FY08	0	New Partial Closeout	FY09	0	Total Partial Closeout		0					
Partial Closeout Thru	FY08	0												
New Partial Closeout	FY09	0												
Total Partial Closeout		0												

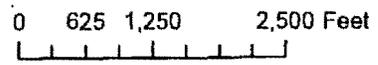


Focus Area
 Study Area



Map Designed by Trivens Kargbo
 DHCA- Community Development Division
 Montgomery County

Burtonsville CIP Project Area



SOURCE: DTS-GIS AND DHCA

CDBG Capital Appropriation -- No. 767820

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 09, 2010
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Community Development Block Grant	0	0	0	0	0	0	0	0	0	0	0
Total	0										

DESCRIPTION

This project consolidates the appropriation authority for all Community Development Block Grant (CDBG) funds allocated to capital projects since FY78. The following list of CIP projects has been determined necessary to carry out Montgomery County's Community Development Block Grant Program to aid low- and moderate-income residents in upgrading their neighborhoods and in eliminating blight in the County. Projects listed below show the allocation of CDBG funds proposed for FY11 and FY12. For information on previous fiscal years, refer to the approved CIP for that year.

JUSTIFICATION

The projects listed below are justified on their respective project description forms.

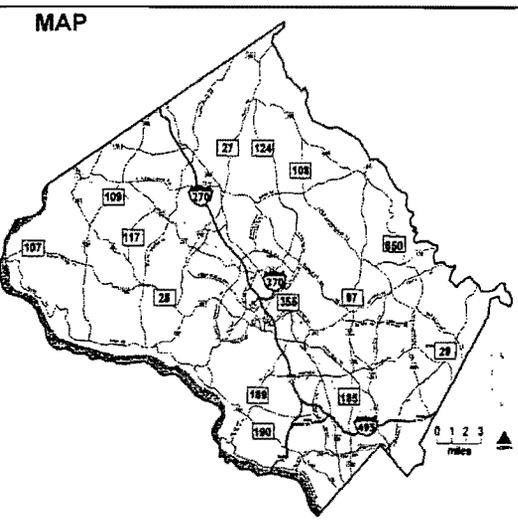
OTHER

This project description form is consistent with the CDBG application to be recommended by the County Executive, to be approved by the County Council, and to be submitted to HUD in May 2010.

	FY11	FY12
Facility Planning: HCD Project, CIP No. 769375	50,000	50,000
Fenton Street Village Pedestrian Linkages, CIP No. 760500	400,000	458,000
Focused Neighborhood Assistance, CIP No. 761100	470,000	720,000
Long Branch Pedestrian Linkages, CIP No. 760600	870,000	0
Contingency	100,000	100,000
TOTAL	1,890,000	1,328,000

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY00	(\$000)
First Cost Estimate		
Current Scope	FY11	0
Last FY's Cost Estimate		0
Appropriation Request	FY11	1,890
Appropriation Request Est.	FY12	1,328
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditures / Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION
See individual project PDFs
U.S. Department of Housing and Urban Development



Facility Planning: HCD -- No. 769375

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 10, 2010
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	3,810	2,527	245	1,038	163	175	175	175	175	175	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	3,810	2,527	245	1,038	163	175	175	175	175	175	*

FUNDING SCHEDULE (\$000)

Community Development Block Grant	1,072	642	130	300	50	50	50	50	50	50	0
Current Revenue: General	2,438	1,585	115	738	113	125	125	125	125	125	0
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0	0
Total	3,810	2,527	245	1,038	163	175	175	175	175	175	0

DESCRIPTION

This project provides funds for Department of Housing and Community Affairs (DHCA) facility planning studies for a variety of projects for possible inclusion in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, DHCA will develop a Program of Requirements (POR) that outlines the general and specific features required in the project. Selected projects range in type including: land and building acquisition; conversion of surplus schools/ school sites or County-owned land into housing resources; design and construction of street improvements, sidewalks, and other infrastructure improvements in neighborhood and small commercial area revitalization including streetscaping and circulation along with Central Business District (CBD) revitalization. Facility planning is a decision-making process to determine the purpose and need of a candidate project through a rigorous investigation of the following critical project elements: community revitalization needs analysis; economic, social, environmental, and historic impact analyses; public participation; investigation of non-County sources of funding; and detailed project cost estimates. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to construction. For a full description of the facility planning process, see the CIP Planning Section.

COST CHANGE

Increase due to the addition of FY15 and FY16 to this ongoing project offset by adjustments for fiscal capacity.

JUSTIFICATION

There is a continuing need for development of accurate cost estimates and an exploration of alternatives for proposed projects. Facility planning costs for all projects which ultimately become stand-alone PDFs are included here. These costs will not be reflected in the resulting individual project. Future individual CIP projects, which result from facility planning, will each reflect reduced planning and design costs.

OTHER

The proposals studied under this program will involve the Office of Management and Budget staff, consultants, community groups, and related program area staff, to ensure that completed studies show full costs, program requirements, and have community support.

OTHER DISCLOSURES

- * Expenditures will continue indefinitely.

APPROPRIATION AND EXPENDITURE DATA

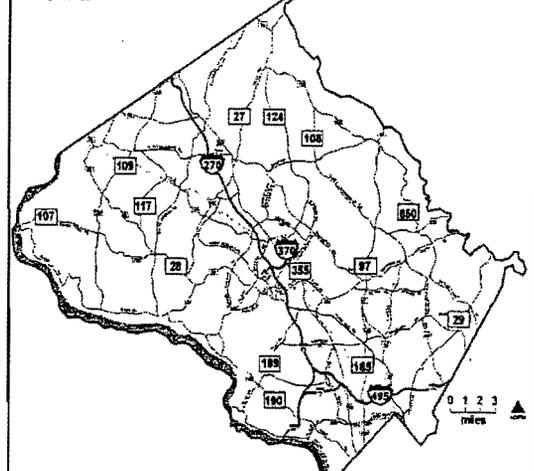
Date First Appropriation	FY96	(\$000)
First Cost Estimate		
Current Scope	FY11	3,810
Last FY's Cost Estimate		3,371
Appropriation Request	FY11	113
Appropriation Request Est.	FY12	125
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,772
Expenditures / Encumbrances		2,526
Unencumbered Balance		246
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION

Planning Implementation Section, Office of the County Executive
Office of Management and Budget
M-NCPPC
Department of Transportation
Department of General Services
Regional Services Centers
Montgomery Hills Parking Lot District

FY11 - CDBG Appropriation: \$50,000
FY12 - CDBG Appropriation: \$50,000

MAP



Fenton Street Village Pedestrian Linkages -- No. 760500

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Silver Spring

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 10, 2010
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	1,561	689	672	200	100	100	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	738	80	0	658	300	358	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	2,299	769	672	858	400	458	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Community Development Block Grant	2,101	716	527	858	400	458	0	0	0	0	0
Federal Aid	198	53	145	0	0	0	0	0	0	0	0
Total	2,299	769	672	858	400	458	0	0	0	0	0

DESCRIPTION

This project provides funds for pedestrian links in the commercial area of approximately 35 acres located along the eastern edge of the Silver Spring CBD. The extended pedestrian network will ensure safe pedestrian connections from the public parking facilities in the interior of each city block to the businesses on Georgia Avenue, Fenton Street, and the side streets. The objective is to overcome the inconvenience, to organize and better integrate vehicular and pedestrian access throughout the area, and to improve links to the redevelopment project on the north and the residential neighborhoods on the east and south. These links will utilize existing streets, alleyways and pathways in the area.

JUSTIFICATION

Silver Spring Central Business District Sector Plan, 2000; the Silver Spring Agenda, a report by the Greater Silver Spring Committee, January 1995; Fenton Street Village Study by M-NCPPC, 1997; and Assessment Report for Silver Spring, Maryland, Fenton Street Commercial District by National Mainstreet Center, 1997. Fenton Street Pedestrian Linkages: Design Charrette, January 9, 2006. ULI Washington - A Technical Assistance Panel Report/Developing a Retail Strategy for Silver Spring, September 26-27, 2006.

OTHER

This project will comply with the Department of Transportation (DOT), Maryland State Highway Administration (MSHA), Manual on Uniform Traffic Control Devices (MUTCD), American Association of State Transportation and Highway Officials (AASHTO), and Americans with Disabilities Act (ADA) standards.

A topographic survey of Mayor Lane, site analysis, and a list of potential improvements were completed. A number of recent development proposals by the private sector and the Mass Transit Administration (MTA) proposed Purple Line alignment altered the conditions on the ground. In response to the change, efforts will be refocused to the "edges" or exterior areas of the project. At the present time the east side of Georgia Avenue south of Wayne Avenue is the main focus. Recent changes in the streetscape standards may cause an increase in construction costs.

FISCAL NOTE

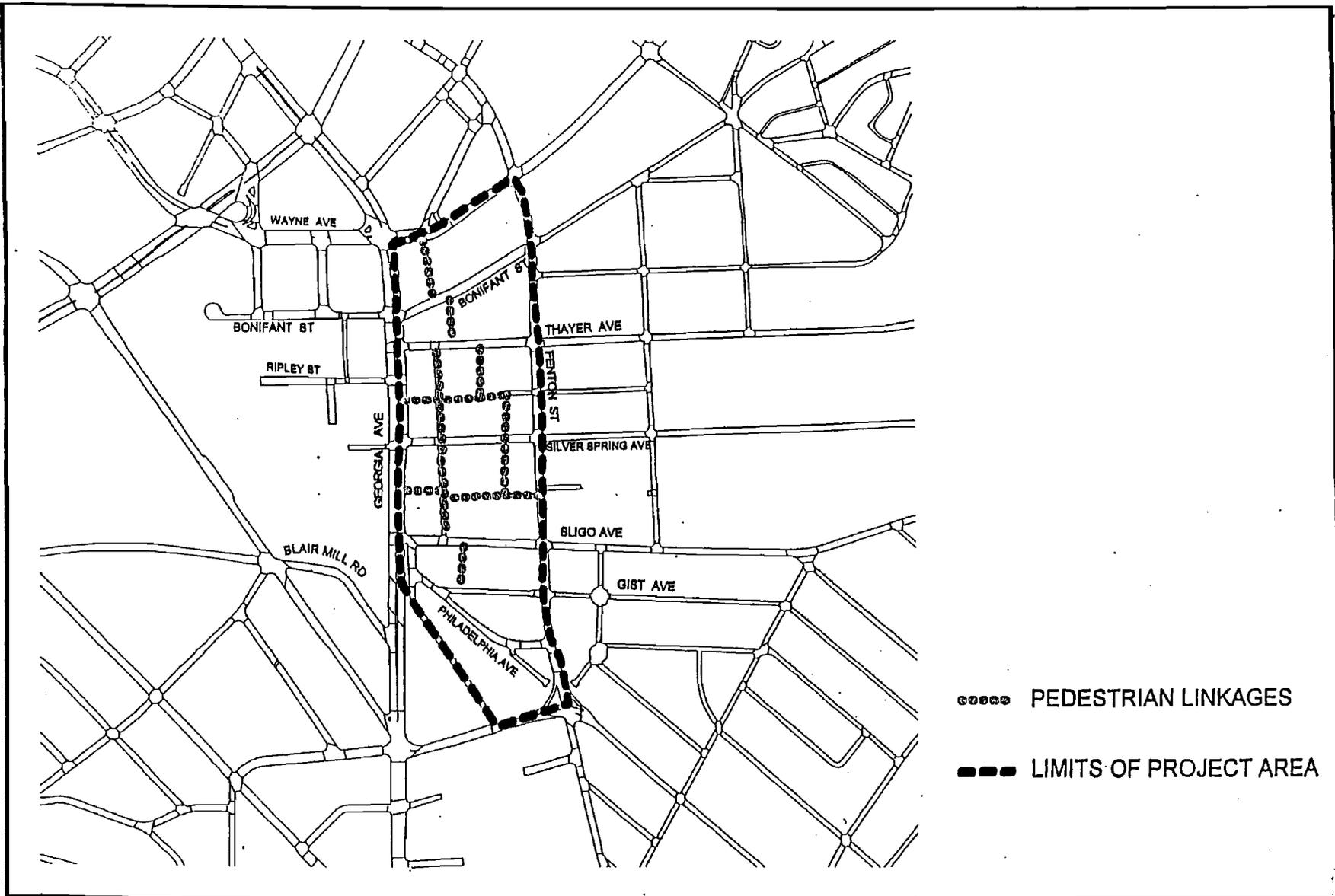
All construction costs are based on engineer's estimate.

OTHER DISCLOSURES

- A pedestrian impact analysis has been completed for this project.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	Department of Transportation	See Map on Next Page
First Cost Estimate	Department of Permitting Services	
Current Scope	Department of Economic Development	
Last FY's Cost Estimate	M-NCPPC	
Appropriation Request	Montgomery County Arts and Humanities Council	
Appropriation Request Est.	Silver Spring Regional Services Center	
Supplemental Appropriation Request	Silver Spring Citizens' Advisory Board	
Transfer	Silver Spring Urban District	
Cumulative Appropriation	FY11 - CDBG Appropriation: \$400,000	
Expenditures / Encumbrances	FY12 - CDBG Appropriation: \$458,000	
Unencumbered Balance		
Partial Closeout Thru		
New Partial Closeout		
Total Partial Closeout		

Recommended



----- PEDESTRIAN LINKAGES
- - - - - LIMITS OF PROJECT AREA



700 0 700 1400 Feet

SOURCE: DHCA- AND DIST-GIS

FENTON STREET VILLAGE PEDESTRIAN LINKAGES

Focused Neighborhood Assistance -- No. 761100

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 11, 2010
No
None
Planning Stage

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	1,620	0	0	1,400	300	220	220	220	220	220	220
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	2,920	0	0	2,670	670	500	500	500	250	250	250
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	4,540	0	0	4,070	970	720	720	720	470	470	470

FUNDING SCHEDULE (\$000)

Community Development Block Grant	4,040	0	0	3,570	470	720	720	720	470	470	470
Federal Stimulus	500	0	0	500	500	0	0	0	0	0	0
Total	4,540	0	0	4,070	970	720	720	720	470	470	470

DESCRIPTION

This project provides for focused neighborhood assistance in selected neighborhoods throughout the County with a primary focus on residential areas. Project elements will comprehensively address community needs for neighborhood preservation and enhancement.

JUSTIFICATION

Strong, well-maintained neighborhoods are a critical component of overall community well-being and quality of life. Based on the "Focused Neighborhood Assistance Program Mid-County Focus Area" and the "Focused Neighborhood Assistance Program UpCounty Focus Area" studies conducted in June and August, 2009 these communities are in need of pedestrian linkages, appropriate lighting, youth activities; mitigation of foreclosed properties, overcrowding, home maintenance, and overall safety of the neighborhoods.

OTHER

A pedestrian impact analysis will be performed during each phase of the project or is currently in progress.

FISCAL NOTE

Funding provided through the American Reinvestment and Recovery Act (ARRA) of 2009 (Federal Stimulus) will be used to fund some of these activities. The Federal Stimulus is shown on this PDF for display purposes only and has been appropriated in the department's operating budget.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY11	(\$000)
First Cost Estimate		
Current Scope	FY11	4,540
Last FY's Cost Estimate		0
Appropriation Request	FY11	0
Appropriation Request Est.	FY12	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditures / Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY08	0
New Partial Closeout	FY09	0
Total Partial Closeout		0

COORDINATION

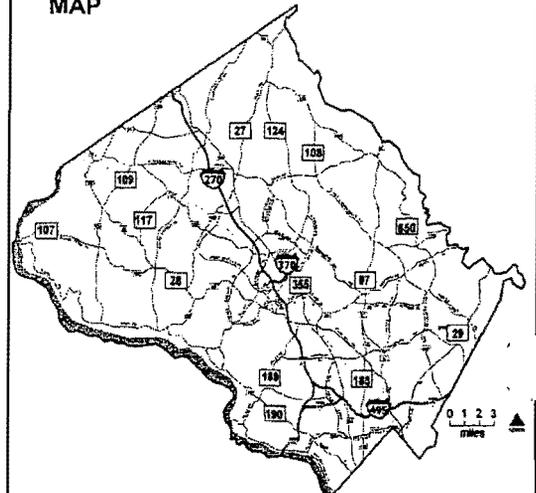
Mid-County Regional Services Center
UpCounty Regional Services Center

Department of Transportation
Maryland State Highway Administration
M-NCPPC

Department of Environmental Protection
Department of Permitting Services
Department of Police
Department of Recreation

FY11 - CDBG Appropriation: \$470,000
FY12 - CDBG Appropriation: \$720,000

MAP



Long Branch Pedestrian Linkages -- No. 760600

Category
Subcategory
Administering Agency
Planning Area

Community Development and Housing
Community Development
Housing & Community Affairs
Silver Spring

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

January 10, 2010
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	2,190	1,051	1,019	120	120	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	836	86	0	750	750	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	3,026	1,137	1,019	870	870	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Community Development Block Grant	2,828	982	976	870	870	0	0	0	0	0	0
Federal Aid	198	155	43	0	0	0	0	0	0	0	0
Total	3,026	1,137	1,019	870	870	0	0	0	0	0	0

DESCRIPTION

This project will provide for a series of linkages in the Long Branch community that will connect the high-density residential areas with the Village Center and other key activity/service centers such as the Long Branch Library, playground, and Long Branch Community Center through signage and enhanced streetscaping. The objective is to support the vitality of the businesses in the commercial area and create new opportunities for private investment; to improve visual appearance of the main streets, Piney Branch Road between University Boulevard West and Flower Avenue, and Flower Avenue between Piney Branch Road and Arliss Street; to improve vehicular, bike, and pedestrian accessibility and circulation between the existing public facilities; to establish a more pedestrian-friendly environment throughout the Village core; and to stabilize, protect, and enhance existing streamside areas and nature paths in the Village Center. This project will be closely coordinated with all activities undertaken in connection with the recommendation of the Urban Land Institute's Technical Assistance Panel Report titled "The Long Branch Community", dated February, 2005. The scope has been refined and funding for implementation of this project is identified.

JUSTIFICATION

This is one of the oldest, most densely populated, and most diverse areas of Montgomery County and it suffers from higher than average poverty, older housing stock, changing population and increased youth and pedestrian injury issues. Based on the assessment of the Long Branch Task Force, improvements in this area are a critical part of the overall action plan to upgrade the quality of life in the Long Branch area.

Long Branch Village Center: Urban Design Concept, prepared by Johnson, Mirmiran & Thompson, Baltimore; East Silver Spring Master Plan. Pedestrian safety will be considered during design. Urban Land Institute's Technical Assistance Panel Report titled "The Long Branch Community", dated February, 2005. The Department is working closely with DEP on clean-up (removing trash and invasive species) in the Long Branch Stream Valley from Piney Branch Road north for approximately 200 linear feet. Also, in coordination with DEP and the Parks Department of M-NCPPC, the Department will try to correct some of the erosion and re-plant the area with the native species. The Long Branch Walkway Bridge and Trail will be constructed in FY 2010 and 2011 with a public art component. The Arliss Streetscape will be completed in FY 2011.

OTHER

The design and planning stages, as well as final completion of the project will comply with the Department of Transportation (DOT), Maryland State Highway Administration (MSHA), Manual on Uniform Traffic Control Devices (MUTCD), American Association of State Transportation and Highway Officials (AASHTO), and Americans with Disabilities Act (ADA) standards.

FISCAL NOTE

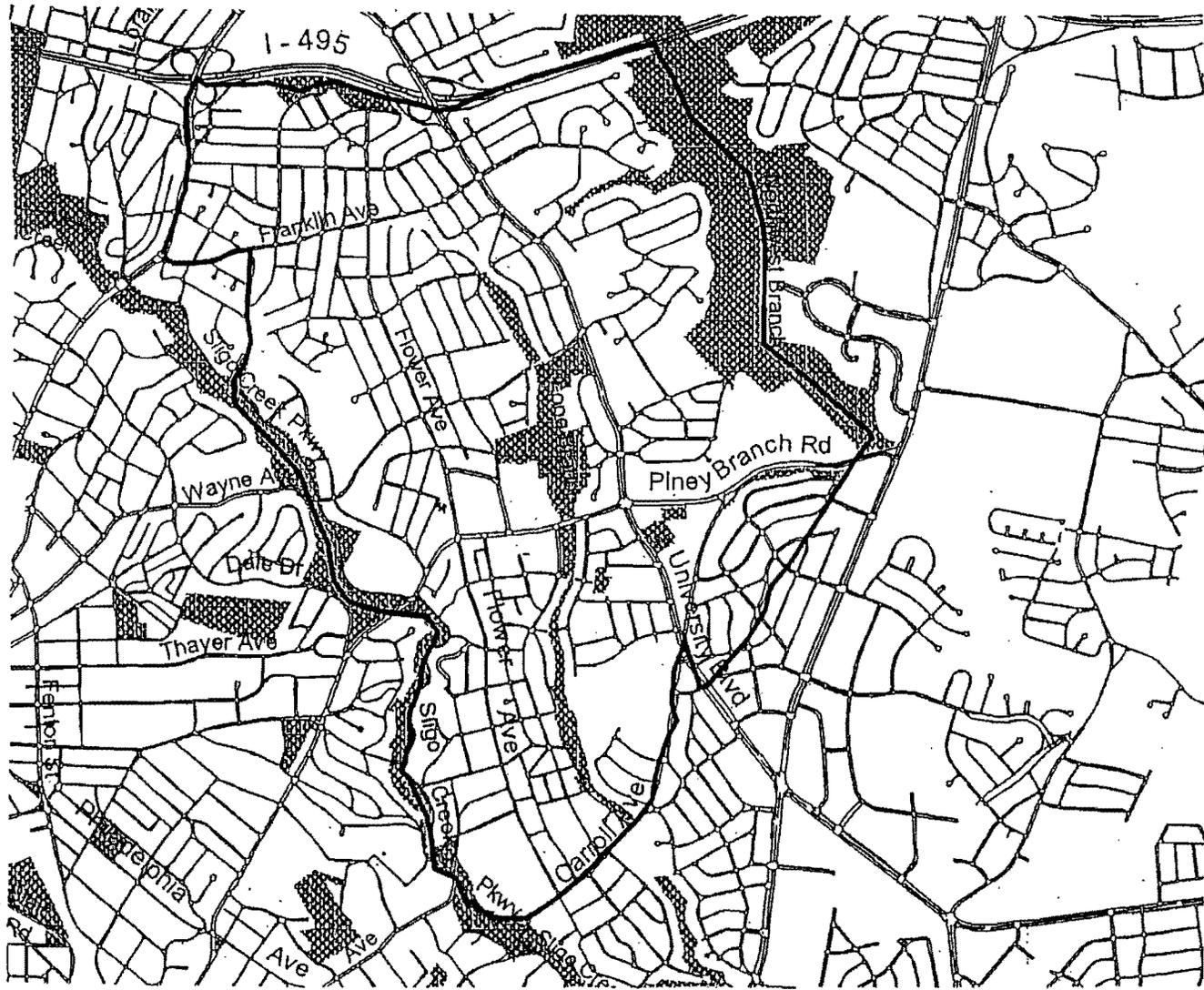
The project will be advertised for bids in Spring of 2010.

OTHER DISCLOSURES

- A pedestrian impact analysis will be performed during design or is in progress.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation FY06 (\$000)	Department of Transportation	See Map on Next Page
First Cost Estimate	Department of Permitting Services	
Current Scope FY0 3,026	Department of Recreation	
Last FY's Cost Estimate 3,026	Department of Public Libraries	
Appropriation Request FY11 0	Utility Companies	
Appropriation Request Est. FY12 0	M-NCPPC	
Supplemental Appropriation Request 0	Maryland State Highway Administration	
Transfer 0	FY11 - CDBG Appropriation: \$870,000	
Cumulative Appropriation 2,156	FY12 - CDBG Appropriation: \$0	
Expenditures / Encumbrances 1,200		
Unencumbered Balance 956		
Partial Closeout Thru FY08 0		
New Partial Closeout FY09 0		
Total Partial Closeout 0		

LONG BRANCH AREA

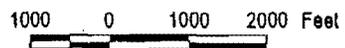


— Long Branch Area

34-12



MAP PRODUCED BY:
DHCA--COMMUNITY DEVELOPMENT DIVISION
MONTGOMERY COUNTY



SOURCE: DIST-GIST AND MC PARK AND PLANNING



12

Expenditure Detail by Category, Sub-Category, and Project (\$000s)

Community Development and Housing

Project	Total	Thru FY09	Est. FY10	6 Year Total	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6-yrs.	Approp.	
Community Development													
760900	Burtonsville Community Revitalization	4,215	62	398	3,755	945	1,080	880	850	0	0	0	945
767820	CDBG Capital Appropriation	0	0	0	0	0	0	0	0	0	0	0	1,890
769375	Facility Planning: HCD	3,810	2,527	245	1,038	163	175	175	175	175	175	0	113
760500	Fenton Street Village Pedestrian Linkages	2,299	769	672	858	400	458	0	0	0	0	0	0
761100	Focused Neighborhood Assistance	4,540	0	0	4,070	970	720	720	720	470	470	470	0
760600	Long Branch Pedestrian Linkages	3,026	1,137	1,019	870	870	0	0	0	0	0	0	0
*760703	Montgomery Hills Pedestrian Linkages	600	486	114	0	0	0	0	0	0	0	0	0
*760400	South Silver Spring Pedestrian Linkages	5,200	3,804	1,396	0	0	0	0	0	0	0	0	0
Sub-Category Total		23,690	8,785	3,844	10,591	3,348	2,433	1,775	1,745	645	645	470	2,948
Housing													
760100	Affordable Housing Acquisition and Preservation	102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0	25,000
Sub-Category Total		102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0	25,000
Category Total		126,190	27,352	37,777	60,591	28,348	27,433	1,775	1,745	645	645	470	27,948

34-13

* Pending Close Out or Close Out

Funding Summary by Category, Sub-Category and Revenue Source (\$000s)

Community Development and Housing

Funding Source	Total	Thru FY09	Est. FY10	6 Year Total	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
<i>Community Development</i>											
Community Development Block Grant	14,495	5,398	3,029	5,598	1,790	1,228	770	770	520	520	470
Current Revenue: General	2,898	1,647	513	738	113	125	125	125	125	125	0
Current Revenue: Parking - Montgomery Hill	700	586	114	0	0	0	0	0	0	0	0
Federal Aid	1,342	1,154	188	0	0	0	0	0	0	0	0
Federal Stimulus	500	0	0	500	500	0	0	0	0	0	0
G.O. Bonds	3,755	0	0	3,755	945	1,080	880	850	0	0	0
Sub-Category Total	23,690	8,785	3,844	10,591	3,348	2,433	1,775	1,745	645	645	470
<i>Housing</i>											
HIF Revolving Program	100,000	16,067	33,933	50,000	25,000	25,000	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0	0
Sub-Category Total	102,500	18,567	33,933	50,000	25,000	25,000	0	0	0	0	0
Category Total	126,190	27,352	37,777	60,591	28,348	27,433	1,775	1,745	645	645	470
CIP Total	126,190	27,352	37,777	60,591	28,348	27,433	1,775	1,745	645	645	470

34-14

14

QUESTIONS

FY11-16 DHCA CIP

Burtonsville Community Revitalization, No. 760900

According to the PDF, the elements that have been added to this project include gateway signage, pedestrian lighting, streetface elements, acquisition of long-term façade easements, and center signage.

1. Please provide a map or drawing showing where in the Burtonsville commercial area these elements will be implemented.

Attached.

2. What is the implementation schedule? What will be done in each year that expenditures are scheduled?

The expectation is that the following will be accomplished:

FY11

- Develop gateway signage in partnership with community to reflect community identity, design pedestrian lighting plan based on pedestrian and CPTED Survey and installation;
- Installation of planters and other design elements to define street edge between pedestrian and vehicular traffic in partnership with community, and SHA;
- Public Private partnership to improve exterior using façade easements;
- Public/Private partnership to redesign existing signage to reflect community identity.
- Coordination with Regional Center, Citizen Advisory Board, MDOT and SHA

FY12

- Continue Public/Private partnership to improve the appearance of current structures with façade easements.
- Design, reconfiguration, parking enhancements such as resurfacing and restriping
- Develop plan for possible improvements to south side of Route 198
- Coordination with Regional Center, Citizen Advisory Board, MCDOT and SHA

3. What was the process for determining which elements should be addressed in this CIP period, and the order in which they should be scheduled?

The elements of the project are scheduled as they logically should be completed. There may be occasions when one element may progress at a more rapid or

slower pace and adjustments are necessitated in the schedule. The amount of available funds limits the scope of the project.

4. What will the \$1.4 million in construction funding be used for?

These funds are for the gateway signage, pedestrian lighting, streetface and parking improvements.

5. This project is proposed to be funded with GO bonds. Are the elements of this project long-term improvement that are bond eligible?

The project elements are long-term improvements. We discussed with bond counsel and a positive response is anticipated.

6. What is the status of the Maryland 198 road project?

We have been verbally informed that the project is deferred until 2015. The improvements to the Burtonsville community are not dependent upon the SHA improvements.

7. What is the status of the Burtonsville Access Road project?

The project has been deferred to an out year. The improvements to the Burtonsville community are independent of the Burtonsville Access Road but will compliment the road when completed.

8. How will the elements of the Burtonsville Community Revitalization project be coordinated with the road projects? Would any of the proposed community revitalization improvements have to be changed in the future to accommodate the road projects?

No. Any streetface improvements are designed to be relocated to a more suitable location as required. The expectation is that the enhancements will complement any road improvements and will provide an immediate improvement to the community and assist in maintaining the small business as viable enterprises.

Facility Planning: HCD, No. 769375

1. Which projects are currently in facility planning, and what is their status?

In FY10, Facility Planning funds supported the collection of County Stat data, development of the Focused Neighborhood Assistance Program and completion of the West Howard Urban Design Study.

2. Which projects are candidates for inclusion in the FY11-16 CIP period?

Facility Planning funds support a variety of projects including:

- Investigation of non-County sources of funding to support new and/or existing projects
- Program of requirements and project cost development
- Analysis of identified Focused Neighborhood Assistance areas
- Refinement of data to determine new Focus Neighborhood Assistance areas

3. The total project cost is recommended to increase by \$424,000, from \$3.386 million in FY09-14, to \$3.810 million in FY11-16. What accounts for the increase?

Facility Planning source of revenue is from CDBG and Current Revenue. The CDBG funds have generally remained constant at \$50,000 per year. CDBG funds may support only CDBG eligible activities in income eligible areas and planning funds are capped by HUD. Current Revenue is more flexible and supports activities throughout the County. The Current Revenue funding was budgeted at \$125,000 until fiscal restraints necessitated a reduction. The savings plans reduced current revenue in past years.

4. The PDF says that the cost increase is due to the addition of FY15 and FY16 offset by adjustments for fiscal capacity. Which adjustments have been made for fiscal capacity?

The adjustments for fiscal capacity refer to the Executive's cost savings plans that changed current revenue funding.

Fenton Street Village Pedestrian Linkages, No. 760500

1. What is the status of this project?

The Georgia Avenue portion of the Fenton Street Village Pedestrian Linkages is in a preliminary design phase. The project limits are east side of Georgia Avenue from Wayne Avenue to Selim Road.

2. On the PDF, the update under "Other" is, for the most part, the same as in the FY09-14 PDF. Are the conditions related to this project still the same as two years ago?

Yes

3. The PDF notes that recent changes in the streetscape standards may cause an increase in construction costs. Please explain the recent changes in the streetscape standards. How much are they likely to affect construction costs?

The original intention was to upgrade the existing twenty-five-year old-streetscape by removing the interlocking pavers and replacing with belden pavers. The existing pavers are set on a sand base, a treatment that is no longer compatible with the current streetscape standard.

The newer standard requires that the pavers be set in concrete. The change requires removal and replacement of street trees with the current planting detail including amended soil panels. An arborist estimates the current trees life span to be approximately 5-7 years. The existing streetscape has varying cross slopes to as great as 8%. The ADA acceptable cross slope is no greater than 2% in the pedestrian accessible route and no greater than 5% in other areas. Mitigation will require an intervening curb and possibly low fencing. DHCA staff has met with various stakeholder groups to obtain feedback, comments and support for the project.

SHA and DOT have planned projects in the project area. DHCA is collaborating with these agencies towards a smooth implementation of all projects.

4. What is the reason for the \$124,000 increase in the total project cost?

Please see item #3 above.

Focused Neighborhood Assistance, No. 761100

1. Please provide background on the origin and purpose of this new project.

Providing healthy and sustainable-communities with safe streets and secure neighborhoods is an important part of the mission for Montgomery County Government. In support of this mission DHCA embarked on a pilot project to identify neighborhoods for participation in the program.

Neighborhood selection was made as the result of a data-driven analysis focused on single-family homes in primarily, if not exclusively, residential neighborhoods and grew from a belief in the importance of strong, well-maintained neighborhoods as a critical component of overall community well-being.

In identifying areas for consideration, we first reviewed data on crime, income (as viewed through the numbers of school-age children eligible for Free and Reduced Meals) and single-family rentals (later refined to focus on foreclosure events) county-wide. These criteria are ones that have been commonly used by others to measure conditions at the neighborhood level, and this analysis identified areas that appeared to be experiencing challenges greater than those experienced by the County overall.

Staff further refined neighborhood selection among the areas identified by commonalities that would facilitate community connections, for example, school boundaries. Staff then identified natural separators, which includes natural features

such as waterways and/or major roadways. Finally, staff considered areas that appeared to already meet eligibility criteria for certain types of federal or state funding. For example, federal funds to assist in mitigating the negative impact of foreclosures.

Staff completed reports outlining community assets, community challenges and recommendations for the community based upon the data analysis and community consultations.

These reports are available at

http://www.montgomerycountymd.gov/content/dhca/community/Focused_Neighborhood_Assistance/upcounty_focus_area_report.pdf

and

http://www.montgomerycountymd.gov/dhctmpl.asp?url=/content/dhca/community/Focused_Neighborhood_Assistance.asp#Mid

2. Will this project be limited to the two focus areas mentioned in the PDF, or will it be expanded in the future?

The expectation is that staff will concentrate efforts in the two identified neighborhoods for approximately two years. The next two neighborhoods will be identified in FY12 (see Facility Planning PDF). It is probable that some efforts will continue in the first two neighborhoods in FY13, while concentrated efforts are made in the next two Focused Neighborhood Assistance Areas.

3. The PDF says that the targeted communities are in need of pedestrian linkages, appropriate lighting, youth activities, mitigation of foreclosed properties, overcrowding, home maintenance, and overall safety of the neighborhoods. Which of these elements will be funded through this project?

Several projects will be managed by staff including:

- Six pedestrian linkages were identified for improvement in the Mid County focus area.
- Lighting improvements were identified in both areas.
- The Collaboration Council received funding to provide out of school-time activities in the Up County area.
- Non-profit housing developer acquisition/rehabilitation of vacant foreclosed properties in both areas
- Rehabilitation of owner occupied housing in both areas

4. What will be the process for determining which communities within the focus areas receive assistance, and the order in which they receive it?

The next two neighborhoods will be identified in FY12 utilizing

- a data driven analysis (refined over next two years experience with assistance of County Stat staff)

- commonalities
 - eligibility for funding
 - visual assessment
 - community and stakeholder input
 - interagency collaboration
 - development of short and long term recommendations
5. Will services such as youth activities or mitigation of foreclosed properties be funded through this project? If so, how is the funding reflected in the expenditure schedule? If not, will these services be provided in conjunction with this project? How will they be funded?

Staff oversight of the youth activities and mitigation of foreclosed properties are funded through this PDF. The funding for the youth activities is was possible from a CDBG-R grant. The funding for the acquisition of vacant foreclosed properties is from the Community Legacy Program; the Housing Initiative Fund (provided to non-profit developers AHC & Habitat for Humanity) and funding from Federal & State sources under the Neighborhood Stabilization Program.

6. What is the status of the Federal Stimulus funding that is budgeted in this project?

The \$500,000 reflected as Federal Stimulus is part of the CDBG-R Formula Grant included by amendment in the FY10 budget. The funding is for rehabilitation and weatherization of low-income owner occupied homes within the Focused Neighborhood Assistance Areas.

Long Branch Pedestrian Linkages, No. 760600

1. What is the status of the Long Branch Walkway Bridge? When is the project scheduled for completion?

The project is at 95% design in compliance with the approved M-NCPPC mandatory approval and facility plan (May 2007); however, in order to receive needed additional federal funding (\$742,500) that is managed by the State Highway Administration (SHA), we are required to redesign the project to comply with SHA's interpretation of the ADA. An engineering contract to complete the required redesign was approved by the CRC on Thursday, February 18, 2010. The current time line is as follows:

Procurement Processing:	to March 15, 2010
Contract Execution:	March 22
Redesign:	June 21
DPS Permit*	July 19
Bid Process	September 6
Procurement Processing	October 25
Notice to Proceed	November 8

Construction (10 mos. – given est. Notice to Proceed – weather delays anticipated) November 15, 2011
Two year plant material management (2011 – 2013)

2. What is the status of the Arliss Streetscape?

Phase I completed (Flower Avenue to Garland Street).
Phase II design is completed. Completion is expected in the fall.

3. The Fiscal Note says that the project will be advertised for bids in spring 2010. Does this refer to only construction of the Walkway Bridge, or does it also refer to the Arliss Streetscape?

See number 2 concerning Arliss Street, Phase II.

The redesign of the Long Branch Walkway Bridge and Trail will require an additional 60-90 days and re-approval by various agencies and permit issuance which will delay the construction to fall 2010.

4. Why is the total project cost recommended to increase by \$50,000?

The \$50,000 was reallocated to Long Branch Pedestrian Linkages for permit fees.

5. Will other subprojects be programmed into this project after the Walkway Bridge and Streetscape are completed? If so, please briefly describe them.

The focus on the Long Branch Walkway Bridge and Trail before embarking on additional projects. G. Byron Peck, a local artist completed renderings of architectural elements to be added after the Walkway Bridge and Trail construction. These include way finding and architectural columns with mosaic inlays. These elements are intended to be mosaic construction crafted by community members under the direction of Mr. Peck.

Closeout/Pending Closeout

- Please provide brief updates on the Montgomery Hills Pedestrian Linkages and South Silver Spring Pedestrian Linkages projects which are scheduled for closeout/pending closeout.
 - Montgomery Hills Pedestrian Linkages – completed
 - South Silver Spring Pedestrian Linkages – completed with commemorative event Friday, December 18, 2009.

Burtonsville

Long-term facade easements, pedestrian lighting, center signage

Ring Road

Potential Gateway

Streetface elements

Potential Gateway



Introductory Remarks

Strong, well-maintained neighborhoods are a critical component of overall community well-being and quality of life for Montgomery County residents.

To help preserve and enhance neighborhoods, the Department of Housing & Community Affairs (DHCA) is undertaking a pilot initiative to comprehensively address community needs as identified by residents and other stakeholders in two geographically-defined focus areas – one in the Glenmont area of Wheaton (the Mid-County Focus Area), and one in the Gunners Lake/Waring Station area of Germantown (the Up-County Focus Area).

This report on the **Mid-County Focus Area** provides baseline information about the community that can be updated to measure success and offers recommendations that can be further refined to identify specific implementation strategies and short- and long-term objectives.

Thanks to all who contributed to this report.

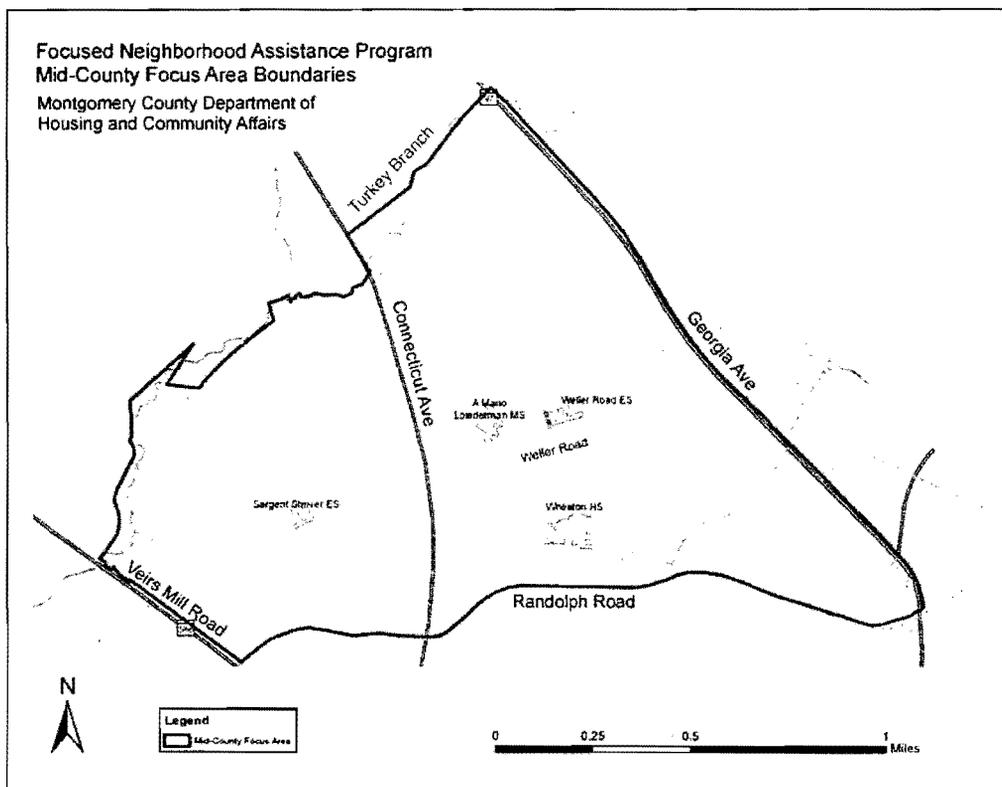
Mid-County Focus Area Team:
Cynthia Butler
Cathy Mahmud
Rogers Stanley

June, 2009

Focused Neighborhood Assistance Program Mid-County Focus Area

Background

The Mid-County Focus Area covers one and a half square miles, or just about one thousand acres. It is bounded by Georgia Avenue to the east, Randolph Road to the South, Veirs Mill Road to the west, and the Turkey Branch Creek to the north.



The Mid-County Focus Area is primarily residential in nature, with a few institutional and commercial uses including Randolph Hills Nursing Center, several public schools, and the Stonemill Shopping Center. Nearly the entire stock of housing was built between 1949 and 1962 as the post-war boom of modest single-family housing development spread outward from the District of Columbia into the close-by suburbs. As development has continued, the Focus Area has transitioned from being a place on the suburban fringe to an accessible area well connected to the amenities of the metropolitan region. In 1998, regional Metrorail transit service came within walking distance with the arrival of the "Red Line" stop at Glenmont near the intersection of Georgia Avenue and Randolph Road.

Upcounty Focus Area

Executive Summary

Providing healthy and sustainable communities with safe streets and secure neighborhoods is an important part of the mission for Montgomery County Government. In support of this mission, the Department of Housing and Community Affairs (DHCA) is undertaking a pilot initiative to comprehensively address community needs as identified by data driven analysis, residents and stakeholders in two geographically defined Focus Areas. The two Focus Areas are:

- Mid-County (Georgia Avenue south to Randolph Road; east to Veirs Mill Road; north to Turkey Branch Creek; east to Georgia Avenue)
- Upcounty (Interstate 270 south to Great Seneca Creek; south west to Clopper Road; north west to Germantown Road; north east to Middlebrook Road to Interstate 270)

In 1950 the Upcounty Focus Area consisted primarily of farms and forested land. There were fewer than 50 homes - a handful of farmsteads scattered throughout the area and a few dozen single-family homes. These single-family homes were located mostly in the western part of the Focus Area, along Liberty Mill Road and in the area we now refer to as the Historic District. By 2008 roughly 7,800 homes were in the Focus Area. In contrast to the homes in 1950, the majority of the homes currently located in the Focus Area are attached town homes which share ownership and maintenance responsibilities for common areas.

This report on the Upcounty Focus Area provides baseline information about the community which can be updated over time to measure program success. It also contains recommendations that can be refined as specific implementation strategies and short and long term objectives.

We would like to express our appreciation to all those who contributed to this report.

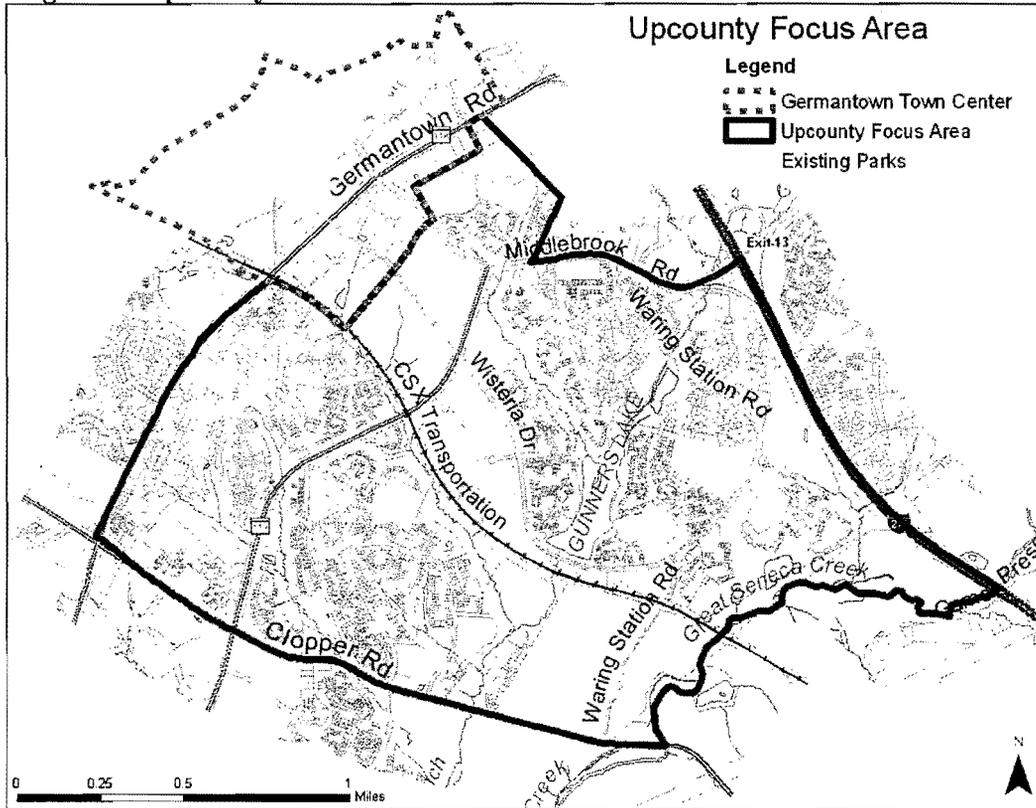
Upcounty Focus Area Team:

Lester Brantner
Patrice Cheatham
Matthew Greene

Background

The Upcounty Focus Area covers 2.6 square miles, or 1,656 acres. It is located to the west of I-270 and is bounded generally by Middlebrook and Germantown Roads to the north and west; and Clopper Road and Great Seneca Creek to the south.

Figure 1: Upcounty Focus Area



Planning and zoning that would guide the development of the Focus Area had taken shape by the 1960s and large scale residential development in the Focus Area began in earnest in 1973 with the Cinnamon Woods neighborhood. By 1990, roughly 80% of the Focus Area's housing stock had been built. Today, a majority of the area's 22,000-plus residents live in either single-family attached housing (58% of the housing stock) or low-rise apartments and condos (33% of the housing stock). And much of this housing stock is now beginning to show its age. Also, in contrast to developments prior to 1960, most of the housing units are part of a homeowners association.

Since 1964, homeowners associations have become increasingly common in the USA and very prominent in Montgomery County. There are 935 HOAs registered with the Montgomery County Commission on Common Ownership Communities.

KIM M. BOBOLA, PH.D.
COUNTY COUNCIL TESTIMONY
FEBRUARY 17, 2010

GOOD EVENING, COUNCIL PRESIDENT FLOREEN, MEMBERS OF THE COUNTY COUNCIL.

MY GOAL IS TO ADVANCE THE PLAN THE COUNTY HAS FOR BURTONSVILLE REVITALIZATION. BY TUNING IN TO THIS PRESENTATION, YOU WILL GAIN A BETTER UNDERSTANDING OF THE REASONS BEHIND THIS ITEM IN THE COUNTY EXECUTIVE'S BUDGET, AND WHY THE BURTONSVILLE REVITALIZATION PROJECT SHOULD BE FULLY FUNDED. THE FUTURE OF MONTGOMERY COUNTY DEPENDS IN LARGE MEASURE ON OUR ABILITY TO RENEW AND RESTORE THE COUNTY'S CITIES AND TOWNS, INCLUDING BURTONSVILLE, AS CENTERS OF COMMUNITY ACTIVITY.

MY NAME IS KIM BOBOLA. I AM SPEAKING AS AN INDIVIDUAL, BUT MY COMMENTS ARE INFORMED BY FIVE YEARS HAVING SERVED AS A MEMBER OF THE EAST COUNTY CITIZENS ADVISORY BOARD.

WHAT IS THE BURTONSVILLE REVITALIZATION PROGRAM? THIS PROJECT IS THE CULMINATION OF YEARS OF WORK BY RESIDENTS, BUSINESS OWNERS, AND GOVERNMENT OFFICIALS TO ENHANCE THE PHYSICAL, COMMERCIAL, AND SOCIAL COMPONENTS OF THE BURTONSVILLE NEIGHBORHOOD.

THE NEED FOR BURTONSVILLE REVITALIZATION BECAME CLEAR WHEN THE STATE HIGHWAY ADMINISTRATION STRAIGHTENED ROUTE 29. THIS RESULTED IN A WAY TO SPEED HOWARD COUNTY RESIDENTS TO D.C. – PAST THE ONCE-THRIVING BURTONSVILLE BUSINESS DISTRICT. ADDITIONALLY, THE DUTCH COUNTRY FARMERS MARKET, A BURTONSVILLE LANDMARK, RELOCATED OUTSIDE MONTGOMERY COUNTY. SINCE THIS HAS OCCURRED, LOCAL BUSINESS HAS BEEN ANEMIC, AND SEVERAL OF BURTONSVILLE'S "MOM AND POP" SHOPS HAVE CLOSED. FOR MANY OF US, THIS HAS BECOME AN URGENT CONCERN.

IN RESPONSE, OVER THE PAST FIVE YEARS, MONTGOMERY COUNTY HAS INVESTED A GREAT DEAL OF TIME, ENERGY, AND GOOD WILL IN

SURVEYING THE COMMUNITY'S RESOURCES, ORGANIZING CITIZENS' PARTICIPATION, AND IDENTIFYING COMMUNITY GOALS. I TOOK PRIDE IN PARTICIPATING IN THE COUNTY'S MARKET STUDY FOR POTENTIAL DEVELOPMENT IN BURTONSVILLE. I ATTENDED COMMUNITY CHARETTES (MEETINGS) WHERE THE AVERAGE ATTENDANCE WAS 50 COMMUNITY MEMBERS, AND WHERE FRIENDS AND NEIGHBORS HAD THE CHANCE TO IDENTITY THE STRENGTHS AND WEAKNESSES OF OUR COMMUNITY. IN THE END, IN OCTOBER, 2008, THE COUNTY RELEASED THE BURTONSVILLE COMMUNITY LEGACY PLAN – A ROADMAP TO REVITALIZATION.

COMMUNITY SUPPORT AND PLANNING ARE CRITICAL ELEMENTS IN A REVITALIZATION EFFORT. THE LEGACY PLAN ILLUSTRATES HOW KEY STAKEHOLDERS EXPECT THE BURTONSVILLE TOWN CENTER TO EVOLVE. A QUICK READ OF THIS LEGACY PLAN WILL ENABLE YOU TO VISUALIZE A MINIATURE TOWN, A CENTRAL GATHERING SQUARE, SIGNAGE FOR OUR BUSINESSES, IMPROVED PARKING, AND WALKWAYS AND BIKEWAYS. THIS PROJECT IS EXPECTED NOT ONLY TO EXPAND BUSINESS, EMPLOYMENT, AND SHOPPING OPPORTUNITIES, BUT ALSO TO INCREASE AND STRENGTHEN THE SOCIAL ACTIVITY AND QUALITY OF LIFE IN OUR COMMUNITY.

IN CLOSING, I ASK YOU TO MAINTAIN THIS VITAL COMMUNITY INITIATIVE THAT HAS SUBSTANTIVE AND DEEP COMMUNITY ENGAGEMENT, INPUT AND INTEREST, AND WHICH IS HIGH ON THE COMMUNITY'S PRIORITY LIST. THUS, OUR HARD WORK AND PLANNING WILL BEGIN TO TRANSLATE INTO A LOCAL ACCOMPLISHMENT, AND TO RESTORE BURTONSVILLE AS A CENTER FOR COMMUNITY ACTIVITY, AS WELL AS A PLACE THAT OTHERS WILL GO OUT OF THEIR WAY TO VISIT.

THANK YOU.

Affordable Housing Acquisition and Preservation -- No. 760100

FY09-14 Approved

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
Total	52,500	1,095	405	51,000	25,500	25,500	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Fund	Total	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Montgomery Housing Initiative Fund	2,500	1,095	405	1,000	500	500	0	0	0	0
HIF Revolving Program	50,000	0	0	50,000	25,000	25,000	0	0	0	0
Total	52,500	1,095	405	51,000	25,500	25,500	0	0	0	0

DESCRIPTION

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

COST CHANGE

The issuance of \$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.

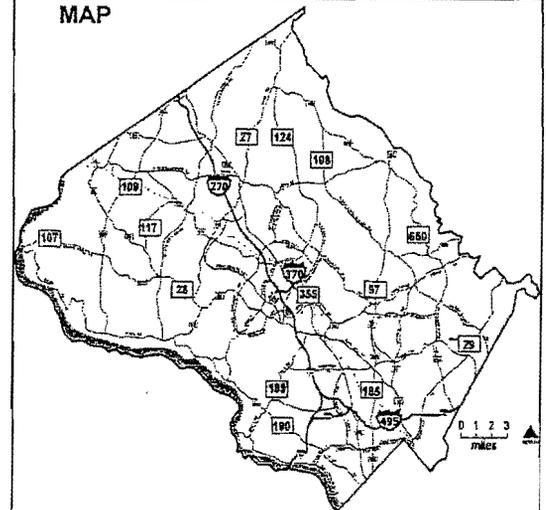
APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY01	(\$000)
First Cost Estimate		
Current Scope	FY09	52,500
Last FY's Cost Estimate		2,500
Appropriation Request	FY09	25,000
Appropriation Request Est.	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



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DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

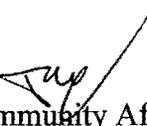
Isiah Leggett
County Executive

Richard Y. Nelson, Jr.
Director

MEMORANDUM

February 23, 2010

TO: Linda McMillan, Senior Legislative Analyst
Montgomery County Council

FROM: Richard Y. Nelson, Jr., Director 
Department of Housing and Community Affairs

SUBJECT: PHED Meeting March 1, 2010

As requested, I am providing the responses and charts for the PHED Committee meeting March 1, 2010. If you have any questions, please do not hesitate to contact me or Lawrence Cager, at 240-777-3620. The responses are highlighted in bold.

1. A listing of all the projects that have either received funding or have funding commitments from the HIF Revolving Program since it was implemented in FY09. Please provide information on the location of the project, the number of affordable units (and the income ranges they will serve), the control period for the affordable units, and the total units (affordable and market rate) in the project. Please also provide comments on the use of the funding and when payment back to the county is expected. The Recommended PDF indicates that \$19.622 million is encumbered. If your report shows a different total, please indicate which projects are not included in the data provided in the CIP.

The attached charts provide the information requested for FY 2009 and FY 2010.

2. What are the criteria for financing an affordable housing project through the revolving fund? If a project can be financed through the revolving fund is the Department requiring that it be assigned to the revolving fund rather than using the "cash" side of the HIF as the financing source?

There are three primary criteria that are taken into consideration when deciding whether a project can be placed in the Revolving Fund. These criteria are:

- **the project must involve acquisition and/or rehabilitation or construction,**
- **the project must demonstrate the ability to repay all or part of the loan,**
- **the project must be a project that advances County affordable housing goals, that cannot be financed in the Housing Initiative Fund operational budget because of funding limitations.**

Office of the Director

Our experience has demonstrated two key facts: (1) that all projects cannot repay 100 percent of the funding and, (2) projects that can demonstrate the ability to repay often require a longer time frame than two – three years to repay the investment.

3. When the Council approved the revolving fund, it was told that the funds would come from taxable appropriation-backed bonds so that there is maximum flexibility in how the funds can be used. Have these bonds been issued? If not, what is the source of funds for the revolving fund? Are there any restrictions on the revolving fund if non-taxable financing is being used?

The bonds have not been issued. The Department of Finance has advanced the funds and is planning to issue the bonds by the end of March. The bonds will be taxable and because of that there will not be restrictions on the use of the bonds.

4. Given that the CIP indicates less than ½ the revolving fund has been committed, why is the Executive recommending an additional \$25 million in each of the next two years rather than a lower amount that reflects actual usage in the first two years?

The attached charts demonstrate that over 85 percent of the FY 2009 and FY 2010 CIP funds have been spent, committed or are under negotiation for eligible projects which are likely to be funded.

Given the current budget constraints and the success and flexibility of the Acquisition and Rehabilitation program, the recommendation for an additional \$25 million in each of the next two years is made to support the County Executive's commitment to affordable housing and to enable DHCA to continue to meet the goals and vision of this administration to serve the County's affordable housing needs.

RYN:jgs

Attachments

Acquisition Fund FY 09

Project Name/ Address	Project Type	Neighborhood location	Total Units	Afford. Units	Retention Period	Income Target	Total Develop.Cost	HIF Investment	Disbursements	Non-Revolving Debt	Repayment Amount	Repayment Date
7411 Aspen Court	Family rental/ Acq. Rehab	Takoma Park	16	16	HOC	<60% AMI	2,750,000	1,300,000	August, 2009	1,050,000	250,000	FY 2012
717 Sligo	Family rental/ Acq. Rehab	Takoma Park	12	12	HOC	<60% ami	2,800,000	1,704,000	December, 2008	1,454,000	250,000	FY 2012
4715 Cordell	PLQ/ Acq. Rerhab	North Bethesda	32	32	30 years	<30% AMI	8,977,614	4,684,761	ongoing started March,2009	4,684,761	0	N/A
814 Thayer Avenue	Family Rental/ New Construction/ Mixed Income	Silver Spring	52	40	30 years	<60% AMI	16,000,000	2,900,000	March, 2009	0	2,900,000	FY 2012
Maple Towers	Family Rental/ Acq. Rehab	Takoma Park	32	28	30 years	<60% AMI MPDU	8,500,000	3,635,000	March, 2009	2,435,000	1,200,000	N/A
AHC Foreclosure	Foreclosure Acquisition/Resale	20874	18	18	3 years	70% - 100% AMI	2,400,000	2,000,000	ongoing started September,2009	600,000	1,400,000	FY2012
Leaman Farms/Gateway Commons MPDU	Family Rental Acquisition	Germantown Claksburg	8	8	20 years	<55%AMI	1,187,377	1,187,377	July, 2009	637,377	550,000	FY 2012
Ashmore @Germantown	Family Rental/Acq	Germantown	29	29	20 years	<55%AMI	5,910,000	4,800,000	March, 2009	3,800,000	1,000,000	FY 2010
7901 Lockney	MCCH Acq and Rehab	Takoma Park	4	4	30 years	<30% AMI	700,000	700,000	July, 2009	700,000	0	N/A
North Potomac MPDUs	Special Needs Acquisition	Rockville	2	2	30 years	<30% AMI	268,466	268,466	July, 2009	0	268,466	FY 2012
Total Acquisition Fund	\$25,000,000		205	189			\$49,493,457	\$23,179,604		\$15,361,138	\$7,818,466	

Acquisition Fund FY 10

Project Name/ Address	Project Type	Neighborhood location	Total Units	Afford. Units	Retention Period	Income Target	Total Develop. Cost	HIF Investment	Anticipated Disbursements	Non-Revolver Debt	Repayment Amount	Repayment Date
8316 Flower Avenue	Multifamily rental	Takoma Park	6	6	30 years	< 30% AMI	600,000	462,720	Nov-09	100,000	362,720	FY 2012
MD DHCD Acquisition Fund	Various	County wide	TBD	TBD	TBD	TBD	8,000,000	320,000	Apr-10	100,000	220,000	FY 2017
Edson Lane	Homeownership	Bethesda	15	15	30 years	< 70% AMI <120% AMI	4,200,000	3,500,000	TBD	0	3,500,000	FY 2013
Halpine Hamlet	Family Rental Acq/ Rehab	Rockville	67	67	30 years	< 60 %AMI	6,700,000	636,000	Oct-09	0	636,000	FY 2012
Maple Towers	Family Rental Acq/ Rehab	Takoma Park	32	32	30 years	<60% AMI	8,500,000	1,300,000	Mar-10	TBD	TBD	TBD
7423 Aspen Court Construction Bridge	Family Rental Acq/ Rehab	Takoma Park	16	16	HOC	<60% AMI	1,800,000	1,800,000	Jun-10	0	1,800,000	FY 2012
Nonprofit Potential Acquisition	Family Rental Acq/ Rehab	Rockville	59	50	30 years	< 60% AMI	TBD	2,000,000	TBD	1,000,000	1,000,000	TBD
Friendly Gardens	Land Acq.	Silver Spring	TBD	TBD	TBD	TBD	TBD	1,000,000	TBD	0	1,000,000	TBD
Non-Profit Senior Housing	Predevelopment	Silver Spring	TBD	TBD	TBD	TBD	TBD	150,000	TBD	0	150,000	TBD
National Park Seminary	Transitional Housing	Silver Spring	32	32	20 years	<30% AMI	3,966,000	750,000	Dec-09	0	750,000	FY 2012
1150 Ripley Apartments	Family Rental Acq/ Rehab	Silver Spring	318	48	99 years	MPDU	76,813,000	5,000,000	Jun-10	0	5,000,000	FY 2014
8807 Glenville	Family Rental Acq/ Rehab	Silver Spring	4	4	20 years	<50 AMI	477,000	477,000	Mar-10	330,000	147,000	FY 2011
The Argent	Family Rental Acq/ Rehab	Silver Spring	96	98	30 years	<60%AMI	30,466,521	3,600,000	May-10	0	3,600,000	Interest only FY12- FY 21 Principal repayment FY31
Total Acquisition Fund	\$25,000,000		645	366			\$144,542,521	\$20,995,720		\$1,530,000	\$18,165,720	

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DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Isiah Leggett
County Executive

Richard Y. Nelson, Jr.
Director

MEMORANDUM

April 4, 2008

TO: Stephen Farber, Council Staff Director

FROM: Richard Y. Nelson, Jr., Director 
Department of Housing and Community Affairs

SUBJECT: Property Acquisition Revolving Program – Housing Initiative Fund

County Executive Ike Leggett's Recommended FY09 Operating Budget calls for a new approach to the acquisition of affordable housing resources. Leveraging current cash resources and creating a Property Acquisition Revolving Program within the Housing Initiative Fund, serves the dual purpose of making more resources available for affordable housing and at the same time requires less current tax revenues, contributing to the solution to the County's current budget challenges.

For more than nineteen years, the County's Housing Initiative Fund (HIF) has supported the acquisition of more than 6700 units at various levels of housing affordability. These acquisitions have generally used the cash resources of the HIF to fully or partially pay for the acquisition/development of housing units, almost all of which (exception is Seneca Ridge) are not owned by the County. Generally, ownership is retained by, or transferred to the developer, which in most cases is the Housing Opportunities Commission or nonprofit organizations. Because of the County's general approach of not retaining housing units in long term County ownership, debt financing of these acquisition activities has not previously been fully considered.

Substantially increasing the availability of affordable housing, and broadening the types and income ranges of affordable housing has been one of the highest priorities of County Executive Ike Leggett's new administration. The County Executive has just received the final report of the County's Affordable Housing Task Force. Based in part on conclusions reached by the task force, this budget seeks to put in place now the basic structure of the first Phase of the County's new affordable housing funding approach. The creation of a substantial Property Acquisition Revolving Program will meet an immediate need for substantially greater resources to capitalize on opportunities presented to the County by forward thinking nonprofits, HOC, or through the County's "Right of First Refusal" program.

Office of the Director

Michael J. Knapp, Chair, PHED
April 4, 2008
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The intent of the program is to provide the initial, short-term capital for the acquisition of housing with various levels of affordability potential. By issuing taxable bonds in two consecutive years (FY09 and FY10), and anticipating refinancing of properties in an average of two years after initial acquisition, this property acquisition program should provide a steady source of acquisition resources, at an approximately \$25 million per year level.

The second Phase of this new affordable housing approach is still in the discussion stages. However, there is universal interest in a program that uses County funds to leverage private investment in affordable housing. After properties are acquired, possibly utilizing the new property acquisition revolving program, a development period follows which may include renovation or restoration of units, determinations of the appropriate mix of affordable and market rate housing, and underwriting to raise traditional financing for the majority of costs. The remaining portion of funds needed to close the deal has the potential of being an attractive investment for corporations and individuals. To achieve adequate investment returns while at the same time maintaining affordable housing rates, the county may provide a portion of this equity financing, but subordinate its return to the private investors. This leveraging of private investment with public funds can be an important part of a final financing plan, and the funding of such an Equity Program, constitutes Phase II of the County Executive's enhanced affordable housing approach.

At this time, and after discussion with the Office of the County Attorney, it has been determined that the initial implementation of the acquisition fund program can be accomplished under current law. Any modifications of this program or development of the equity program will be determined in coming months, and in coordination with implementation of the Affordable Housing Task Force recommendations and future budgets. We look forward to discussing these initiatives with you in the upcoming budget discussions. If you have any questions, please feel free to contact Rick Nelson, Director, Department of Housing and Community Affairs, or Jennifer Barrett, Director, Department of Finance.

RYN:sns

Attachments

cc: Kathleen Boucher, Assistant Chief Administrative Officer
Thomas Street, Assistant Chief Administrative Officer
Jennifer Barrett, Director, Department of Finance
Joseph Beach, Director, Office of Management and Budget
Marc P. Hansen, Deputy County Attorney
Michael Faden, Senior Legislative Attorney
Linda McMillan, Senior Legislative Analyst ✓
Joseph Giloley, DHCA
Stephanie Killian, DHCA

PROPERTY ACQUISITION REVOLVING PROGRAM – OVERVIEW OF DEBT STRUCTURE

- New approach to funding the acquisition or development of affordable housing units.
- Based on County Executive, County Council long-term commitment to allocating resources to affordable housing.
- Leverages current cash resources - makes more capital available for affordable housing with less initial cash.
- Requires less general tax revenues in FY09 – program has added benefit of contributing to the solution to the County's current budget challenges.

Key features of debt financing plan:

- Program plan calls for issuing taxable bonds, \$25 million each in two consecutive years (FY09 and FY10).
- Purpose must be affordable housing consistent with authority in Chapter 20 – repayments may not be applied to other uses.
- Subject to appropriation security is viewed as high quality by investment community, but does not count as legal debt of the County.
- Similar to Certificates of Participation (COPs) and appropriation-backed lease financings using Revenue Authority or MEDCO as conduit issuer.
- Twenty-year, fixed rate, even payment structure ensures that the long-term obligation is reduced over time, but revolving funds continue to be available.
- Consistent with principles of capital financing and County fiscal policy, proceeds must be used for capital expenditure, not ongoing programs.
- Taxable bonds allows for private use flexibility, ability to earn arbitrage, and relief from IRS spend-down concerns.
- New program can be accomplished under current law.
- Debt Service costs are budgeted in Debt Service budget, backed by transfer from Housing Initiative Fund.

How the Funds Revolve

- Debt proceeds used for acquisition are expected to be paid back within a two year period.
- Those proceeds may be used again for affordable housing purposes.
- This provides a steady source of acquisition capital, at an approximate \$25 million annual level.

