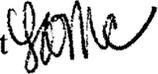


**MEMORANDUM**

April 24, 2014

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

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **FY15 Operating Budget: Housing Initiative Fund and Housing First**

**Housing Initiative Fund (HIF)**

**County Executive Recommendation for the FY15 HIF Appropriation**

A multi-year table of HIF funding prepared by Council staff is attached at © 1 and the FY15-20 Fiscal Plan display for the HIF included in the Executive's FY15 Operating Budget is attached at © 2-3.

- For FY15, the Executive's Budget recommends \$42,851,741 as the "Total Investment in Affordable Housing." This includes both funding appropriated to the operating and capital parts of the HIF (a non-tax supported fund).
- The total resources shown as funding this program is \$50,343,232 with the following components:

Beginning balance (FY14 rollover)	\$ 2,960,408
Transfer from the General Fund	17,816,357
Other non-CIP revenues	14,799,007
New CIP proceeds	9,280,000
CIP carryover, including repayments	6,670,000
<u>Less end of year balance</u>	<u>-1,182,540</u>
<b>TOTAL</b>	<b>\$ 50,343,232</b>

- From these resources, \$7,196,010 is transferred out for debt service and \$295,481 for other indirect costs, leaving \$42,851,741 in capital and operating funding available.
- There are two substantial changes in expenditures, both discussed during the FY14 budget. First, the \$6 million contribution to the Senior Housing being built next to the Silver Spring Library is complete and no further FY15 contribution is required. This means that from budget-to-budget there is a \$4.5 million reduction in the category “Senior Housing.” This does not mean that senior housing projects are not being funded. For example, funding is being provided for senior housing next to the new 3<sup>rd</sup> District Police station. Funding for senior housing has not been a line item except for the Silver Spring project. Second, \$1.7 million in recordation tax revenues available in FY14 but not expected to continue in FY15, were used as an additional investment in the Silver Spring project to provide a permanent rent subsidy to ensure that some very low income households can be served.
- **The transfer from the General Fund is \$17,816,357. This is the same amount as FY14 and is assumed across the 6-year plan. If the General Fund Transfer were equal to 2.5% of the actual property taxes paid in FY13, the transfer would be \$25,912,515 (actual property taxes paid were \$1,036,500,610). This would be an increase of \$8,096,158 over the amount recommended by the County Executive.**
- When the PHED and HHS Committee reviewed the recommended CIP project for Preservation and Acquisition of Affordable Housing (©4), it asked for additional information about which projects were likely to have a repayment that could then be reinvested in housing. The table at ©5 shows projects with projected repayments before FY20, those amortizing in 20 to 30 years, and those not payable for 30 years or more.

### **Expenditures for Neighborhoods to Call Home**

Each year, funding is allocated for contractual services that are funded in the HIF for the Building Neighborhoods to Call Home program. These contracts recognize that services are needed to support the overall effort to increase affordable housing and support improvements in existing neighborhoods that already have affordable housing. The following services are recommended for funding in FY15:

Rebuilding Together	\$200,000
Long Branch Tenant Counseling (CASA)	\$250,000
Pine Ridge Center	\$146,340
<b>TOTAL</b>	<b>\$596,340</b>

**Council staff recommends approval.**

## **Housing First**

### **A. Update on Housing First and the Homeless Point-in-Time Survey**

Attached at ©6-14 is an update from DHHS Director Ahluwalia on the Housing First Plan. Director Ahluwalia provides some highlights on the COG Point-in-Time Survey including:

- A total of 891 homeless individuals were counted on January 30, 2014. This is an 11% decrease from the number counted in 2013 (1,004).
- The total number of homeless adults decreased 5% from 638 in 2013 to 603 in 2014.
- There was a 22% decrease in the number of homeless households with children with 117 counted in 2013 and 91 in 2014.

In addition, the report highlights:

- So far in FY14 (July through February) 2,744 eviction prevention/housing stabilization grants totaling \$2,150,490 have been issued.
- Montgomery County now has a total of 80 VASH vouchers to help house low income veterans. In addition, the Montgomery County Coalition for the Homeless has opened a Veterans Safe Havens House which increases the options to serve this population.
- The 2013 100,000 Homes Campaign Registry Week resulted in contacts with 431 homeless individuals. Of these 369 completed surveys to help determine their level of vulnerability and 62 refused. Of the 369, 43% were determined to be vulnerable.
- The Montgomery County Council approved funding to house 15 people identified through the 100,000 Homes Campaign. The Continuum of Care housing providers have agreed to prioritize vacancies for those experiencing chronic homelessness. The Housing Opportunities Commission is completing the process to allow some Housing Choice Vouchers to be prioritized for chronically homeless, medically vulnerable adults.
- A rapid re-housing program has been developed by Special Needs Housing to provide shallow subsidies (\$400 for individuals, \$600 for families) and case management services for up to 12 months.
- An average of 1,675 households are receiving a shallow subsidy through the Rental Assistance Program. There are 1,709 households on the waiting list as of February.
- So far in FY14 (through March 31) 335 households were provided motel overflow shelter with an average length of stay of 41 days. The memo also notes that households face significant barriers to housing which has also resulted in an increased length of stay in family assessment shelters. DHHS has implemented a Service Integration Model for the family assessment shelters and as case manager has been assigned to work with families in motels.

## **FY15 Funding for Rental Assistance and Housing First Programs**

The FY15 recommended budget provides the same number of subsidies as provided in FY14. The major programs are:

Rental Assistance Program	1,700 subsidies
Housing Initiative Program	200 subsidies
Housing Initiative Program	25 subsidies for medically vulnerable
Partnership for Permanent Housing	96 subsidies
Cordell Project	24 subsidies
100,000 Homes Medically Vulnerable	15 subsidies

In addition about \$2.3 million will be provided to the Housing Opportunities Commission to continue the Rent Supplement Program. This program currently serves about 280 people (the subsidy is not one set amount so the number of subsidies can fluctuate.)

The programs listed above are either fully or partially funded through the Housing Initiative Fund. There are other county-funded efforts, such as the County matches for HUD funded housing (©19-20) and programs in the Continuum of Care that receive direct support from other public and private sources.

## **Homeless Outreach**

Last year, the Committee had an extensive discussion of homeless outreach. This focus on outreach was a critical component of the County's success with the 100,000 Homes Campaign. The County has four contractual providers for outreach services, Bethesda Cares, City of Gaithersburg, Interfaith Works, and People Encouraging People. The Montgomery County Coalition for the Homeless is serving as the manager of the 100,000 Homes Campaign.

**The Executive is recommending continuation of FY14 funding for FY15 including the funds for the 100,000 Homes Registry Week.** A summary table is attached at ©21.

Bethesda Cares has been both a leader and a partner in the 100,000 Homes Campaign and in providing homeless outreach services. They have forwarded a proposal for \$70,000 to provide funding for their outreach team, for "maintaining the momentum" and to stabilize the effort rather than be subject to grant cycles. A short paper is attached at ©22-23. As shown in the table, Bethesda Cares will receive \$93,150 (©21) from the recommended DHHS budget. The County Executive is also recommending a \$28,500 Community Grant. Bethesda Cares indicates that their outreach program costs about \$334,000 annually.

## **Council staff recommendations for Housing First and Homeless Outreach**

**Council staff offers the following four recommendations for FY15 funding:**

1. **Add \$46,800 to the reconciliation list to add 20 subsidies to the Rental Assistance Program.** While 20 subsidies will not dramatically reduce a wait list of 1,700 it is an

incremental step forward and households that can be stabilized with a shallow subsidy can avoid displacement and/or homelessness.

2. **Add \$437,120 to the Reconciliation List for 15 subsidies and support services to “maintain the momentum” of the 100,000 Homes Campaign.** The Continuum of Care and the County’s housing partners have gained much experience through the Registry and housing clients prioritized through the 100,000 Homes survey and Council staff believes that these additional resources will allow the County to continue to place medically vulnerable adults throughout the year.
3. **Add \$108,000 to add 15 subsidies of \$600 per month to the rapid re-housing program for families.** Director Ahluwalia has discussed the need for assistance for families and her memo indicates that this time-limited (12 month) subsidy has been very helpful for families that cannot exit homelessness without assistance.
4. **Add \$70,000 for Bethesda Cares homeless outreach** to stabilize their ability to partner with the County to provide services. Council staff believes that if the Council approves this funding in the DHHS/HIF budget that it does not need to approve the Executive’s grant for \$28,500.

### **Interagency Commission on Homelessness**

On April 1, 2014 the Council adopted legislation establishing the Interagency Commission on Homelessness. The Continuum of Care has agreed that the Homelessness Commission should serve as the governing body for the Continuum of Care. The law becomes effective on July 10, 2014. The fiscal impact statement estimated that a Program Manager II should be hired to staff this Commission. The cost for a full-year position and one-time expenses is \$98,477. **Council staff recommends adding the Program Manager position but lapsing it for 0.3 FTEs, giving the time needed for hiring. This would bring the cost down to \$71,190. Council staff recommends the joint Committee add \$71,190 to the reconciliation list.**

### **Payment in Lieu of Taxes**

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

*The Director of Finance must maintain a record of all payment-in-lieu-of-taxes (PILOT) agreements currently in effect under the Tax-Property Article of the Maryland Code. The record must estimate (in current year dollars) the amount of property taxes abated for each agreement*

*for each of the next 10 fiscal years. As authorized by the County Code, Section 52-18M, the Director of Finance may sign payment-in-lieu-of-taxes agreements for affordable housing that abate annual property tax revenues up to the following annual limits for all properties not owned or operated by the Housing Opportunities Commission.*

FY15	\$11,231,278
FY16	\$11,792,842
FY17	\$12,382,484
FY18	\$13,001,608
FY19	\$13,651,688
FY20	\$14,334,270
FY21	\$15,050,990
FY22	\$15,803,540
FY23	\$16,577,910
FY24	\$17,406,900

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

**Council staff recommends approval.**

	A	B	C	D	E	F	G	H	I
1	Housing Initiative Fund	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
2	Original Approved Budgets	Approved	Recommend						
3									
4	<b>Resources (non-CIP):</b>								
5	Beginning Balance	3,475,930	7,583,260	1,951,890	208,760	5,189,990	425,189	5,964,840	2,960,408
6	Transfer from the General Fund	20,760,060	9,782,490	19,919,268	10,475,420	9,573,290	15,589,247	17,816,357	17,816,357
7	Miscellaneous Revenues	5,518,260	14,452,370	13,316,490	5,917,070	5,426,730	9,810,276	14,212,529	14,799,007
8									
9	<b>Resources Before Required Transfers</b>	<b>29,754,250</b>	<b>31,818,120</b>	<b>35,187,648</b>	<b>16,601,250</b>	<b>20,190,010</b>	<b>25,824,712</b>	<b>37,993,726</b>	<b>35,575,772</b>
10									
11	<b>Required Transfers:</b>								
12	Transfer to Debt Service Fund (debt service on acquisition and preservation bonds)	NA	(1,850,000)	(2,180,000)	(2,500,000)	(4,619,190)	(5,643,610)	(7,510,400)	(7,196,010)
13	To General Fund for Indirect Costs	(108,300)	(159,630)	(177,150)	(182,720)	(190,720)	(186,970)	(251,900)	(280,930)
14	To General Fund for Tech Modernization	NA	(18,470)	(24,770)	(20,160)	(14,340)	(15,590)	(12,605)	(14,551)
15									
16	<b>Non-CIP Resources Available for Programs</b>	<b>29,645,950</b>	<b>29,790,020</b>	<b>32,805,728</b>	<b>13,898,370</b>	<b>15,365,760</b>	<b>19,978,542</b>	<b>30,218,821</b>	<b>28,084,281</b>
17									
18	<b>Uses:</b>								
19	Personnel Costs	862,240	1,239,370	1,290,230	1,436,060	1,514,880	1,540,363	1,605,462	1,770,182
20	Housing First	NA	4,500,000	8,900,000	7,250,000	7,172,800	7,537,655	7,537,655	7,537,655
21	Rental Assistance Programs (previously tied to Recordation Tax)	NA	2,615,500	3,047,000	2,000,000	2,000,000	4,415,500	10,363,973	9,252,551
22	Neighborhoods to Call Home	1,000,000	1,003,000	933,500	466,420	596,340	596,340	596,340	596,340
23	Other Operating	26,617,700	19,274,570	16,894,660	2,672,310	1,629,500	1,631,610	1,590,060	1,502,707
24	Other Debt Service (Non-tax Funds)	78,260	76,870	75,300	73,580	71,730	69,770	67,730	65,630
25	Special Needs and Non-Profit Housing	NA	NA	NA	NA	2,380,510	2,380,510	2,380,510	2,380,510
26	Senior Housing - Silver Spring	NA	NA	NA	NA	NA	1,500,000	4,500,000	0
27	Affordable Housing - loans and grants*								3,796,166
28	<b>Uses of Non-CIP HIF</b>	<b>28,558,200</b>	<b>28,709,310</b>	<b>31,140,690</b>	<b>13,898,370</b>	<b>15,365,760</b>	<b>19,671,748</b>	<b>28,641,730</b>	<b>26,901,741</b>
29									
30	<b>Ending Balance</b>	<b>587,750</b>	<b>1,080,710</b>	<b>1,665,038</b>	<b>0</b>	<b>0</b>	<b>306,794</b>	<b>1,577,091</b>	<b>1,182,540</b>
31									
32	<b>New CIP Funding</b>	<b>500,000</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	<b>10,000,000</b>	<b>2,720,000</b>	<b>9,280,000</b>
33	Loan Repayment Proceeds	-			2,200,000	6,669,085	7,231,000	7,280,000	6,670,000
34	<b>CE Estimated CIP Funding</b>	<b>500,000</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>17,200,000</b>	<b>21,669,085</b>	<b>17,231,000</b>	<b>10,000,000</b>	<b>15,950,000</b>
35									
36	<b>HIF Funding available for Program Uses</b>	<b>29,645,950</b>	<b>54,790,020</b>	<b>57,805,728</b>	<b>31,098,370</b>	<b>37,034,845</b>	<b>36,902,748</b>	<b>38,641,730</b>	<b>42,851,741</b>
37									
38	Other operating includes closing cost assistance, foreclosure assistance, support for MPDU homebuyers								
39	*This category is added for FY15 - previously operating funds available for loans and grants were included in the Other Operating category								

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FY15-20 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Montgomery Housing Initiative						
FISCAL PROJECTIONS	FY14 APPROVED	FY15 REC	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	
<b>ASSUMPTIONS</b>								
Indirect Cost Rate	15.69%	15.87%	15.87%	15.87%	15.87%	15.87%	15.87%	
CPI (Fiscal Year)	2.3%	2.0%	2.2%	2.5%	2.6%	2.4%	2.3%	
Investment Income Yield	0.0019	0.35%	0.95%	1.55%	2.15%	2.85%	3.45%	
<b>BEGINNING FUND BALANCE</b>	<b>5,964,840</b>	<b>2,960,408</b>	<b>1,182,540</b>	<b>788,360</b>	<b>394,180</b>	<b>0</b>	<b>0</b>	
<b>REVENUES</b>								
Taxes	9,069,793	9,658,371	9,994,285	10,665,689	11,340,154	12,174,517	12,791,139	
Miscellaneous	5,142,736	5,140,636	5,038,486	4,886,280	4,634,027	4,381,733	4,129,402	
<b>Subtotal Revenues</b>	<b>14,212,529</b>	<b>14,799,007</b>	<b>15,032,771</b>	<b>15,551,969</b>	<b>15,974,181</b>	<b>16,556,250</b>	<b>16,920,541</b>	
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>								
Transfers To Debt Service Fund	(7,510,400)	(7,196,010)	(7,196,110)	(7,200,310)	(7,208,010)	(7,201,510)	(7,205,600)	
Debt Service Other/MHI Property Acquisition	(7,510,400)	(7,196,010)	(7,196,110)	(7,200,310)	(7,208,010)	(7,201,510)	(7,205,600)	
Transfers To The General Fund	(264,505)	(295,481)	(282,750)	(282,750)	(282,750)	(282,750)	(282,750)	
Indirect Costs	(251,900)	(280,930)	(282,750)	(282,750)	(282,750)	(282,750)	(282,750)	
Technology Modernization CIP	(12,605)	(14,551)	0	0	0	0	0	
Transfers From The General Fund	17,816,357	17,816,357	17,816,357	17,816,357	17,816,357	17,816,357	17,816,357	
<b>TOTAL RESOURCES</b>	<b>30,218,821</b>	<b>28,084,281</b>	<b>26,552,808</b>	<b>26,673,626</b>	<b>26,693,958</b>	<b>26,888,347</b>	<b>27,248,548</b>	
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>								
Operating Budget	(3,195,522)	(3,272,889)	(3,380,949)	(3,503,049)	(3,633,749)	(3,762,399)	(3,890,319)	
Debt Service: Other (Non-Tax Funds only)	(67,730)	(65,630)	(63,480)	(61,274)	(59,021)	(56,727)	(54,936)	
Labor Agreement	n/a	0	(11,484)	(11,484)	(11,484)	(11,484)	(11,484)	
Rental Assistance	(10,363,973)	(9,252,551)	(9,588,465)	(10,259,869)	(10,934,334)	(11,374,517)	(11,991,139)	
Housing First	(7,537,655)	(7,537,655)	(7,537,655)	(7,537,655)	(7,537,655)	(7,537,655)	(7,537,655)	
Neighborhoods to Call Home	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)	(596,340)	
Special Needs and Nonprofit Housing	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	(2,380,510)	
Senior Housing	(4,500,000)	0	0	0	0	0	0	
Affordable Housing	0	(3,796,166)	(2,205,565)	(1,929,265)	(1,540,865)	(1,168,715)	(786,165)	
<b>Subtotal PSP Oper Budget Approp / Exph</b>	<b>(28,641,730)</b>	<b>(26,901,741)</b>	<b>(25,764,448)</b>	<b>(26,279,446)</b>	<b>(26,693,958)</b>	<b>(26,888,347)</b>	<b>(27,248,548)</b>	
<b>TOTAL USE OF RESOURCES</b>	<b>(28,641,730)</b>	<b>(26,901,741)</b>	<b>(25,764,448)</b>	<b>(26,279,446)</b>	<b>(26,693,958)</b>	<b>(26,888,347)</b>	<b>(27,248,548)</b>	
<b>YEAR END FUND BALANCE</b>	<b>1,577,091</b>	<b>1,182,540</b>	<b>788,360</b>	<b>394,180</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL INVESTMENT</b>								
<b>Total Use of Resources</b>	<b>(28,641,730)</b>	<b>(26,901,741)</b>	<b>(25,764,448)</b>	<b>(26,279,446)</b>	<b>(26,693,958)</b>	<b>(26,888,347)</b>	<b>(27,248,548)</b>	
<b>Affordable Housing Acquisition and Preservation CIP Project #760100</b>	<b>(10,000,000)</b>	<b>(15,950,000)</b>	<b>(8,460,000)</b>	<b>(7,085,900)</b>	<b>(1,293,500)</b>	<b>(7,501,800)</b>	<b>(4,555,000)</b>	
<b>TOTAL INVESTMENT IN AFFORDABLE HOUSING (MHI Fund + CIP Project)</b>	<b>(38,641,730)</b>	<b>(42,851,741)</b>	<b>(34,224,448)</b>	<b>(33,365,346)</b>	<b>(27,987,458)</b>	<b>(34,389,347)</b>	<b>(31,803,548)</b>	

**Assumptions:**

- Maintains the County Executive's commitment to affordable housing. In addition to expenditures reflected in this fund, the Affordable Housing Acquisition and Preservation CIP Project #760100 includes the issuance of \$9.3 million of debt in FY15 in addition to \$6.7 million in estimated loan repayments in FY15 to provide continued high level of support for the Housing Initiative Fund Property Acquisition Revolving Program created in FY09.
- FY14 Estimated CIP resources includes the unencumbered balance from prior years.
- Montgomery County Executive Order 136-01 provides for an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) equivalent to 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year. The actual transfer from the General Fund will be determined each year based on the availability of resources.

**Notes:**

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

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**AFFORDABLE HOUSING INVESTMENT**

<b>Affordable Housing Allocation</b>	<b>FY08 Thru FY14</b>	<b>FY15</b>	<b>Total FY08 - FY15</b>
MHI Total Use of Resources	166,906,201	26,901,741	193,807,942
*Affordable Housing Acq. and Preservation (CIP) (Approved Appropriation)	110,201,000	15,950,000	126,151,000
<b>Total Affordable Housing Investment</b>	<b>277,107,201</b>	<b>42,851,741</b>	<b>319,958,942</b>

The chart above is an illustration of the total affordable housing investment. The Montgomery Housing Initiative (MHI) numbers represent the total use of resources in the operating budget from FY08 to FY15. The Affordable Housing Acquisition and Preservation project #760100 numbers reflect approved appropriations. Appropriation for FY12-FY15 includes revolving loan repayments.

\*The numbers for the Affordable Housing Acq. And Preservation project reflect approved appropriations. Appropriation for FY12-FY15 includes revolving loan repayments.

## Affordable Housing Acquisition and Preservation (P760100)

Category  
Sub Category  
Administering Agency  
Planning Area

Community Development and Housing  
Housing  
Housing & Community Affairs (AAGE11)  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

1/6/14  
No  
None  
Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	136,611	85,511	26,690	24,410	15,950	8,460	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>136,611</b>	<b>85,511</b>	<b>26,690</b>	<b>24,410</b>	<b>15,950</b>	<b>8,460</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
G.O. Bonds	8,000	0	0	8,000	2,000	6,000	0	0	0	0	0
HIF Revolving Program	100,000	73,310	19,410	7,280	7,280	0	0	0	0	0	0
Loan Repayment Proceeds	26,111	9,701	7,280	9,130	6,670	2,460	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>136,611</b>	<b>85,511</b>	<b>26,690</b>	<b>24,410</b>	<b>15,950</b>	<b>8,460</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	15,950
Appropriation Request Est.	FY 16	8,460
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		112,201
Expenditure / Encumbrances		85,511
Unencumbered Balance		26,690

Date First Appropriation	FY 01	
First Cost Estimate		
Current Scope	FY 15	136,611
Last FY's Cost Estimate		108,320

#### 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 \$7.28 million of taxable debt and \$8.0 million in non-taxable debt along with the use of loan repayments provides continued support for this project.

#### Justification

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement (Right of First Refusal), of the Montgomery County Code. Opportunities to purchase property utilizing the County's Right of First Refusal arise without advance notice and cannot be planned in advance. Properties may be acquired by the County, non-profit developers, HOC or other entities that agree to develop or redevelop property for affordable housing.

#### Other

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

#### Fiscal Note

Debt service will be financed by the Montgomery Housing Initiative Fund. In addition to the appropriation shown above, this PDF assumes that any actual revolving loan repayments received will be appropriated in the subsequent year as displayed above. Future loan repayments are expected and will be used to finance future housing activities in this project. General Obligation bonds will be used for Housing Opportunities Commission and other projects that bond counsel determines are eligible for tax-exempt bond funding.

#### Coordination

Housing Opportunities Commission (HOC), Nonprofit housing providers, Private sector developers

Housing Acquisition and Rehabilitation Fund (CIP 760100)

Project Name	Total Units	Afford Units	FY	Loan Amount	Expenditures	Balance	Actual Repayments (FY10 - FY13)	Proj. Repayments (FY14-FY20)	Repayments TBD (In Negotiation)	Amortizing Loans - Payable in 20-30 Years	Not Payable for 30+ Years
Pre FY09	n/a	n/a	2008	1,095,482	1,095,482	-	-	-	-	-	1,095,482
Ashmore at Germantown	29	29	2009	4,712,481	4,712,481	-	1,200,000	-	-	3,512,481	-
4715 Cordell	32	32	2009	4,652,541	4,652,541	-	-	-	-	-	4,652,541
Maple Towers	36	26	2009	3,635,000	3,635,000	-	-	-	-	3,635,000	-
814 Thayer Avenue	52	26	2009	2,900,000	2,900,000	-	3,209,935	-	-	-	-
AHC Foreclosure	17	17	2009	1,982,070	1,982,070	-	1,712,720	-	-	269,350	-
Southbridge Permanent Loan (Aspen Court)	39	20	2009	3,004,000	2,882,811	121,189	-	-	-	3,004,000	-
Leaman Farms/Gateway	8	8	2009	1,060,305	1,060,305	-	349,187	385,000	-	326,119	-
7901 Lockney	4	4	2009	665,544	665,544	-	-	-	-	-	665,544
N Potomac MPDUs (Procera Dr)	2	2	2009	268,466	268,466	-	268,466	-	-	-	-
The Solaire (Ripley)	318	48	2010	5,000,000	5,000,000	-	5,558,954	-	-	-	-
The Argent	96	96	2010	5,089,000	5,089,000	-	-	744,000	-	4,345,000	-
Maple Towers	n/a	n/a	2010	3,203,057	3,203,057	-	1,000,000	-	-	2,203,057	-
Rocklin Park	29	29	2010	1,167,525	1,167,525	-	1,320,134	-	-	-	-
National Park Seminary	32	32	2010	599,018	599,018	-	-	-	-	-	599,018
Halpine Hamlet	47	47	2010	636,000	636,000	-	636,000	-	-	-	-
B316 Flower Avenue	6	6	2010	745,638	745,638	-	544,923	-	-	200,715	-
8807 Glenville	4	4	2010	473,766	473,766	-	-	-	-	473,766	-
MD DHCD Acquisition Fund	125	125	2010	320,000	320,000	-	-	320,000	-	-	-
MCCH MPDU (S.811)	1	1	2010	228,800	228,800	-	228,800	-	-	-	-
Wheaton Safeway	486	61	2011	5,000,000	5,000,000	-	269,549	1,400,000	-	3,330,451	-
Southbridge Interim Loan (Aspen Court)	n/a	n/a	2011	3,388,290	3,388,290	-	-	3,300,000	-	88,290	-
Silver Spring Library	149	139	2012	5,700,000	-	5,700,000	-	350,000	-	5,350,000	-
Hamptons at Town Center	768	768	2012	14,800,000	14,800,000	-	1,030,497	4,662,000	-	9,107,503	-
814 Thayer Avenue	n/a	n/a	2012	4,495,000	3,125,808	1,369,192	-	-	-	4,495,000	-
Victory Court	86	65	2012	2,192,000	2,087,000	105,000	-	-	-	2,192,000	-
610-614 Silver Spring	15	15	2012	2,175,000	1,185,075	989,925	-	1,045,000	-	1,130,000	-
13 Beall Avenue	14	14	2012	1,500,000	1,483,857	16,143	-	-	-	1,500,000	-
St. Johns House	3	3	2012	483,922	483,922	-	241,961	-	-	241,961	-
HUI Revolving Fund	12	12	2012	442,400	442,400	-	-	442,400	-	-	-
Gables at Waters Landing	33	33	2012	97,723	97,723	-	-	-	-	-	97,723
MCCH Gallery at White Flint	1	1	2012	73,700	73,700	-	-	-	-	-	73,700
The Solair at Wheaton	44	44	2013	5,000,000	5,000,000	-	174,962	6,176,000	-	-	-
Fireside Park	236	94	2013	3,370,000	2,649,965	720,035	322,450	3,190,000	-	-	-
Fireside Park (Rockville)	n/a	n/a	2013	1,500,000	1,500,000	-	-	1,500,000	-	-	-
HOC - Glenmont Crossing (Westerly)	199	101	2013	3,650,000	3,650,000	-	-	5,112,500	-	-	-
Parkview at Aspen Hill	120	108	2013	3,800,000	-	3,800,000	-	-	3,800,000	-	-
Rosaria Homes - St. Peters	3	2	2013	275,000	275,000	-	-	275,000	-	-	-
Victory Housing - Victory Crossing 3D	105	95	2014	5,000,000	400,000	4,600,000	-	-	5,000,000	-	-
6301 MacArthur Blvd.	18	18	2014	5,000,000	4,005,402	994,598	-	-	5,000,000	-	-
Progress Place	21	21	2014	2,937,580	-	2,937,580	-	-	-	-	2,937,580
<b>Total</b>	<b>3190</b>	<b>2146</b>		<b>112,319,309</b>	<b>90,965,647</b>	<b>21,353,662</b>	<b>18,068,538</b>	<b>28,901,900</b>	<b>13,800,000</b>	<b>41,427,283</b>	<b>10,121,588</b>

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Isiah Leggett  
County Executive

MEMORANDUM

Uma S. Ahluwalia  
Director

April 10, 2014

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

FROM: Uma S. Ahluwalia, Director *Uma*

SUBJECT: Housing First Plan Update

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

Montgomery County's homeless point in time survey was conducted on January 30, 2014. A total of 891 homeless persons were counted that day. This is an 11 percent decrease since the 2013 count. The overall decrease in homelessness could be attributed to several factors including an increase in permanent supportive housing and additional units that were created via the Housing Initiative Program (HIP) Medical component and the Veterans Affairs Supportive Housing Program (VASH). The sheltered number only increased slightly 4 percent.

Households without children experienced a 5 percent reduction from 638 in 2013 to 603 in 2014. The most significant part of the decrease was due to the decline of unsheltered persons. The CoC's concerted effort to address this issue with new funding for permanent supportive housing and permanent housing with supports has made a significant impact and the continued outreach efforts to engage unsheltered has also been beneficial.

The enumeration indicated a 22 percent decrease in the overall number of homeless households with children from 117 households in 2013 to 91 households in 2014. Details of the Survey are provided in the attached 2014 Housing First Implementation Plan Status Report.

Office of the Director

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[www.montgomerycountymd.gov/hhs](http://www.montgomerycountymd.gov/hhs)

As part of our Housing First Eviction Prevention program, during the FY14 (July through February) 2,744 Eviction Prevention/Housing Stabilization Grants were issued utilizing county general funds, state funds, and recordation tax funds, totaling over \$2,150,490.

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

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

- From November 3-6, 2013, Montgomery County conducted the 100k Homes Campaign Registry Week that consisted of public/private effort to conduct a survey of those individuals experiencing homelessness to determine who were the most vulnerable. This adoption of the national model is intended to be an enhancement of the existing commitment to understand and end homelessness in Montgomery County.
  1. The result was that 369 surveys were completed and another 62 individuals were identified who refused to take the survey. Of those surveyed, 159 or 43% were considered to be vulnerable.
  2. In December 2013, the Montgomery County Council approved a FY14/15 special appropriation of over \$640,000 to provide permanent housing with supportive services for 15 additional homeless individuals, identified as the most vulnerable
  3. CoC housing providers have agreed to prioritize vacancies in their existing programs for those experiencing chronic homelessness. Furthermore, the local housing authority, Housing Opportunities Commission, is exploring prioritizing homeless persons identified as vulnerable homeless for housing choice vacancies.
- The County held its third Homeless Resource Day on November 7, 2013. Over 319 households attended. The volunteer participation also increased to 324. In addition, 67 vendors provided a variety of services, including, health screenings, vision screenings, photo identification cards, free credit reports and counseling, giveaway items, haircuts/manicures and health insurance and enrollment. Social Services and Veteran services were on site to assist with enrollments and screening for services.
- Montgomery County continues its efforts to meet the needs of homeless veterans living in Montgomery County via its one-stop center, in collaboration with the U.S. Department of Veterans Affairs, where veterans can apply for benefits, get linked to housing and receive case management. This past year, Montgomery County was awarded additional VASH vouchers, bringing the total number received over the past four years to 80. In March 2014, Montgomery County Coalition for the Homeless opened a Veteran Safe Haven to provide shelter for 15 homeless veterans, which further increases options to serve this population.

- Montgomery County in consultation with the CoC has developed a Rapid Re-housing program operated by Special Needs Housing to serve 20 family and single households. Participants receive a shallow rental subsidy (\$400 for singles, \$600 for families) coupled with case management for up to twelve months.
- Continued service integration efforts via regularly scheduled meetings with supervisors of other DHHS service areas to determine the most pressing housing needs and developed strategies for creating affordable housing for all special needs populations such as seniors with mental illness.
- Continued collaboration between the Housing First plan and the Neighborhood Opportunity Network to bring emergency assistance and entitlement programs to neighborhoods most impacted by the recession;
- Bill 34-13, Interagency Commission on Homelessness was introduced on December 10, 2013 and approved unanimously by the County Council on April, 1, 2014. CoC has unanimously voted and approved that the Interagency Commission on Homelessness be constituted and function in such as manner that it may serve as the governing board of Montgomery County Continuum of Care.

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

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Attachments

## **Montgomery County Housing First Plan Implementation Status Update April 2014**

Approved by the Montgomery County Council on June 25, 2008, the Montgomery County Housing First Initiative is designed to reduce homelessness through a broad array of strategies that help stabilize at-risk individuals/families to prevent loss of housing and to help homeless individuals/families rapidly exit homelessness. The Housing First Initiative is a public-private partnership that includes County and other government agencies, nonprofit service providers, landlords and others who have a role in the County's housing market. The underlying philosophy of the program reflects a shift away from "housing readiness" towards a model where the primary focus is to quickly house persons and address service needs once they are in permanent housing.

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

### **1. Annual Point-in-Time Count**

Montgomery County's homeless point in time survey was conducted on January 30, 2014. A total of 891 homeless persons were counted that day. This is an 11 percent decrease since the 2013 count. The overall decrease in homelessness could be attributed to several factors including an increase in permanent supportive housing and additional units that were created via the Housing Initiative Program (HIP) Medical component and the Veterans Affairs Supportive Housing Program (VAISH). Another indirect factor may have been severe winter weather. The number of unsheltered persons decreased by approximately one-third (34%) from 143 in 2013 to 95 in 2014. In response to the frigid weather, local outreach teams were out on a daily basis encouraging people to accept shelter and local police units were provided the location of "hot spots" / encampment areas to ensure that unsheltered persons were provided transportation to shelter or additional blankets if they refused shelter. Despite this effort, the sheltered number only increased slightly 4 percent.

Households without children experienced a 5 percent reduction from 638 in 2013 to 603 in 2014. As noted above the most significant part of the decrease was due to the decline of unsheltered persons. The Continuum of Care's (CoC) concerted effort to address this issue with new funding for permanent supportive housing has made a significant impact and the continued outreach efforts to engage unsheltered has also been beneficial.

This enumeration indicated a 22 percent decrease in the overall number of homeless households with children from 117 households in 2013 to 91 households in 2014. This decrease can be attributed to several factors: 1) Re-design of the Emergency Solutions Grant Rapid Re-housing Program, which as of the enumeration assisted in providing 9 households to become stably housed directly from emergency shelter; 2) prevention and diversion efforts to place families in the community; and 3) increase in permanent supportive housing via our Housing Initiative Program.

### **2. Homelessness Prevention**

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

- Emergency Assistance Grants to resolve housing emergencies - In FY13 almost \$3 million in County and State funds was expended for 4,124 crisis intervention grants to stabilize at-risk households.

**Crisis Intervention Emergency Grants Issued in FY13 by Funding Source**

<b>GRANT TYPE</b> (Most grants are given to prevent eviction and utility cut-offs.)	<b># of Grants</b>	<b>Expenditure</b>	<b>Average</b>
<b>STATE Funded</b>	<b>1,164</b>	<b>\$679,360</b>	<b>\$584</b>
<b>COUNTY Funded</b>	<b>1,927</b>	<b>\$971,930</b>	<b>\$504</b>
<b>Recordation Tax</b>	<b>1,401</b>	<b>\$1,335,968</b>	<b>\$1,283</b>
<b>Total</b>	<b>4,124</b>	<b>\$2,987,258</b>	<b>\$724</b>

**GRANT EXPENDITURE UPDATE**

<b>Emergency Grants</b>	<b># County Funded Grants</b>	<b>Expenditures (County)</b>	<b># State Grants</b>	<b>Expenditures (State)</b>	<b># of Recordation Tax Grants</b>	<b>Expenditures Recordation Tax</b>
<b>July-Feb FY14</b>	<b>1,322</b>	<b>\$759,670</b>	<b>621</b>	<b>\$364,347</b>	<b>801</b>	<b>\$1,026,475</b>
<b>July-Feb FY13</b>	<b>1,319</b>	<b>\$674,949</b>	<b>854</b>	<b>\$503,273</b>	<b>773</b>	<b>\$1,106,117</b>

- Effective March 2012, the State made significant changes to the Emergency Assistance to Families with Children program narrowing eligibility for the assistance.
- During FY14 (July through February) expenditures from all funding sources including Recordation Tax funds decreased 6% from FY13. However, due to the unusually harsh winter months, it is anticipated the request for assistance will spike this spring as households struggle to pay utility bills.
- Rental Assistance Program (RAP) – An average of 1,675 households have received County RAP each month in FY14 through February 2014. Starting in FY14, the program began accepting applications on a rolling basis. As of February 2014, there are 1,709 households on the waiting list.
- Energy Assistance – Applications for the Office of Home Energy Programs decreased to 10,962 in FY13 from 11,692 in FY12, reflecting a state-wide trend. Approximately \$5.34 million was issued to help with home heating, electricity costs and past due bills. As of February 28, 2014, 8,881 applications have been received compared to 8,788 for the same time last year. Due to the colder than average winter, it is anticipated that total applications for assistance will continue to increase over last year.

- Neighborhood Opportunity Network – Continued to collaborate with the Neighborhood Opportunity Network to bring emergency assistance and entitlement programs to neighborhoods most impacted by the recession. Emergency Services intake staff is deployed to the Gaithersburg and Wheaton offices one day each week to assess the needs of families applying for emergency assistance to prevent eviction.

### **3. Rapid Exit from Homelessness:**

Montgomery County Department of Health and Human Services (DHHS), in collaboration with community partners, provides a range of services to homeless households including temporary shelter, case management and permanent supportive housing designed to limit the time spent in homelessness and improve housing outcomes.

- Outreach – Four providers conduct outreach services in Montgomery County via contracts with the County: People Encouraging People Homeless Outreach, Community Visions, Bethesda Cares, and City of Gaithersburg. As of March 31, 2014, People Encouraging People has outreached to 190 homeless persons on the streets, in emergency shelters, and soup kitchens. Seventy percent (133) have engaged in some activity including applying for public benefit programs, referral to health and behavioral health services and access to shelter. Of the 190 served by People Encouraging People, 74 (39%) have moved into emergency, transitional shelter, or permanent supportive housing.
- Family Assessment Shelters – Family shelters continue to focus on minimizing length of stay and moving households to permanent housing situations as soon as possible. To better address the needs of families with significant housing barriers, DHHS implemented a Service Integration Team model to work collaboratively with shelter staff to help families address their behavioral health, credit and criminal justice issues. In FY13, the average length of stay for families discharged from shelters was 108 days. As of March 31, 2014, the average length of stay for discharged families has increased to 117 days. Factors contributing to this increase include lack of housing affordable for low-wage working families, a shortage of permanent housing with supports, and increasing rental costs.
- Motel Overflow Shelter – DHHS has continued implementation of policies to decrease the use of motel as overflow emergency shelter for families while continuing to ensure that families remain safe. In FY13, 416 households were provided overflow shelter in motel compared to 377 in FY12. The average length of stay of those exiting from motel placement was 29 days in FY13 a decrease over FY12. As of March 31, 2014, a total of 335 households were provided motel overflow shelter with an average length of stay of those exiting from motel placement of 41 days. This increase in length of stay can be attributed to the same barriers impacting households in the family assessment shelters as noted above. In addition, an increase in domestic violence over the past three years has also contributed to an increase in the need for overflow emergency shelter as families fleeing violence are placed in motel when the domestic violence shelter is at capacity. It is important to note that for the first four months of FY14, the motel census remained significantly high. It was realized that a new strategy is needed to assist families in motels to plan and rapidly move out of homelessness. In January 2014, a full time case manager was given the exclusive responsibility to work

with families in motels and assist them with developing and implementing plans to rapidly exit homelessness. This strategy has appeared to have worked. Since January the motel census has been significantly reduced. At the present time the census in motels is averaging approximately 25 families at any given day.

- Emergency shelter for single adults – In FY13, a total of 1,283 homeless singles were provided emergency shelter compared to 1,280 in FY12. The average length of stay of those exiting shelter was 57 days. As of March 31, 2014, 1,205 homeless adults have been provided emergency shelter and for those exiting shelter the average length of stay is 69 days. All seasonal and overflow shelters were encouraged to refer unsheltered homeless adults to People Encouraging People Homeless Outreach for continued case management services.
- Housing Initiative Program (HIP) – Provides permanent supportive housing including deep rental subsidies and service coordination services to up to 220 vulnerable low-income homeless households. Since the inception of the program (April 1, 2007) a total of 300 households have been placed in permanent housing, of which 211 are still housed. An additional 5 households are newly enrolled in the program and are searching for housing. Applicants are being processed for 4 currently available subsidies.
- Medically Vulnerable Initiative – In FY13, 25 new HIP slots were designated for medically vulnerable homeless adult. In addition to service coordination, Special Needs Housing has partnered with Public Health Services to provide nursing support to these clients to triage medical issues, coordinate medical care, link to medical services and provide health education. A total of 24 households have been placed in housing, of which 23 are still housed. An additional 2 households are currently going through the enrollment process.
- Cordell Avenue Private Living Quarters (PLQ) – Twenty-four rental subsidies from the HIP program are being used to support the Cordell Avenue PLQ, which opened in November, 2010. The program serves 32 formerly homeless single adults and is operated by the Montgomery County Coalition for the Homeless. All subsidies are committed at this time.
- Rapid Re-housing Program (RRH) – Rapid Re-housing begun as part of the American Recovery and Reinvestment Act have with funding from the Federal Emergency Solutions Grant but at significantly lower funding levels. This program provides a time-limited, shallow rental subsidy (\$400 per month for singles, \$600 per month for families) and case management services for up to twelve months. This has been a valuable resource for households who are not in need of permanent supportive housing but who cannot exit homelessness without assistance.
- Housing Locator Services – Housing Locator services continue to be a critical resource to help households quickly locate housing and exit homelessness. Housing locators provided assistance to HIP participants, RRH households, as well as households in motel or family shelters with significant housing barriers.

- **Veterans Housing** – Montgomery County continues its efforts to meet the needs of homeless veterans living in Montgomery County via its one-stop center, in collaboration with the U.S. Department of Veterans Affairs, where veterans can apply for benefits, get linked to housing and receive case management. This past year, Montgomery County was awarded additional VASH vouchers, bringing the total number received over the past four years to 80. In March 2014, Montgomery County Coalition for the Homeless opened a Veteran Safe Haven to provide shelter for 15 homeless veterans, which further increases options to serve this population.

#### 4. Special Projects

**100k Homes Campaign** – During the fall of 2013, Montgomery County CoC formally launched its 100k Homes Campaign with a registry week held from November 3<sup>rd</sup> – 6<sup>th</sup>. This public/private effort surveyed individuals experiencing homelessness across the region to determine who is the most vulnerable and in greatest need of housing. Adoption of this national model is intended to enhance the community's commitment to understanding and ending homelessness.

- During Registry Week, 369 individuals completed a survey and another 62 individuals were identified who refused to take the survey. Those individuals who refused have been assigned to outreach providers for ongoing engagement in an effort to get them surveyed. Of those surveyed, 159 or 43% were considered to be vulnerable.
- December 2013, the Montgomery County Council approved a FY14/15 special appropriation of over \$649,000 to provide permanent housing with supportive services for 15 additional homeless individuals, identified as the most vulnerable
- CoC housing providers have agreed to prioritize vacancies in their existing programs for those experiencing chronic homelessness. Furthermore, the local housing authority, Housing Opportunities Commission, is exploring prioritizing homeless persons identified as vulnerable homeless for housing choice vacancies.
- **Bill 34-13, Interagency Commission on Homelessness** was introduced on December 10, 2013 and approved unanimously by the County Council on April, 1, 2014. The CoC has unanimously voted and approved that the Interagency Commission on Homelessness be constituted and function in such a manner that it may serve as the governing board of Montgomery County CoC.
- During 2013, Montgomery County held its third annual "Homeless Resource Day" as a way reach out to residents experiencing homelessness and connect them with needed community resources and supports. More than 319 households attended this highly successful event and were able to receive health screenings, registration for mainstream benefits, legal assistance, employment, haircuts and more. The event drew 324 volunteers from the community and 67 vendors.
- Montgomery County is currently planning for the relocation of the Interfaith Works Community Visions Program and Shepherds Table from Progress Place in downtown Silver Spring to a new location. The site also includes plans for a new single room occupancy program of 21 units.

The Housing Initiative Program (HIP) as of 4/4/14:	Singles	Families	Total
<b>Housing Initiative Program Placements</b>			
4/1/2007-6/30/2008 (FY08)	35	32	67
7/1/2008-6/30/09(FY09)	31	41	72
7/1/2009-6/30/10 (FY10)	26	57	83
7/1/2010 - 6/30/11 (FY 11)	1	8	9
7/1/2011 - 6/30/12 (FY 12)	4	14	18
7/1/2012 - 6/30/13 (FY 13)	11	22	33
7/1/2013 - 4/4/14 (FY 14)	10	8	18
<b>Total HIP Placements to Date</b>	<b>118</b>	<b>182</b>	<b>300</b>
<b>Single/Family Reconfiguration</b>	<b>7</b>	<b>-7</b>	<b>0</b>
<b>Total HIP Housed</b>	<b>125</b>	<b>175</b>	<b>300</b>
<b>Closures</b>			
<i>Deceased</i>	-14	0	-14
<i>Received HCV - Other Subsidy</i>	-9	-11	-20
<i>Closed - Terminated Failed to Comply</i>	-16	-14	-30
<i>Closed - Client Request</i>	-4	-7	-11
<i>Moved</i>	-5	-2	-7
<i>Over Income</i>	-2	-4	-6
<i>Over Assets</i>	0	-1	-1
<b>TOTAL Closures</b>	<b>-50</b>	<b>-39</b>	<b>-89</b>
<b>TOTAL HIP CURRENTLY HOUSED IN HIP</b>	<b>75</b>	<b>136</b>	<b>211</b>
<b>Assigned to Housing Locator-Search for Housing</b>	<b>4</b>	<b>1</b>	<b>5</b>
<b>TOTAL HIP SUBSIDIES COMMITTED</b>	<b>79</b>	<b>137</b>	<b>216</b>
<b>Total HIP Subsidies Available</b>	<b>3</b>	<b>1</b>	<b>4</b>
<b>HIP SUBSIDIES BUDGETED</b>	<b>82</b>	<b>138</b>	<b>220</b>
<b>HIP MEDICALLY VULNERABLE</b>			
<b>Total HIP - Medically Vulnerable Budgeted</b>	<b>25</b>	<b>0</b>	<b>25</b>
<b>Assigned to Housing Locator-Search for Housing</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Housed HIP - Medically Vulnerable (FY 13)</b>	<b>15</b>	<b>0</b>	<b>15</b>
<b>Housed HIP - Medically Vulnerable (FY 14)</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>TOTAL Closures - Medically Vulnerable</b>	<b>-1</b>	<b>0</b>	<b>-1</b>
<b>Total HIP Subsidies Available - Medically Vulnerable</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Cordell Place</b>	<b>24</b>	<b>0</b>	<b>24</b>
<b>TOTAL HIP SUBSIDIES BUDGETED</b>	<b>131</b>	<b>138</b>	<b>269</b>

SPECIAL NEEDS HOUSING - HOUSING INITIATIVE FUNDING BUDGET

Funding for HIF and/or HHS Operating Budget for HIP/PPH2	FY13 HIF FUNDING			FY14 HIF FUNDING			FY15 HIF FUNDING			COMMENTS
	FY13 HIF Funding Budget TOTAL	FY13 HIF Funding Budget DHHS	FY13 HIF Funding Budget DHCA	FY14 HIF Funding Budget TOTAL	FY14 HIF Funding Budget DHHS	FY14 HIF Funding Budget DHCA	FY15 HIF Funding Budget TOTAL	FY15 HIF Funding Budget DHHS	FY15 HIF Funding Budget DHCA	
EMERGENCY RENTAL ASSISTANCE - RECORDATION TAX FUNDING - DHCA	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 1,060,900		\$ 1,060,900	
HOUSING INITIATIVE FUNDS - DHCA	7,537,655	0	7,537,655	7,537,655	0	7,537,655	7,537,655	0	7,537,655	DHCA
HOUSING FIRST EXPANSION-RECORDATION TAX FUND -DHCA	1,375,500	0	1,375,500	2,726,300	0	2,726,300	2,952,300	0	2,952,300	DHCA
RENTAL ASSISTANCE PROGRAM - RAP - DHHS Benefits	600,000	600,000	0	600,000	600,000	0	600,000	600,000	0	HHS - General Funds
HIP OPERATING FUNDS	1,629,588	1,629,588	0	1,650,487	1,650,487	0	1,680,569	1,680,569	0	HHS - General Funds - HIF Cost Center
100 K Homes Campaign Fund	0	0	0	212,205	0	212,205	437,120	0	437,120	
<b>TOTAL BUDGETED FUNDS</b>	<b>\$12,142,743</b>	<b>\$2,229,588</b>	<b>\$9,913,155</b>	<b>\$13,726,647</b>	<b>\$2,250,487</b>	<b>\$11,476,160</b>	<b>\$14,268,544</b>	<b>\$2,280,569</b>	<b>\$11,987,975</b>	
BUDGETED HIF EXPENSES	FY13 HIF Expenses			FY14 HIF Expenses			FY15 HIF Expenses			COMMENTS
	FY13 HIF Expense Budget - TOTAL	FY13 HIF Budget Expenses DHHS	FY13 HIF Budget Expenses DHCA	FY14 HIF Expense Budget - TOTAL	FY14 HIF Budget Expenses DHHS	FY14 HIF Budget Expenses DHCA	FY15 HIF Expense Budget - TOTAL	FY15 HIF Budget Expenses DHHS	FY15 HIF Budget Expenses DHCA	
EMERGENCY RENTAL ASSISTANCE - RECORDATION TAX - DHCA	\$ 1,000,000	\$ -	\$ 1,000,000	1,000,000	0	1,000,000	1,060,900	0	1,060,900	
RENTAL ASSISTANCE PROGRAM BUDGET (RAP) - Based on average of 1,707 house @\$2,340	3,691,200	600,000	3,091,200	3,978,000	400,000	3,578,000	3,978,000	400,000	3,578,000	FY13 1,577 FY14 1,700 FY15 1,700
Loss of HUD Funding for Wells Roberston and Montgomery Ave. Woman's Shelter	0	0	0	200,000	200,000	0	332,447	332,447	0	
RENTAL ASSISTANT PROGRAM - RAP EXPANSION CASE MANAGER - Case Manager for Rental Assistant Program - RAP Expansion of 125 Slots. Athena IAPS Broker Position	0	0	0	50,541	0	50,541	50,541	0	50,541	FY 15 - Broker Position
HIP SLOTS - RENTAL SUBSIDIES HIP SLOTS - RENTAL SUBSIDIES - Total slots of 245 slots - 220 traditional HIP and 25 Medically Vulnerable @ \$17,110 per year - This is a 3% rent increase from FY14.	4,069,909	0	4,069,909	4,181,950	0	4,181,950	4,272,065	0	4,272,065	FY13 220 Traditional & 25 Medically Vulnerable FY14 220 Traditional & 25 Medically Vulnerable FY15 220 Traditional & 25 Medically Vulnerable
HIP PROGRAM SERVICE COORDINATION - Assumes total of 233 clients will receive Service Coordination via contract provider with 12 clients receiving service coordination by HHS staff - 233 x \$3,708	838,800	0	838,800	815,710	0	815,710	863,964	0	863,964	FY13 233 Households FY14 233 Households FY15 333 Households
HIP CLIENT NEEDS - Security Deposits and Move In Expenses for HIP and Vulnerable Adults	124,495	0	124,495	60,000	0	60,000	60,000	0	60,000	There is no set amount per client.
HIP GENERAL OPERATING EXPENSES	7,080	7,080	0	14,985	14,985	0	14,985	14,985	0	Office Supplies, Printing, Travel, Training & Membership
PPH I - CASE MANAGEMENT	73,440	73,440	0	72,000	72,000	0	74,160	74,160	0	Staff Position

BUDGETED HIF EXPENSES	FY13 HIF Expense Budget - TOTAL	FY13 HIF Budget Expenses DHHS	FY13 HIF Budget Expenses DHCA	FY14 HIF Expense Budget - TOTAL	FY14 HIF Budget Expenses DHHS	FY14 HIF Budget Expenses DHCA	FY15 HIF Expenses Budget - TOTAL	FY15 HIF Budget Expenses DHHS	FY15 HIF Budget Expenses DHCA	CLIENTS SERVED
CORDELL PROJECT - 24 persons - Includes housing subsidy and service coordination	440,640	440,640	0	440,640	440,640	0	453,859	453,859	0	FY13 - 24 Persons FY14 - 24 Persons
PPH II - RENTAL SUBSIDIES - 93 Subsidies - Include funding for 38 Subsidies to offset loss of Federal H.O.M.E. funds.	831,921	0	831,921	1,381,921	0	1,381,921	1,406,879	0	1,406,879	FY13 58 Subsidies FY14 96 Subsidies FY15 96 Subsidies
PPH II - PROGRAM COSTS - Includes operating expenses and case management services	216,306	216,306	0	216,306	216,306	0	222,795	222,795	0	Case Management Direct to Clients and Overhead
GAYNOR HOUSE UTILITIES - Water & Sewer	2,200	2,200	0	2,200	2,200	0	2,954	2,954	0	
GAYNOR HOUSE UTILITIES - Natural Gas	3,500	3,500	0	3,600	3,500	0	4,500	4,500	0	
GAYNOR HOUSE HOC MAINTENANCE	18,700	18,700	0	18,700	18,700	0	18,700	18,700	0	HVAC, Plumbing & Electrical
ARCOLA HOUSE HOC MAINTENANCE	14,415	14,415	0	4,950	4,950	0	4,950	4,950	0	HVAC, AC, Plumbing & Electrical
BROKER CONTRACTS (ATHENA - DHHS)										
Position - Human Services Specialist V Rockville	66,919	66,919	0	64,698	64,698	0	64,698	64,698	0	
Position - Human Services Specialist V Silver Spring	32,248	32,248	0	64,698	64,698	0	64,698	64,698	0	
Position - Therapy Service Manager Germantown	66,919	66,919	0	78,192	78,192	0	78,192	78,192	0	
Position - Family Investment Specialist III Rockville	66,919	66,919	0	20,941	20,941	0	20,941	20,941	0	
Position - Human Services Specialist V Germantown				64,698	64,698	0	64,698	64,698	0	
Position - HIP Nurse	65,719	0	65,719	64,718	0	64,718	64,718	0	64,718	
RAPID REHOUSING PROGRAM.	0	0	0	185,000	0	185,000	185,000	0	185,000	
TRANSITIONAL SHELTER CASE MANAGEMENT	76,184	76,184	0	76,183	76,183	0	78,468	78,468	0	
CASE MANAGEMENT FOR MEN SHELTER AND WOMAN'S EMERGENCY SHELTER	135,928	135,928	0	135,928	135,928	0	135,928	135,928	0	FY13 - 2 Positions FY14 - 2 Positions FY15 - 2 Positions
DATA MANAGEMENT	75,216	75,216	0	129,880	129,880	0	75,216	75,216	0	Note: HMIS Budget \$129,880. GF \$75,216. ESG Grant \$54,664
SHELTER + CARE CASE MANAGER	61,659	61,659	0	61,659	61,659	0	63,509	63,509	0	
SERVICE LINKED HOUSING	36,459	36,459	0	36,459	36,459	0	36,459	36,459	0	
ART LICENSES 23 Licenses @ \$87.50 per License	2,785	2,785	0	2,785	2,785	0	0	0	0	
HOUSING LOCATOR - HOC Contract	77,200	0	77,200	77,200	0	77,200	77,200	0	77,200	
100,000 Homes Campaign	0	0	0	212,205	0	212,205	437,120	0	437,120	
TEMP. SERVICES - Application Support for Case Management	46,000	46,000	0	0	0	0	0	0	0	Assist with processing applications
<b>TOTAL</b>	<b>\$12,142,743</b>	<b>\$2,043,497</b>	<b>\$10,089,244</b>	<b>\$13,726,647</b>	<b>\$2,109,402</b>	<b>\$11,617,245</b>	<b>\$14,268,544</b>	<b>\$2,212,167</b>	<b>\$12,056,387</b>	
<b>TOTAL BUDGETED FUNDS</b>	<b>\$12,142,743</b>	<b>\$2,229,588</b>	<b>\$9,913,155</b>	<b>\$13,726,647</b>	<b>\$2,250,487</b>	<b>\$11,476,160</b>	<b>\$14,268,544</b>	<b>\$2,280,569</b>	<b>\$11,987,975</b>	
<b>AVAILABLE BALANCE</b>	<b>\$0</b>	<b>\$186,091</b>	<b>(\$186,089)</b>	<b>\$0</b>	<b>\$141,085</b>	<b>(\$141,085)</b>	<b>\$0</b>	<b>\$68,412</b>	<b>(\$68,412)</b>	

**SPECIAL NEEDS HOUSING - Housing First Components**

<b>HOUSING FIRST COMPONENTS: (Does not include ARRA or HOME Funding)</b>	<b>FY10 Actuals</b>	<b>FY11 Actuals</b>	<b>FY12 Actuals</b>	<b>FY13 Actuals</b>	<b>FY14 Approved</b>	<b>FY15 Recommend</b>	<b>Comments</b>
<b>RENTAL ASSISTANCE PROGRAM (RAP):</b>							
Budgeted number of subsidies	1,678	1,397	1,434	1,600	1,700	1,700	Average annual RAP subsidy was FY12 is \$2,340. Average annual RAP subsidy in FY13 is \$2,340. 150 households added with funding from Recordation Tax after May budget approval. Dollars shown in Recordation Tax section of table.
Subsidy Dollars - DHHS Funded	0	600,000	600,000	600,000	600,000	600,000	
Subsidy Dollars - HIF Funded	3,899,080	2,007,597	1,629,588	1,629,588	1,650,487	1,680,569	
Average Waiting List	no new applications accepted	no new applications accepted	960	waiting list developed in June 2012 was exhausted	1,709		In June 2013, the RAP waiting list was opened for 3 weeks during which 2,175 applications were received. Starting in FY14 RAP waiting list is open and accepting applications on a rolling basis
<b>Handicapped Rental Assistance Program (HRAP):</b>							
Budgeted number of subsidies	205	203	194	188	200	200	Average per month. Based on enrollment by providers
Dollars Budgeted	393,667	406,073	406,073	356,444	420,460	420,460	
Average Waiting List	none		none	none	none	none	
NCCF	751,175	744,249	870,194	877,972	903,387	903,387	Grant/ DHHS General Fund (760,000 includes State Grant of 39,617-- Lost of 70K ARRA grant in FY11)
The Dwelling Place	20,063	20,126	20,379	18,822	18,822	18,822	General and State ETHS grant funded contract. Notice of ETHS grant cut will carry forward in FY13. FY13 contract based on estimated ETHS grant cut in FY13 by 22%
Stepping Stones	202,147	221,584	225,898	225,443	231,715	231,715	Grant/DHHS General Funding - Contract renegotiated in FY10
<b>Emergency/Homeless Prevention Grants - State Funded</b>							
Dollars	1,198,730	1,195,180	1,036,756	679,360	1,006,283	1,006,283	Includes HPP, WAGS and EAFC State Grants
Number of Grants	2,120	2,166	1,883	1,164	1,723	1,723	Starting in FY12 State restricted eligibility for EAFC grants and cut funding for EAFC and HPP grants
Average Grant	565	552	551	584	584	584	Number of grants calculated based on average grant size of \$584
<b>Emergency/Homeless Prevention Grants - DHHS Budget</b>							
Dollars for Homeless Prevention (includes ES grants and Giant food gift cards)	1,704,292	1,663,255	1,471,472	971,930	1,578,570	1,578,570	
Number of Grants	3,181	2,894	2,562	1,927	3,132	3,132	Number of grants calculated based on average grant size of \$504
Average Grant	526	536	570	504	504	504	

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DHHS Emergency/Homeless Prevention Grants:							
DHCA Homelessness Prevention Grant Dollars	1,157,000	994,313	1,000,000	1,335,968	1,000,000	1,060,900	
DHHS Funded	47,070	0	44,802	0	0	0	FY12 over expenditure moved to HHS budget
Number of Grants	910	796	884	1,401	779	770	Number of grants calculated based on average grant size of \$1,283
Average Grant	1,323	1,253	1,182	1,283	1,283	1,283	

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**SPECIAL NEEDS HOUSING SuperNofa 4/9/2014**

<b>Tier</b>	<b>Grantee Name</b>	<b>Project Name</b>	<b>Household with Children</b>	<b>Households without Children</b>	<b>Project Type</b>	<b>HUD NOFA Amount Requested</b>	<b>County Funding Proposed (Match)</b>
2	City of Gaithersburg	Wells Roberston		14	Transitional	130,690	9,234
1	Interfaith Works	Carroll House		32	Transitional	240,396	212,552
1	Interfaith Works	Interfaith Homes		14	Permanent Supportive Housing	285,155	57,680
2	Montgomery Ave. Women's Center	Montgomery Ave. Women's Center			Supportive Services Only Drop-in Center	140,815	100,000
1	Montgomery County Coalition for the Homeless	Cordell Place		8	Permanent Supportive Housing	138,014	35,720
1	Montgomery County Coalition for the Homeless	Home First 1		12	Permanent Supportive Housing	136,998	50,302
1	Montgomery County Coalition for the Homeless	Home First 2		18	Permanent Supportive Housing	271,775	50,302
1	Montgomery County Coalition for the Homeless	Hope Housing	2	40	Permanent Supportive Housing	520,802	91,382
1	Montgomery County Coalition for the Homeless	Safe Haven		40	Safe Haven Street Homeless	842,321	229,341
1	Montgomery County Coalition for the Homeless	Seneca Heights PLQ		40	Permanent Supportive Housing	366,075	552,883
1	Housing Opportunities Commission	McKinney III	10		Permanent Supportive Housing	81,048	-
1	Housing Opportunities Commission	McKinney X	57	60	Permanent Supportive Housing	2,184,730	286,054
1	Housing Opportunities Commission	McKinney XII		14	Permanent Supportive Housing	214,094	52,132
1	Housing Opportunities Commission	Shelter Plus Care	3	39	Permanent Supportive Housing	647,958	-
1	Housing Opportunities Commission	New Neighbors 1		17	Permanent Supportive Housing	259,971	-
2	Housing Opportunities Commission	New Neighbors 2		4	Permanent Supportive Housing	60,972	-
1	The National Center for Children and Families	Family Stabilization Program	24		Transitional	652,878	78,468
1	The National Center for Children and Families	Rapid Re-Housing Demonstration	7		Demonstration	184,126	-
1	The Dwelling Place	New Opportunities	6		Permanent Supportive Housing	140,635	31,518

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**SPECIAL NEEDS HOUSING SuperNofa 4/9/2014**

<b>Tier</b>	<b>Grantee Name</b>	<b>Project Name</b>	<b>Household with Children</b>	<b>Households without Children</b>	<b>Project Type</b>	<b>HUD NOFA Amount Requested</b>	<b>County Funding Proposed (Match)</b>
2	HHS grant funding	Continuum of Care -HHS Planning Grant	N/A	N/A	Planning	55,165	-
<b>TOTAL PENDING HUD FUNDING</b>						<b>7,554,618</b>	<b>1,837,568</b>



**SPECIAL NEEDS HOUSING - HOMELESS OUTREACH BUDGET**

ENTITY	PROGRAM	FY12 AMOUNT	FY13 AMOUNT	FY14 AMOUNT	FY15 AMOUNT	Comments
Barwood	Homeless Transportation Services	5,000	5,000	5,000	5,000	Transportation Assistance for Emergency Services Clients
Bethesda Cares, Inc.	Homeless Outreach -ETHS	9,900	7,722	7,722	7,722	State Emergency Transitional Housing (ETHS) funds that assist with homeless individuals with transportation tokens, pharmacy assist, and other basic needs
Bethesda Cares, Inc.	Homeless Outreach	88,665	90,437	90,437	93,150	Provide Outreach Services to Homeless Persons in Bethesda, including funds to assist with ID's security deposits and small emergency service grants. In addition, provides lunches 5 days per week through county and grant funding.
City of Gaithersburg	Homeless Outreach FY14	0	14,191	14,191	14,191	Homeless Outreach to City of Gaithersburg Clients needing substance abuse treatment.
Interfaith Works, Inc.	Homeless Outreach FY14 Daytime Community Service	490,119	576,512	588,068	588,068	Base budget for Hyperthermia and Hypothermia. Day Programing Services for homeless persons and outreach to Silver Spring area
Montgomery County Coalition for the Homeless, Inc.	Homeless Outreach FY14	0	0	*70,000	*70,000	Provide Campaign Management, Registry Survey and Outreach, Permanent Supportive Housing for vulnerable and/or chronically homeless adults
People Encouraging People Inc.	Homeless Outreach FY14	362,480	366,980	373,866	373,866	Provides County - Wide outreach and engagement services to unsheltered homeless adults . Funding is housed in BHCS and State Grants, but monitored by SNH
Regency	Homeless Transportation Services	5,000	5,000	5,000	5,000	Transportation Assistance for Emergency Services Clients - Shelter Services
Shepherds Table	Homeless Outreach	123,364	124,762	128,401	128,401	Supportive services, including Soup Kitchen, mailbox service, eye clinic, and prescription assistance for homeless persons.
<b>TOTAL HOMELESS OUTREACH</b>		<b>1,084,528</b>	<b>1,190,604</b>	<b>1,282,685</b>	<b>1,285,398</b>	

\* \$85,000 is available for 100,000 Homes Campaign.  
 some expenditures are made directly by DITTS



**Subject:** Proposal for Post-100,000 Homes Campaign Outreach, Funding Request:  
**Maintaining the Momentum**

**Prepared by:** Bethesda Cares, Inc.

**Date:** October 31, 2013

**Background:**

Founded in 1988 in response to a growing homeless population, Bethesda Cares has had close ties with Montgomery County since its inception. Originally dedicated as an outreach program, intended to connect the rising homeless population with relevant social services in order to ease and end homelessness, the mission was quickly extended to include prevention of homelessness for low income families.

Bethesda Cares Inc. remains true to its mission of working with those on the streets, bringing services to them. Moving people from the street into housing was, and remains difficult. Following the Housing First model, Bethesda Cares works to seek housing for the most medically vulnerable in our community, rather than those we deem "ready" for a home.

As the County continues to embrace Housing First, a systemic change may be underway. By identifying and charting every person who is homeless in our County, we will have a complete, centralized housing list of those in need, as well as a ranking of the personal health risks each face. In terms of housing people, the savings of time from this continually updated list should be enormous: Instead of 20 workers filling out and completing housing applications for one spot (and raising client expectations each time), time now may be directed toward providing clients with other services.

**Team:**

Bethesda Cares has an outstanding team of highly dedicated outreach professionals, continuing the work begun by the Campaign and in partnership with the County. Under the leadership of John Mendez, Bethesda Cares' outreach team also includes Andrea Loejos, a clinical social worker, and Eduardo Obregon, an outreach specialist and native Spanish speaker. Because of the large percentage of non-English speaking people experiencing homelessness in Montgomery County, Eduardo's linguistic abilities are crucial to the team's abilities in reaching people most in need. Andrea will continue to provide behavioral health care, along with Dr. Katilin Vladar our psychiatrist.

Adding to the team's capacity to meet the physical and emotional needs of Bethesda Cares' clients, both before and after they are housed, are the medical doctors and students of the Uniform Services University of Health Sciences at Walter Reed, and medical teams from a local chapter of Satyha Sai, a faith-based group with a mission including providing of medical services to those in need. In addition to providing basic medical care to people living on the street, the teams will be crucial in helping us continue to

build trust with clients deeply disenfranchised from society. The teams will also provide in-home medical care for clients recently housed.

**Technology/Best Practices:**

We employ the highest professional standards and best practices. Currently we are working with our medical team to identify a HIPPA-compliant “client share” electronic records management system. Our outreach team has recently begun using a GPS-based photographic system, so we can easily and accurately pinpoint the exact location of, for instance, an obscure “tent city.”

**Request:**

Bethesda Cares seeks an annual contract with the County at a rate of \$70,000 per annum. While this sum will not fully fund our outreach program, it will ensure our ability to continue our robust outreach work throughout “Down County,” not subject to the vicissitudes of grant cycles. The 100,000 Homes Campaign has been a tremendous opportunity for the County to make dramatic inroads into ending homelessness in our community. Properly funded, Bethesda Cares will be able to capitalize on the substantial effort made by it, the County and all the community partners behind this massive effort, for the benefit of all concerned.