HOC Cty Guaranteed Bond Projects -- No. 809482

Category	**Housing Opportunities Commission**	Date Last Modified	**January 4, 2006**
Agency	**Housing Opportunities Commission**	Required Adequate Public Facility	**NO**
Planning Area	**Countywide**		
Relocation Impact	**None.**		

EXPENDITURE SCHEDULE ($000)

Cost Element	Total	Thru FY05	Est. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision											
Land											
Site Improvements and Utilities											
Construction											
Other	50,000	50,000	0	0	0	0	0	0	0	0	0
Total	50,000	50,000	0	0	0	0	0	0	0	0	0

FUNDING SCHEDULE ($000)

HOC Bonds	50,000	50,000	0	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT ($000)

DESCRIPTION

This project serves to identify the uses of HOC bonds for housing construction and permanent mortgage financing. In addition, the County guarantee on these HOC revenue bonds may provide coinsurance with appropriate Federal, State, and private insurers on HOC revenue bonds and notes issued to finance new or existing residential units. These bonds will be backed by the revenues of the developments; by the pledge of subsidy funds if appropriate; and by the full faith and credit of Montgomery County. All developments financed under this approach will be self-supporting. They are included in the CIP in order to provide the legal authorization of ultimate County backing of specific projects. This project reflects a total authorization of $50 million. Control over specific projects which are given County backing is maintained by implementation procedures developed in accordance with local legislation. The legislation provides for specific approval by the County Council, except for certain stated uses for which County Executive approval is permitted, subject to action by the County Council at its discretion.

Service Area

Countywide

JUSTIFICATION

Code of Maryland, as amended by State legislation, providing for County backing of HOC bonds; Opportunity Housing legislation; report of the Task Force on Moderate Income Rental; and other studies. In the opinion of County bond counsel, inclusion in the CIP is required even though no County funds will be required.

STATUS

The project has financed the development of housing units at The Oaks at Four Corners (120 units), Magruder's Discovery (134 Section 8 units), Spring Gardens (83 units), Chevy Chase Lake South (68 units), Fairfax Courts (18 units), Montgomery Arms apartments (132 units), The Metropolitan (308 units), Amherst Square (100 units) and Pooks Hill Courtyard (50 units).

In FY95, HOC repaid the Magruder's Discovery bond ($5.7 million) and financed The Metropolitan ($33.9 million). During FY97, HOC repaid the $4.1 million bond for The Oaks at Four Corners.

In FY98, the bonds that were used to finance The Metropolitan were repaid using bonds guaranteed under the FHA Risk-Sharing program. Subsequently, in FY99, Pook's Hill Courtyard (50 units) and Landings Edge (100 units), were financed using $12.9 million in County G.O. bonds.

It is the expectation that the County General obligation will be used again in 2006 for the benefit of Wheaton Metro development. The estimated bond issuance for this development is $36 million, which will be used to fund the construction of 177 units above the Wheaton Metro Kiss and Ride site. Similar to The Metropolitan transaction, the County General obligation pledge will be replaced by FHA Risk Sharing guarantee after completion of the construction.

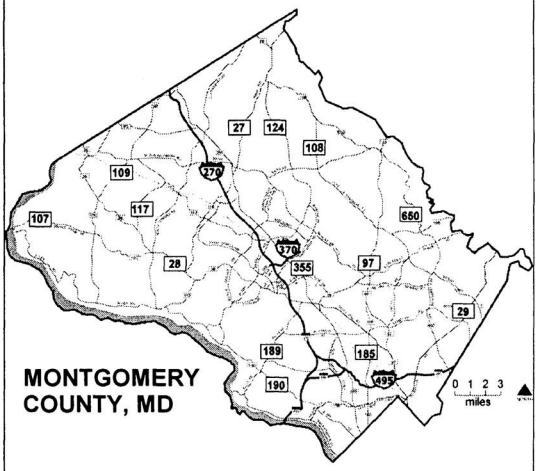
OTHER

The County General Plan refinement stands in compliance with the General Plan requirement of the Maryland Economic Growth, Resource Protection, and Planning Act. County Master Plans must be in compliance with the General Plan.

APPROPRIATION AND EXPENDITURE DATA

Date First Appropriation	FY01	($000)
Initial Cost Estimate		25,000
First Cost Estimate Current Scope	FY87	25,000
Last FY's Cost Estimate		50,000
Present Cost Estimate		50,000
Appropriation Request	FY07	0
Appropriation Request Est.	FY08	0
Supplemental Appropriation Request	FY06	0
Transfer		0
Cumulative Appropriation		0
Expenditures/ Encumbrances		0
Unencumbered Balance		0
Partial Closeout Thru	FY04	0
New Partial Closeout	FY05	0
Total Partial Closeout		0

COORDINATION

Department of Finance

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