

Resolution No: 15-1467
Introduced: May 25, 2006
Adopted: May 25, 2006

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: County Council

Subject: Approval of the FY 2007-2012 Capital Improvements Program, and Approval of and Appropriation for the FY 2007 Capital Budget of the Housing Opportunities Commission

Background

1. In a spirit of cooperation, the Housing Opportunities Commission sent to the County Executive a 6-year Capital Improvements Program (CIP) and an FY 2007 Capital Budget for the Housing Opportunities Commission.
2. Section 302 of the County Charter requires the Executive to send to the County Council by January 15 in each even-numbered calendar year a 6-year CIP, which the Executive did on January 12, 2006 for the 6-year period FY 2007-2012. Section 302 requires the affirmative vote of at least 5 Councilmembers to approve or modify the Executive's Recommended CIP. After the Council approves a CIP, Section 302 permits the Council to amend it at any time with the affirmative vote of at least 6 Councilmembers.
3. Section 303 of the Charter requires the Executive to send to the Council by January 15 in each year a Recommended Capital Budget, which the Executive did on January 12, 2006 for FY 2007.
4. As required by Section 304 of the County Charter, the Council held public hearings on the CIP on February 7 and 8, 2006.

Action

The County Council for Montgomery County, Maryland approves the following resolution for the Housing Opportunities Commission:

1. For FY 2007, the Council approves the Capital Budget and appropriates the amounts by project which is shown in part I.
2. The Council reauthorizes the authorizations made in prior years for all capital projects:
 - a) except as specifically reflected elsewhere in this resolution;
 - b) in the amounts and for the purposes specified in the Approved CIP for FY 2007-2012; and
 - c) to the extent that those authorizations are not expended or encumbered.
3. The Council approves those projects shown in part II as amendments to the Approved CIP for FY 2007-2012.

This is a correct copy of Council action.



Elda M. Dodson, CMC
Acting Clerk of the Council

PART I: FY 2007 CAPITAL BUDGET FOR HOUSING OPPORTUNITIES COMMISSION

The authorizations for FY 2007 in this Part are made to implement the projects in the Capital Improvements Program for FY 2007-2012.

Project #	Project Name	FY07 Appropriation	Cumulative Appropriation	Total Appropriation
017601	Supplemental Funds for Public Housing Improvements	1,250,000	1,837,000	3,087,000
077600	Telecommunications Replacement System	750,000	750,000	1,500,000
	Total - Housing Opportunities Commission	2,000,000	2,587,000	4,587,000

PART II: REVISED PROJECTS

The projects described in this section were revised from the projects as recommended by the Housing Opportunities Commission in the County Executive's Recommended FY 2007 Capital Budget and Capital Improvements Program FY 2007-2012 of January 12, 2006. These projects are approved.

Supplemental Funds for Public Housing Improvements -- No. 017601

Category **Housing Opportunities Commission**
 Agency **Housing Opportunities Commission**
 Planning Area **Countywide**
 Relocation Impact **None.**

Date Last Modified
 Required Adequate Public Facility

April 3, 2006
 NO

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	0	0	0	0	0	0	0	0	0	0	0
Land											
Site Improvements and Utilities											
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	9,337	1,421	1,416	6,500	1,250	250	1,250	1,250	1,250	1,250	0
Total	9,337	1,421	1,416	6,500	1,250	250	1,250	1,250	1,250	1,250	0

FUNDING SCHEDULE (\$000)

G.O. Bonds	2,000	0	0	2,000	0	0	0	0	1,000	1,000	0
Current Revenue:											
General	7,237	1,421	1,316	4,500	1,250	250	1,250	1,250	250	250	0
State Aid	100	0	100	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

Due to projected Federal funding cuts, there is insufficient funding available to address the basic ongoing capital improvements needed each year. These ongoing capital improvements to public housing properties include security upgrades at properties that house the elderly; Section 504 handicapped accommodations; interior/exterior painting for County code and Homeowners' Association (HOA) compliance; major overhaul of elevators in buildings that house the elderly; and interior and exterior modernization of over 1,500 public housing properties.

County funds are used to supplement/cover the shortfall of Federal funds in the public housing units. Improvements are both interior and exterior but are not limited to kitchens, baths, roofs, siding, windows, doors, structural repairs, drainage/foundation deficiencies, landscape improvements, fencing, etc. Target group is primarily the scattered site public housing units and some of our older multi-family properties.

Service Area

Countywide

Capacity

1,547 low- and very low-income public housing residents.

JUSTIFICATION

Current and projected Federal Capital Fund Program funds are not adequate for maintaining HOC public housing units at community norms throughout Montgomery County. Federal funding for public housing will be cut. At the same time the public housing stock in the County is aging and will need additional repairs. Montgomery County has a higher property standard than the Federal government. In addition, neighbors in the communities with the public housing units expect the properties to be well maintained. Almost half of the public housing units (700+ units) are MPDUs scattered throughout the County in many communities governed by HOAs, and some have higher standards than the County code. As Federal funding levels for public housing are declining, additional funding is necessary if HOC units are to be maintained at levels consistent with community norms and standards.

Plans and Studies

Comprehensive Grant Program 5-year Action Plan from HUD 52834; HOC Modernization Department CGP Long Range Plan; HOC Resident Surveys; HOC Engineering Studies.

Cost Change

Cost increase due to a FY06 supplemental amendment, a greater level of funding to support initiatives starting in FY07, and the addition of FY11 and FY12.

STATUS

Future funding will be spent in public housing units. Typical work will include improvements to doors, windows, kitchens, baths, roofs, siding, and landscaping.

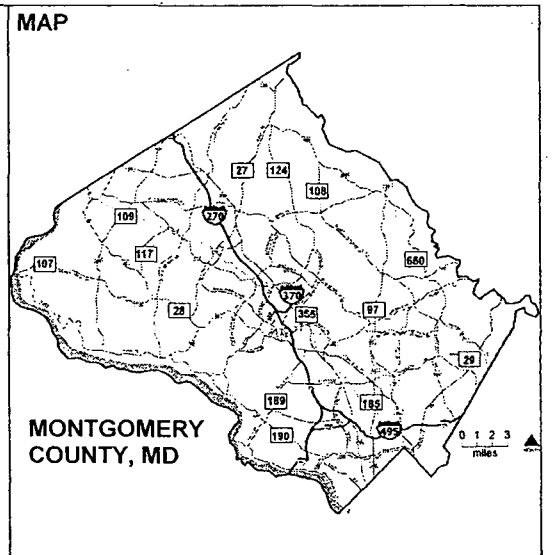
FISCAL NOTE

Federal funding for public housing capital improvements is based on a multi-year plan annually. All available non-County funds should be used before County funding is applied. Also, County funds should be allocated across all HOC properties Countywide first to code compliance and second to renovations that extend the useful life of the facility.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY01	(\$000)
Initial Cost Estimate		1,500
First Cost Estimate		
Current Scope	FY07	9,337
Last FY's Cost Estimate		3,837
Present Cost Estimate		9,337
Appropriation Request	FY07	1,250
Appropriation Request Est.	FY08	250
Supplemental Appropriation Request	FY06	0
Transfer		0
Cumulative Appropriation		1,837
Expenditures/Encumbrances		1,421
Unencumbered Balance		416
Partial Closeout Thru	FY04	0
New Partial Closeout	FY05	0
Total Partial Closeout		0

COORDINATION
 U.S. Department of Housing and Urban Development
 Maryland Department of Housing and Community Development
 Department of Housing and Community Affairs

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.



Telecommunications Replacement System -- No. 077600

Category
Agency
Planning Area
Relocation Impact

Housing Opportunities Commission
Housing Opportunities Commission
Kensington-Wheaton
None.

Date Last Modified
Required Adequate Public Facility

April 3, 2006
NO

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	68	0	0	68	68	0	0	0	0	0	0
Land											
Site Improvements and Utilities											
Construction	23	0	0	23	23	0	0	0	0	0	0
Other	659	0	0	659	659	0	0	0	0	0	0
Total	750	0	0	750	750	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

G.O. Bonds	0	0	0	0	0	0	0	0	0	0	0
Current Revenue:											
General	750	0	0	750	750	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

HOC has done a thorough review of existing Voice Over Internet Protocol (VoIP) systems on the market and feels that a scalable product to not only serve HOC today, but also into the future is the best alternative. HOC recently made modifications to its core information technology network (network switches and wireless components) that allow for such a scalable product. Scalability will ensure that if HOC moves into another location, the VoIP equipment will have the ability to move with the company making the telecommunications operations less costly in an agency relocation.

Service Area

Countywide

JUSTIFICATION

Information Technology tools have become crucial to the HOC mission. HOC must look to keep these tools current and today's technology. In reviewing and analyzing the HOC information technology tools utilized in running the current telephone system, it is apparent that this system is rapidly becoming obsolete and outdated. New hardware and software is required to not only better complete the mission of HOC today, but also in looking toward supporting HOC in the future.

The telephone system that HOC currently utilizes is manufactured by Fujitsu. It is no longer sold or serviceable by Fujitsu in the United States. The significance of Fujitsu's decision impacts HOC's capability to replace or repair the phone system once substantial damage has occurred. This has required HOC to look for a system that has growth capability and replacement parts. In the event of the Agency relocating, the mobility of this product will help to contain future telecommunication operations costs.

Plans and Studies

The system would be a complete replacement of the current system. The plan is to acquire a system from a company that has a long history of service in the telecommunication industry. During the planning process, HOC has narrowed the search down to three companies; Avaya, Cisco, and Nortel. Nortel has been dropped due to system features that are not compatible with HOC. With current technology, HOC is planning to use CISCO, for three IP systems, and Avaya for their long, good standing in the telecommunication industry.

STATUS

Planning Stage

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation FY07 (\$000)	Housing Opportunities Commission	See Map on Next Page
Initial Cost Estimate 0	Cisco	
First Cost Estimate	Avaya	
Current Scope FY07 750		
Last FY's Cost Estimate 0		
Present Cost Estimate 750		
Appropriation Request FY07 750		
Appropriation Request Est. FY08 0		
Supplemental		
Appropriation Request FY06 750		
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		