

## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Overall strategic plan goal levels for year 5 are stable and reasonable given that federal funding levels remain stable and project costs haven't escalated unexpectedly. Public service grants, on the other hand, can have greatly varying numbers of expected beneficiaries. Projects in Program Year 2018 ranged from a high of 925 expected beneficiaries to a low of just twentyfour, with the average being 200. This means that the level of service per person or per dollar varies greatly, but more importantly, the goals are much lower than the first year's projects, meaning that it will likely be impossible at this point to match the five-year plan goals, which were based on a first year that had very high numbers of expected beneficiaries. Of the 14 public service contracts, one was cancelled for inability to document beneficiary income eligibility, and one was extended for time to staffing issues and to ensure ultimate project success.

Home funds were used for the construction of 18 affordable rental units. Additionally, four units were acquired to house multiple individuals with psychiatric disabilities. The County uses no HOME funds for home buyer programs.

The Focused Neighborhood Assistance Program completed 80% of a site improvement project for the Kimberly Place Condominium Community during the program Year, benefiting 174 households. Additionally, eight low-income households in the same community benefitted from a balcony replacement project. These efforts used CDBG funds.

CDBG funds were used for several housing related activities. The largest project was the acquisition of a 864-unit affordable housing rental apartment. The project has 346 affordable units and 518 market rate units. All of the 346 affordable units will be CDBG designated units. Six group homes, housing seventeen persons with developmental disabilities and extremely low incomes, were rehabilitated using CDBG funds.

CDBG funds were used during Program Year 2018 for housing code inspections. 9,325 housing code inspection cases were open during the Program Year, of which, 99% were successfully geocoded using ESRI's ArcGIS software to determine the number falling within CDBG eligible areas of the county. The result was that 3,554 cases were in CDBG areas, or about 38.6% of all cases successfully located.

ESG funds were used for Rapid Re-housing Support Services and Tenant Based Rental Assistance for 85 households. ESG funds were also used to provide emergency shelter overflow housing in motels for 234 families.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
1. Affordable Housing in an Inclusive Community	Affordable Housing	CDBG: \$91,000/ HOME: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0		8,135	8,1350	100.00%
2. Affordable Housing in an Inclusive Community	Affordable Housing	CDBG: \$545,000 / HOME: \$0	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	1000	212	21.20%	632	174	27.53%
3. Affordable Housing in an Inclusive Community	Affordable Housing	CDBG: \$0/ HOME: \$2,850,000	Rental units constructed	Household Housing Unit	195	181	92.82%	18	18	100.00%
4. Affordable Housing in an Inclusive Community	Affordable Housing	CDBG: \$600,000 / HOME: \$0	Rental units rehabilitated	Household Housing Unit	275	295	107.27%	130	6	4.62%
5. Affordable Housing in an Inclusive Community	Affordable Housing	CDBG: \$622,000 / HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	125	70	56.00%	85	15	17.67%

7. Prevent and End Homelessness	Homeless Non-Housing Community Development	CDBG: \$ / ESG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	85115	14320	16.82%			
8. Prevent and End Homelessness	Homeless Non-Housing Community Development	CDBG: \$ / ESG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	100	34	34.00%			
9. Prevent and End Homelessness	Homeless Non-Housing Community Development	CDBG: \$ / ESG: \$238,421	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	100	77	77.00%	25	85	340.00%
10. Prevent and End Homelessness	Homeless Non-Housing Community Development	CDBG: \$ / ESG: \$75,000	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	750	812	108.27%	150	234	156.00%
11. Promote Healthy and Sustainable Neighborhoods	Affordable Housing Non-Housing Community Development	CDBG: \$652,042	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6760	2960	43.79%	2999	6158	205.34%
12. Promote Healthy and Sustainable Neighborhoods	Affordable Housing Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	25	10	40.00%			
13. Promote Healthy and Sustainable Neighborhoods	Affordable Housing Non-Housing Community Development	CDBG: \$,	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	3700	5146	139.08%	740	3,554	480.27%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The three Goals of the Five-Year Plan’s Strategic Plan are all high priorities and use CDBG, HOME, and ESG funds to address a wide range of community needs, including housing assistance, public services for low-income residents, and homelessness prevention, rapid re-housing, and emergency shelter services.

IDIS report PR-23 CDBG Summary of Accomplishments shows that \$4,776,740 dollars were disbursed during the program year. Housing and acquisition of land for housing accounted for 37% of this, Public Facilities and Improvements 18%, and Public Services 9%.

The highest priority for the use of HOME funds is the creation/preservation of affordable housing. To this end all funds were used for this purpose.

All ESG funds were used for activities that addressed needs of homeless persons, focusing on rapid re-housing, and shelter services activities. In addition, funds were also used to support the CoC’s HMIS system.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

			<b>78</b>
			37
White	2,372	3	139
Black or African American	1,145	3	566
Asian	269	0	7
American Indian or American Native	3	0	2
Native Hawaiian or Other Pacific Islander	25	0	0
<b>Total</b>	<b>3,814</b>	<b>6</b>	<b>829</b>
Hispanic	2,142	6	114
Not Hispanic	1,672	6	638

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

### Narrative

CDBG data from IDIS report PR23 – CDBG Summary of Accomplishments shows that a total of 6,128 persons were served – higher than the total shown in above in CR-10. This is due to other racial categories included in PR23, but not included in CR10. For example, there were 932 “other multi-racial” persons included in PR23. All HOME and CDBG data was pre-populated in the CAPER.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Federal	5,137,289	4,776,740
HOME	Federal	2,432,285	804,339
ESG	Federal	374,421	289,749

Table 3 – Resources Made Available

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
None			

Table 4 – Identify the geographic distribution and location of investments

### Narrative

There are no target areas for investment. Most activities are oriented to low-income clients. Code enforcement activities are conducted countywide; CDBG funds are used for code enforcement activities occurring only within CDBG eligible areas, as determined by HUD.

### Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The County was able to leverage federal funds at a rate of approximately 5:1 by using County, State and private funds. Although federal funds have been declining in recent years, County, State, and private funds have also been declining and have been doing so at similar rates. All match requirements for the HOME and ESG programs were more than met by local spending.

Two projects utilizing public land for affordable housing moved forward during the Plan year: 1) Artspace Silver Springs Lofts recently (June 2019) closed on all development financing, and is currently under construction on the 68-unit multifamily project. The townhouse portion of the project is estimated to close on financing in Sept with construction development starting shortly thereafter. 2) East County Regional Services Center Site Development - renamed Willow Manor at Fairland Senior Apartments, closed on its financing in November 2018 and is currently under construction. This project provides the co-location of 60 affordable and 61 market-rate senior housing units with County facilities. Project completion is estimated for summer/fall 2020.

<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	\$120,617,365.98
2. Match contributed during current Federal fiscal year	\$52,156,341.27
3 .Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$172,773,707.25
4. Match liability for current Federal fiscal year	\$664,394.50
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$172,109,312.75

**Table 5 – Fiscal Year Summary - HOME Match Report**

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
Victory Haven	1/22/2019, 6/18/2019, 6/30/2019,	\$348,375.00						\$348,375.00
Victory Crossing	9/13/2018, 1/22/2019	\$750,955.00						\$750,955.00
The Momentum Apartments	12/06/2018, 10/09/2018, 11/02/2018	\$3,700,000.00						\$3,700,000.00
Silver Spring Arts Space Lofts	06/25/2019	2,237,988.00						2,237,988.00
HOC Upton II	02/19/2019	5,000,000.00						5,000,000.00
Springvale Terrace	12/14/2018	5,378,373.29						5,378,373.29
The Manor at Colesville	07/11/2018, 10/24/2018	5,879,550.30						5,879,550.30
Waterford Towers	11/07/2018	1,689,063.00						1,689,063.00



Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
HOC – The Manor at Fair Hill Farm	07/11/2018, 10/24/2018	6,576,504.96						6,576,504.96
HOC – The Manor at Cloppers Mill	07/11/2018, 10/24/2018	\$7,345,531.72						\$7,345,531.72
Cider Mill Apartments	12/18/2018	\$13,250,000.00						\$13,250,000.00

Table 6 – Match Contribution for the Federal Fiscal Year

**HOME MBE/WBE report**

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$	\$	\$	\$	\$
\$0	\$1,426,251.64	\$187,289.00	\$0	\$1,238,962.64

Table 7 – Program Income

<b>Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period</b>						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
<b>Contracts</b>						
Number	18	0	0	4	3	11
Dollar Amount	\$19,140,517	0	0	\$1,864,399	\$149,217	\$17,126,901
<b>Sub-Contracts</b>						
Number	9	0	2	2	4	1
Dollar Amount	\$5,800,842	0	\$854,275	\$1,826,280	\$3,092,350	\$27,937
	Total	Women Business Enterprises	Male			
<b>Contracts</b>						
Number	18	2	16			
Dollar Amount	\$19,140,517	\$582,493	\$18,558,024			
<b>Sub-Contracts</b>						
Number	9	1	8			
Dollar Amount	\$5,800,842	27,937	5,772,905			

**Table 8– Minority Business and Women Business Enterprises**

<b>Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted</b>						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0					
Dollar Amount						

**Table 9 – Minority Owners of Rental Property**

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired						
Businesses Displaced						
Nonprofit Organizations Displaced						
Households Temporarily Relocated, not Displaced						
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	<b>0</b>					
Cost						

**Table 10 – Relocation and Real Property Acquisition**

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	175	175
Number of Non-Homeless households to be provided affordable housing units	200	366
Number of Special-Needs households to be provided affordable housing units	15	8
<b>Total</b>	<b>390</b>	<b>549</b>

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	175	175
Number of households supported through The Production of New Units	0	18
Number of households supported through Rehab of Existing Units	165	8
Number of households supported through Acquisition of Existing Units	50	348
<b>Total</b>	<b>390</b>	<b>549</b>

Table 12 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

Montgomery County is a world class community. The department of Housing and Community Affairs, in collaboration with our local housing authorities, RHE and HOC, and the Department of Health and Human Services, offer affordable housing opportunities and related services and programs to low-income residents. Services include housing vouchers, rental subsidies, eviction prevention measures, education and outreach, conflict resolution, as well as brick and mortar housing. On average, the County invests 100 million per year on these programs and services. In the aftermath of the great recession (2009), the County leveraged its relationships with for-profit and non-profit partners, community groups, and representatives of state, local and federal government agencies to address this worse-case scenario of diminished resources that that threatened to strained service levels. The result was a significant softening of the

consequences of this once in a lifetime economic crisis. Since then, the County has re-built high levels of financial reserves, achieving a AAA rating from Wall Street, that can be used if such a worse-case scenario happens again.

Consolidated Plan goals are developed with some flexibility in order to best meet market conditions and partnering opportunities and to maximize the use of funds. Outcomes were somewhat short of expectations with per unit costs coming in higher than expected for several projects as well as a change in the department's focus of funding larger projects.

Projects completed during Program Year 2018 included the rehabilitation of six group homes serving seventeen people with developmental disabilities and extremely low incomes. Progress was less than the plan for 15 homes due to somewhat higher costs (average of approximately \$97,000 compared to \$46,000 expected) and a high level of leadership turnover at several non-profit partners.

Twenty-six percent of formerly homeless households were able to obtain and retain permanent housing with assistance from the ESG program. This has resulted in over 160 individuals now having access to stable housing.

The Focused Neighborhood Assistance Program has two (2) active construction projects in the Kimberly Place Condominium Community. During FY19, 80% of the Drainage and Site Improvement project was completed and will benefit 174 households through common area improvements. Delays were encountered due to weather and unforeseen circumstances related to underground utilities and debris. Drainage channels were installed during FY19 as a measure to control above and below grade stormwater.

The Balcony Replacement project in the Kimberly Place community led to the installation of eight (8) new balconies for individual households to replace those that were deteriorated. Delays were encountered in obtaining building permits. The contractor also encountered unforeseen conditions including sub-standard electrical wiring, rotting joists, animal nests. Eight residences have benefited from these improvements.

Montgomery County continues to foster and maintain affordable housing through numerous programs. For example, the Moderately Priced Dwelling Unit Program (MPDU), the County's nationally known housing program, continues to ensure that all developments of 20 units or more will contain affordable units. And efforts using HOME funds have emphasized approving projects that serve the lowest income groups possible.

**Discuss how these outcomes will impact future annual action plans.**

Despite the factors restricting performance improvement, such as high property and land costs and reductions in state and federal funding sources, the County has renewed its commitment to affordable housing by increasing local funding for affordable housing in the County FY20 budget (July 1, 2019 – June 30, 2020) to \$58.6 million, an increase of 13.6% over FY19.

Additionally, the Department has committed to the following Performance Improvement Plan:

- Preserve existing affordable housing through aggressive code enforcement and effective utilization of Housing Acquisition and Rehabilitation dollars
- Increase attention to preserving affordable multifamily rental buildings/ developments
- Establish goals for addition of affordable housing to County stock and closely monitor progress on achieving those goals
- Continue aggressive push of closing cost assistance program managed by Housing Opportunity Commission (HOC)
- Pursue prompt completion of development on county owned parcels, i.e., Bowie Mill, Fleet street, Progress Place, and Silver Spring Library Senior Residences
- Promote mixed-use development (e.g., the promotion of housing development in non-residential areas)
- Continue the focus on, and coordination of, housing for those with special needs, e.g. homeless, persons with disabilities, seniors, etc.
- Promote the adaptive use of the County’s existing housing stock to reduce demand on new housing: e.g., assist seniors in adapting their homes to meet their needs.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Persons Served</b>	<b>CDBG Actual</b>	<b>HOME Actual</b>
Extremely Low-income	6	2
Low-income		4
Moderate-income	348	14
<b>Total</b>	<b>354</b>	<b>20</b>

**Table 13 – Number of Persons Served**

**Narrative Information**

Fifteen of the persons served were extremely low-income and 25 of the persons served were low-income.

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Continuum of Care continues to utilize a coordinated entry system to reach out to assess the needs of persons experiencing homelessness that is accessible 24/7. Three regional offices provide centralized access & four outreach providers work to engage unsheltered persons. During County FY19, DHHS utilized state ESG funds for the development of a 24/7 Homeless Resource Line (240-907-2688). The Resource Line will provide direct the caller to access services, take information about homeless person location and connect with outreach provider. The CoC's standard outreach procedures focus on engaging individuals and families to refer, link, and provide a "warm" transfer to services and housing providers. The CoC has developed an outreach protocol between local police & outreach providers to promote collaboration. A CoC Outreach Coordinator works with outreach providers in the CoC to centralize and coordinate efforts. DHHS continues to conduct quarterly "census counts" to collect and monitor the number of unsheltered people in the County and identify trends in the data. The CoC has increased the outreach capacity by more than 50% recognizing the need to reach unsheltered individuals. More than 115 "hot spots" identified in the CoC including encampments in the woods, storage bins and 24hr establishments are targeted for outreach. The system is advertised via the County's 311-phone line, DHHS website, community events, & via a "Homeless Services Guide" available at public libraries, recreational centers, & public schools. All providers can serve persons with limited English proficiency & maintain diverse staff.

The VI-SPDAT tool for individuals and families are used to screen, assess & identify housing needs. HMIS generates a by-name report with each household's vulnerability score. Housing Prioritization committees meets bi-weekly to match households to vacancies & meets weekly to discuss system concerns. Case conferencing is also used with the by-name list to ensure the community is tracking, engaging, and connecting all households experiencing homelessness to potential housing options.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The CoC provides emergency shelter to individuals and families experiencing homelessness throughout the jurisdiction. Emergency shelter capacity for adults without children includes 140 year-round beds including 5 designated for victims of domestic violence, 3 designated for Healthcare for the Homeless, and 2 designated for Aging and Disability. During hypothermia season from November 1 to March 31st, capacity expands to 346 beds. On the day of the 2019

Point in Time count, there was 366 emergency, transitional, and safe haven beds occupied, 158 of which were designated as seasonal or hypothermia overflow beds.

Families with minor children are served by three family shelters with the capacity to serve 27 families with additional 14 families able to be served through the County's domestic violence shelter. In addition, DHHS provides overflow shelter via motels to supplement when family shelters are full. During 2019 Point in Time count, a total of 61 families were residing in emergency, overflow shelter, or Domestic Violence shelter.

In addition to providing emergency shelter and transitional housing, the CoC has implemented homeless diversion for both families and singles. Diversion uses empowerment and mediation techniques to assist households with identifying alternative housing solutions outside of emergency shelter. Diversion may include both case management and temporary financial assistance.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Montgomery County coordinates a network of assistance through the Continuum of Care coordinated entry system that provides emergency financial assistance & case management to help households retain/obtain housing to prevent homelessness. Households with repeated housing instability receive ongoing case management to address barriers contributing to housing instability. Other diversion efforts include mediating family disputes, one-time grants to offset costs to family/friends with whom they can stay, & linkages to mainstream benefits, employment & behavioral health/health resources to reduce risk. DHHS also provides energy assistance to help low-income residents pay their utility costs & operates the County Rental Assistance Program, a shallow rent subsidy program for low-income families, seniors & the disabled. DHHS is currently reviewing the regulations for County Rental Assistance, to increase shallow subsidy and serve more vulnerable households. The CoC partners with the Montgomery County Dept of Health and Human Services, public schools, local hospitals, and the Emergency Assistance Coalition to identify those at-risk and prevent homelessness.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals**



**and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**

The CoC has fully implemented a coordinated entry system (CES) for both single adults and families to minimize length of time homeless. This process involves reviewing all screening, assessments, and program policies to ensure that the system is reducing barriers to households experiencing homelessness. The CoC seeks to create a “no wrong door” approach by adding non-traditional partners to the CES including places where people experiencing homelessness congregate such as libraries, hospitals, and jails. The enhanced coordinated entry system includes uniform community-wide standards that prioritize persons for housing, including those with the longest time homeless and highest service needs. CES prioritizes households with the greatest vulnerabilities for permanent supportive housing. Veterans and those experiencing chronic homelessness are prioritized over all other populations. The CoC has sustained “functional zero” for Veteran homelessness since December 2016. Since January 2016, the CoC has housed 422 chronically homeless individuals. To date, only 9 individuals are chronically homeless, and 8 have been assigned to a housing placement.

Additional strategies to reduce LOH is a significant increase in the number of Rapid Rehousing units and permanent supportive housing (PSH). This year, the CoC increased by 21 PSH units via HUD 2018 Notice of Funding process. The CoC has also changed the RRH model that provides a flexible housing subsidy and intensive case management services for a shorter duration (6-9 months) which will allow providers to serve more homeless households.

***CR-30 - Public Housing 91.220(h); 91.320(j)***

**Actions taken to address the needs of public housing**

The Housing Opportunities Commission of Montgomery County (HOC) maintains its Public Housing units to meet or exceed Federal and County housing quality standards (HQS). However, due to years of inadequate federal support of Public Housing, coupled with the advanced age of the properties, HOC’s portfolio still has a great need. To address the unmet needs of these sites, HOC is using HUD’s Rental Assistance Demonstration (RAD) program to convert these Public Housing families and units to either the project-based rental assistance (PBRA) program, or the project-based voucher (PBV) program. The goal of this transition is to reduce HOC’s reliance on federal Public Housing funding, while still providing the same high level of service to HOC’s resident families and new applicants. HOC’s efforts under RAD are also providing the opportunity for HOC to conduct significant renovations of many of its aging Public Housing properties, in some cases adding more and larger units, and in all cases increasing amenities. As of August 2019, HOC has converted the majority of its Public Housing portfolio via the RAD program and expects to complete the process before the end of its current fiscal year.

During Program Year 2018, Rockville Housing Enterprises continued the replacement of all old model hot water heaters in the public housing units at the David Scull community and scattered site

communities. The hot water heaters are being replaced with energy efficient tankless hot water heaters. Additionally, RHE began the work to replace the roof on the public housing units with the use of CDBG funds granted from the City of Rockville.

### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

Funding is provided for Public Housing units managed by local municipalities, the Housing Opportunities Commission of Montgomery County (HOC), and the County itself. The goal is a standard of living that is equitable for all residents of Montgomery County. Such a process involves genuine resident input so as to ensure that real concerns are addressed and not simply those that the government perceives to be a problem for the County's Public Housing residents. This resident input is gathered through a variety of means. HOC holds multiple town hall meetings with its residents each year, public hearings, public comment periods, and also has monthly discussions with HOC's own Resident Advisory Board (RAB). HOC's RAB is comprised of HOC residents from across its affordable housing portfolio, including the Public Housing and Housing Choice Voucher programs as well as other HOC programs. HOC staff also reviews many proposed policy changes with its RAB, thereby seeking input from its residents prior to implementing policies which affect them. The topics discussed at these different resident meetings include property maintenance, adequacy of supportive services, property management, administrative policies, new HOC programming, and general HOC customer service. Numerous self-sufficiency and education programs, supported with public funds, are also provided by HOC, resulting in a greater opportunity for Public Housing and other HOC residents to speak out on those issues affecting their families with regard to their living conditions and other supportive services.

Rockville Housing Enterprises encourages public housing residents' participation in management policy decisions. RHE has a Resident Advisory Board that is consulted regularly on property related issues as well as policy decisions. The Resident Advisory Board has provided insight into the day to day management of the properties including providing input on the parking and towing policies as well as RHE Annual and Five-year plans.

### **Actions taken to provide assistance to troubled PHAs**

Not applicable

### **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

The Planning Board and County Council worked on dozens of zoning text amendments and other regulatory and legal changes during Program Year 2018 that may positively affect housing affordability. Several of these relate to the County's landmark Moderately Priced Dwelling Units (MPDUs) program,

further implementing recommendations from the June 2017 Rental Housing Study.

During Program Year 2018 numerous County departments earned National Association of Counties (NACo) Achievement Awards for outstanding programs, many of which streamline government services and allow for more efficient and affordable new and existing housing. The Department of Housing and Community Affairs won five awards for these projects: 1) Renters Have Rights Outreach Campaign, 2) Troubled Property Analysis, 3) Housing Code Inspection App, 4) Partnering with the Faith-Based Community to Develop Affordable Housing, 5) Locating Affordable Housing with Public Facilities on County Land. “These awards recognize impressive staff accomplishments in implementing legislation to improve the quality of rental housing by developing effective community outreach as well as strong policy and technology solutions,” said Tim Goetzinger, acting director of the Department of Housing and Community Affairs. “The awards also recognize the County’s creative efforts to develop more affordable housing using cost-effective strategies such as partnerships with faith-based communities and co-location with public spaces.”

An important part of the mission of the Department of Housing and Community Affairs (DHCA) is to maintain a marketplace that is fair to both tenants and landlords. Toward that, DHCA is responsible for inspecting apartment buildings for certain safe housing conditions and promoting tenant rights. Now, through the November 29, 2016 unanimous approval of Bill 19-15, and with improved resources and authority to do the job, DHCA is ratcheting up efforts in ways that benefit everybody. During Program Year 2018 many new housing code inspectors were hired to carry out the provisions of the new law. And the “Renters Have Rights” outreach campaign, launched in September 2017, continues to inform tenants of stepped-up apartment inspection and expanded tenant advocacy. Increased inspections are a staple of the updated law, but the campaign is more than just announcing inspections. Renters are encouraged to contact DHCA to learn about their rights and DHCA is available to help mediate conflicts between renters and landlords. The Campaign has included ads on Ride On buses, bus shelters and County facilities, doorhangers in apartment buildings, flyers, and social media.

The ‘Happy, Healthy Homes Green Initiative’ was launched during the Program Year with the aim of helping low-income families reduce their energy bills. The “Happy, Health Homes Green Initiative” is a partnership program between the County Department of Environmental Protection (DEP) and Montgomery Housing Partnership (MHP). Part of the initiative works toward making low-income families aware of energy assistance programs that are available to County residents. In addition, there are numerous useful “green” programs for which low-income residents may be eligible. DEP and MHP have created the “Happy, Healthy Homes Welcome Bag” to distribute information about these resources at all MHP properties. The housing organization has properties located in Gaithersburg, Rockville, Silver Spring, Takoma Park and Wheaton. The eco-friendly bags will be filled with information to help MHP residents:

- Reduce their utility bills with energy-saving tips and information about energy assistance and budget billing utility programs.
- Recycle materials properly and reduce waste.

- Take advantage of savings available via transportation assistance and transit-oriented programs (such as Capital BikeShare, RideOn).

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

A concerted effort has been made to coordinate with other County agencies and community groups in both the identification of needs and the resources available to meet these needs. The goal, in a time of diminishing resources, is to maximize effect through the elimination of duplication and employment of economies of scale when possible to serve the largest number of residents possible.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

During the Program Year, the Montgomery County Department of Health and Human Services, through its Childhood Lead Poisoning Prevention Program, continued to:

- Provide case management for children who have blood levels of at least 10 micrograms per deciliter
- Educate and provide outreach to schools, day care centers, landlords, residents and the medical community about lead poisoning
- Monitor the incidence of childhood and environmental lead poisoning and lead poisoning hazards
- Comply with the school mandate that all Pre-K, kindergarten and 1st graders living in identified “at risk” areas have documentation of lead screening on file at their school
- Promote lead-safe environments for children in Montgomery County, and
- Provide a High-Efficiency Particulate Air (HEPA) vacuum loaner service to County residents to help free homes and apartment of lead dust and hazards associated with lead-based paint.

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

This also falls into the category of interagency coordination. DHCA has worked with many agencies including the Department of Health and Human Services and the Housing Opportunities Commission to identify need and to allocate resources. The public service component of the project list is evidence of the fact that a major priority is to support and, where possible, create self-sufficiency. This is an effort that will not have a satisfactory conclusion until there are no families at or below the poverty level.

Among efforts that help reduce the number of persons living below the poverty level is the Family Self-Sufficiency Program run by the Housing Opportunities Commission (HOC). This program helps Public Housing and Housing Choice Voucher families achieve self-sufficiency and end dependency on welfare assistance over a five to seven-year period. The program serves over 400 families, primarily composed of single female heads of household with an average of two children, who enroll on a voluntary basis and agree to case management services with the goal of improving the head of household’s education, career training and employment. HOC also offers residents a chance to participate in the HOC ACADEMY, a program that provides adult education and work force readiness training.

**Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

Quarterly leadership forums bring managers and key staff from all County departments together to identify opportunities for collaboration and define priorities. In addition, the County has implemented a planning and appraisal process for senior management stressing results-oriented outcomes and pay-for-performance, with an emphasis on teamwork, cooperation, and collaboration to ensure that departments work together.

Interdepartmental teams have been formed. The key ideas embodied in this program are:

- Neighborhood based services customized to neighborhood needs
- Partnership with neighborhood leaders and organizations
- Intervention in at-risk neighborhoods
- Nurturing of involvement and leadership from the multi-cultural community, particularly the immigrant community.

Recognized by National Association of Home Builders for their streamlining work, the Montgomery County Department of Permitting Services credits the launch of the web-based system called eServices as pivotal in the improvement of services. County residents and businesses use “ePermits” and “ePlans” to apply online and electronically submit building and permitting plans to include electrical, deck, new home and right-of-way permits. Launched in 2014, the system is still providing improvements in efficiency. Montgomery County Executive Ike Leggett announced on November 17, 2016 that the commercial permitting processing time had been reduced over the prior two years from an average of 25 weeks to an average of 12 weeks. Plans are completing initial reviews in 20-30 calendar days and solar permits, which have increased dramatically in volume, have a three to five days turn around.

In 2019 Montgomery County again ranks as the healthiest county in Maryland in the annual County Health Rankings (CHR) for Maryland for health Outcomes. Healthy Montgomery, the County’s community health improvement process, was launched in June 2009 and brings together health providers, hospitals, insurers, County agencies and community members. A second Community Health Needs Assessment was recently completed. Co-chaired by County Councilmember George Leventhal and Jackie DeCarlo, executive director of Manna Food, Healthy Montgomery has work groups focused on such health issues as obesity and behavioral health. The goal is for Healthy Montgomery to continuously update the community’s health status and conduct periodic needs assessments to stay focused on improving health outcomes.

During Program Year 2018, the Montgomery County Department of Environmental Protection, WorkSource Montgomery and Montgomery College partnered to sponsor a free training series to prepare workers in the growing green infrastructure industry. The 40-hour course covered topics needed to prepare for the nationally accredited green infrastructure exam. Lisa Feldt, director of the Montgomery County Department of Environmental Protection stated, “Montgomery County is a national leader in stormwater management. I am proud this is the first national training of its kind hosted by Montgomery County. Through the County’s partnership with Workforce Montgomery and Montgomery College, we can provide skills to expand our workforce of trained individuals in the design, construction and maintenance of green infrastructure. This training allows us to build our economy,

provide a new job development program to our community and create strong partnerships for water quality.”

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

DHCA works with many agencies including the Department of Health and Human Services and the Housing Opportunities Commission to identify need and to allocate resources. DHCA works with a number of non-profit organizations providing a variety of social service and housing services, as can be seen in the Action Plan list of projects. The Department also has contracts with housing counseling providers to reach out to those at risk of foreclosure and possibly requiring other services; referrals to appropriate service providers are regularly made. The Montgomery County Continuum of Care process includes wide civic participation and provides a robust forum for coordination between public and private housing and social service agencies.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

Montgomery County’s Office of Human Rights has developed a comprehensive Fair Housing program. This program includes testing for discrimination in the rental or sale of housing and compliance with architectural guidelines for the protection of individuals with disabilities. It also includes educational components and enforcement activities.

Also, under the auspices of the Office of Human Rights, the County has an on-going Inter-agency Fair Housing Coordinating Group, (IFHCG) which is comprised of agencies that have housing responsibilities. Members of the group include representatives from the Department of Housing and Community Affairs, the Human Rights Commission, Housing Opportunities Commission, Health and Human Services, the Office of Community Partnerships, Commission on People with Disabilities, Montgomery County Public Schools, Montgomery County Park and Planning Commission, the City of Takoma Park, the City of Gaithersburg and the City of Rockville. Meetings are open to the public and individual realtors often attend and join in discussion as well as community advocacy groups to include the Montgomery County Branch of the NAACP.

In County Fiscal Year 2019 / Federal Program Year 2018, fair housing education was provided for housing and real estate professionals (who receive certificates of completion which could be used toward continuing education credits), landlords, tenants, property managers, lenders, and the general public. A fair housing public service announcement developed as part of a public awareness campaign continues its showing at local movie theatres strategically throughout the county and a human rights youth diversity camp was provided to fifth-grade students exploring the topic areas of human and civil rights to include fair housing in the County.

A fair housing poster contest has taken place for a number of years and has become very popular.

Conducted as part of the diversity camp, the winner receives a monetary award and the winning poster is displayed on transit buses throughout the County during Fair Housing Month (April of each year).

The Office of Human Rights also provides information concerning scams and other irregularities concerning local and state rental assistance programs in housing (Source of Income). They partner with DHCA by providing Fair Housing activities and workshops on the County's Fair Housing law. DHCA also provides counseling referrals and assistance through local nonprofits on foreclosure, homeownership and various mortgage issues.

The Montgomery County Office of Human Rights (OHR) monitors the County's Fair Housing Ordinance. Through the Inter-agency Fair Housing Work Group, OHR coordinate's the activity of county departments, offices, and agencies to prevent housing discrimination.

### **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.**

Montgomery County receives annual allocations from the federal CDBG, HOME and ESG Programs. Monitoring standards and procedures for each program are described here.

CDBG and ESG activities are monitored according to program requirements. Sub-recipients and contractors are required to submit periodic progress and financial reports and submit quarterly benefit data reports. DHCA staff maintains regular telephone contact with sub-recipients and contractors.

Staff provides technical assistance at the time contracts are drafted to ensure that all contractors are familiar with and understand program requirements. Topics discussed include income/beneficiary documentation, reporting, files and records management, invoicing for payment and timely expenditure of funds. In addition, staff members attend events sponsored by the sub-recipients/grantees related to programs that receive funding.

HOME: Montgomery County is responsible for ensuring that all HOME program funds are used in accordance with the program requirements. The County executes written agreements and performs monitoring of its contractors. The County will monitor all activities assisted with HOME funds to assess compliance with ongoing program requirements.

The County has an internal tracking system for HOME projects that generates requests for information, audits and benefit data reports according to the schedule of required cyclical inspections.

The County is also subject to review by outside auditors. The current contract calls for programmatic and financial audits to be conducted annually.

Monitorings are conducted each year for all contracts. Additional monitorings may be conducted if there

is some concern about a grantee's performance or ability to effectively and efficiently carry out its contract duties. These monitorings usually take place in the field at the offices of the grantee, although they are sometimes conducted at DHCA if the grantee is known to the monitor and has an excellent performance record. These sessions average one hour in length and include review of files as well as current procedures/standards as required by HUD. Time is taken for any questions from the grantee as well as for technical assistance as necessary. A monitoring form is completed for each visit and is included in each case file.

#### **Citizen Participation Plan 91.105(d); 91.115(d)**

The Citizen Participation Plan covering Program Year 2018 is included as an appendix to this document.

#### **Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The Consolidated Annual Performance and Evaluation Plan (CAPER) draft is made available to the public for review and comment for 15 days prior to its required submission date to HUD. Notice of availability of the draft for review and comment is posted on the Department's website on both the front page / announcements area and the Department's webpage for the Consolidated Plan / CAPER and Public Service Grants. Notice is also given via email to neighboring jurisdictions and other key County personnel, some of whom include the message on various listserves or outlets. An ad was also placed in the Montgomery Edition of the Sentinel newspaper on September 12, 2019. All notices indicate that a hard copy of the draft is available at the Department's office and also at the five most prominent County library branches distributed throughout the county.

#### **CR-45 - CDBG 91.520(c)**

#### **Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

There were no significant changes in program objectives this year.

#### **Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants? No.**

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

#### **CR-50 - HOME 91.520(d)**

#### **Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**



**Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.**

The County has an internal tracking system for HOME projects that generates requests for information, audits and benefit data reports according to the schedule of required cyclical inspections.

At the end of Fiscal Year 2019, the County had provided funding for 150 HOME-assisted projects totaling 615 units. The County's HOME Regulatory Agreements with property owners/developers restrict the maximum income for low-income tenant households occupying HOME-assisted units to 60% of the area median income throughout the project's period of affordability. The HOME regulations specify the compliance monitoring activities that the County must undertake to ensure compliance with HOME requirements: reporting, property inspections, review of records and record-keeping. These required monitoring activities provide the framework for the DHCA's monitoring procedures.

- **Reporting.** In accordance with HOME regulations [24 CFR 92.252(f)(2)], DHCA requires property owners/managers of every HOME-assisted rental project to submit a rent and occupancy report on an annual basis to determine compliance with occupancy and rent requirements. The process of is process is known as "Desk Reviews". In FY 2019, Desk Reviews of 128 projects were satisfactorily completed and Enhanced Monitoring procedures were instituted for 22 projects that required additional technical assistance to rectify noncompliance.
- **Property Inspections.** DHCA conducts on-site inspections of HOME-assisted properties and units to verify that projects are maintained in standard condition and meet applicable housing quality standards and ongoing maintenance requirements. The frequency of required on-site unit inspections must be done every one to three years, based on the size of the property, as specified by the HOME regulations [24 CFR 92.504(d)(1)]. In FY 2019 inspections of eightyone HOME rental projects were completed.
- **Review of Records and Record Keeping.** In addition to the property inspections that are based on a one to three year frequency, the County is required to schedule on-site audits of HOME-assisted rental properties throughout the property's affordability period. DHCA conducts a review of the records and files retained on-site that document the owner's compliance with all HOME requirements, including verification of the data the owner/manager submits of the annual rent and occupancy report during the Desk

Review process. In FY 2019, DHCA completed on-site audits of fifty HOME rental projects.

**Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)**

All developers and property managers of HOME-assisted housing are required to adopt and implement an affirmative marketing and outreach plan for all properties with HOME assistance. The County conducts ongoing reviews of each housing development's compliance with its plan throughout the year. As part of this review, the County reviews the development's marketing materials to ensure that the appropriate FHEO logos and statements appear. The County also reviews the content and placement of marketing advertisements to ensure that the development is marketed to those minority groups least likely to apply for residence in the development.

**Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

IDIS report PR-27 Status of HOME Grants indicates that Montgomery County received \$187,289 in Program Income during Program Year 2018 that was committed for projects. Program Income is always used before other funds and all HOME funds are used to support HOME-eligible persons and households earning 80% or less of Area Median Income. All HOME Program Income during Program Year 2018 was used for 19 units in the Victory Crossing project. This project used Montgomery Housing Initiative funds, HOME funds, and a "RAF Loan." The project involved 105 units for seniors over 62 years of age. The following is the unit mix for the project:

- 10 Units serving households at or below 40% of area median income
- 21 Units serving households at or below 50% of area median income
- 64 Units serving households at or below 60% of area median income
- 10 Unrestricted units

Nineteen of the affordable units have been designated as HOME units and are subject to HOME regulations and requirements.

**Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)**

The Moderately Priced Dwelling Unit Program (MPDU), the County's nationally known housing program, continues to ensure that all developments of 20 units or more will contain affordable units. Efforts using HOME funds have emphasized approving projects that serve the lowest income groups possible.

A concerted effort has been made to preserve existing affordable housing through a code enforcement program that results in the annual rehabilitation of dozens of homes. DHCA's Office of Landlord/Tenant Affairs requires licenses for all rental units and provides dispute mediation. It has published a Landlord/Tenant Handbook which spells out the rights and responsibilities of both landlords and tenants. The Office of Landlord-Tenant Affairs works closely with the Housing Code Enforcement Section to ensure tenants have housing that is in compliance with all applicable County laws.

The County continues to use resources from the Montgomery Housing Initiative fund to support rental assistance programs in DHCA, Health and Human Services (HHS), and the Housing Opportunities Commission (HOC). Over 4,500 households were assisted in County FY19 ? Program Year 2018 and 4,500 are projected to be assisted the following year.

During the Program Year, DHCA's Office of Landlord-Tenant Affairs handled 724 official Landlord-Tenant complaints and responded to 9,869 calls through MC311. They participated in various seminars throughout the year and helped organize and ultimately conduct a series of classes at Montgomery College regarding management in senior housing developments. As usual, we participated in the Fair Housing program sponsored by the Office of Human Rights and attended several tenant meetings sponsored by the Renters Alliance.

All of the efforts described above represent a comprehensive effort which is necessary to preserve our affordable housing supply.