
Housing and Community Affairs

MISSION STATEMENT

The mission of the Department of Housing and Community Affairs is to plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of affordable housing; and maintain existing housing in a safe and sanitary condition.

BUDGET OVERVIEW

The total recommended FY15 Operating Budget for the Department of Housing and Community Affairs is \$39,290,559, a decrease of \$153,171 or 0.4 percent from the FY14 Approved Budget of \$39,443,730. Personnel Costs comprise 21.1 percent of the budget for 82 full-time positions and three part-time positions, and a total of 77.30 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses and Debt Service account for the remaining 78.9 percent of the FY15 budget.

DHCA expects the total signed agreements for affordable housing projects through the PILOT program to abate \$11.2 million in taxes in FY15.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Affordable Housing in an Inclusive Community***
- ❖ ***Healthy and Sustainable Neighborhoods***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY14 estimates reflect funding based on the FY14 approved budget. The FY15 and FY16 figures are performance targets based on the FY15 recommended budget and funding for comparable service levels in FY16.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Invest over \$26.9 million for Affordable Housing including the Montgomery Housing Initiative (MHI) fund and utilize \$15.9 million from the Affordable Housing Acquisition and Preservation CIP project. This increases dedicated funding by more than 10% over FY14 and provides for renovation of distressed housing, the acquisition and preservation of affordable housing units, creation of housing units for special needs residents, services to the "Building Neighborhoods to Call Home" and "Housing First" and creation of mixed-income housing. This brings the total investment in affordable housing since FY08 to \$320 million.***
- ❖ ***Continue to use resources from the MHI fund to support rental assistance programs to the Department of Housing and Community Affairs (DHCA), Health and Human Services (DHHS), and the Housing Opportunities Commission (HOC). A total of 1,925 households were assisted in FY14 and 2,069 in FY15.***
- ❖ ***Continued funding from Federal Grants - Community Development Block Grant (CDBG), the HOME Investment Partnership Grant (HOME), and the Emergency Solutions Grant (ESG) - to provide funding for affordable housing, housing rehabilitation, commercial revitalization, focused neighborhood assistance, public services and preventing homelessness.***
- ❖ ***Continue to provide housing code enforcement to neighborhoods for improving safety and sanitary living conditions.***

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- ❖ **Continue to administer the State-funded Weatherization Program which provides energy-saving housing renovations for income-eligible county residents.**
 - ❖ **In addition to the funding for this department, the recommended budget includes grants to our community partners. Community organizations augment and supplement government programs by providing services such as rental assistance, renovation assistance, foreclosure/eviction prevention services, and tenant counseling. These community organizations are critical to an effective network of services and are often able to provide these services in a more cost-effective, culturally appropriate, and flexible way than County Government. They also are able to leverage community resources that may be unavailable to County Government. For details, please see Community Grants: County Executive in the Non-Departmental Accounts section.**
 - ❖ **DHCA will make Falkland Chase apartments in Silver Spring an affordable housing priority; it has 90 affordable units serving low (50% AMI) and low to moderate (80%) income tenants that are at risk due to the expiration of tax exempt bonds issued 20 years ago. DHCA has begun preliminary discussions with the owner to broker an agreement that would maintain these units as affordable within the County by making up the difference between market rates and the reduced rents for the low income clients.**
 - ❖ **Productivity Improvements**
 - **Annual Rent Survey: Increase adherence to the voluntary rent guideline and introduce rental market transparency by developing an online Annual Rental Survey application, which captures countywide rent data on a per-unit basis and allows for rent analysis. This information is planned to be published on open.montgomery.gov.**
 - **Code Enforcement Database Improvements: Continue adding features to mobile web application used by code inspectors on mobile devices (for example, cases in proximity to inspectors location; routing to properties scheduled for inspection that day, etc.). This will improve efficiencies by enabling inspectors to conduct inspections that are located in the same geographic area and avoiding unnecessary travel saving inspector time.**
 - **Housing Licensing and Registration System Improvements: Increase payment flexibility by allowing clients to pay for licenses via ACH transfer (electronic check) and with credit cards. Redesign GIS online apartment directory, replacing duplicate data source with direct link to live licensing data. This will improve efficiencies and streamline maintenance by eliminating current use and maintenance of two separate data sources.**
 - **House Loan and Rehab Loan Database Improvements: Redesign and relaunch online house loan compliance system implementing new federal utility and zone data. This will improve efficiencies by having property managers enter data directly into DHCA's house loan compliance database, reducing the level of effort needed for annual reviews by DHCA staff.**
 - **Moderately Priced Dwelling Unit Improvements: Update design to facilitate compliance monitoring of renters at MPDU rental properties. This will improve efficiencies by making it easier for DHCA to audit renter information and program compliance.**

PROGRAM CONTACTS

Contact Tim Goetzinger of the Department of Housing and Community Affairs at 240.777.3728 or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Multi-Family Housing Programs

This program creates and preserves affordable multi-family housing units. Loans are made to the Housing Opportunities Commission, nonprofit organizations, property owners, and for-profit developers. This program provides funding to:

- preserve existing affordable housing units;
- construct and acquire affordable housing units;
- rehabilitate existing rental housing stock;
- participate in housing or mixed-use developments that will include affordable housing;
- acquire land to produce affordable housing;
- provide low income rental housing assistance.

Major funding for these projects is provided from the Montgomery Housing Initiative Fund, the Federal HOME Grant, the Federal Community Development Block Grant, and State grants. The program emphasizes the leveraging of County funds with other public and private funds in undertaking these activities.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|--|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Affordable housing units preserved - County funded ¹ | 766 | 1134 | 2354 | 2209 | 2055 |
| Affordable housing units preserved - no cost to County ² | 0 | 401 | 105 | 110 | 116 |
| Affordable housing units preserved in production (pipe line) | 281 | 96 | 180 | 274 | 139 |
| Affordable housing units produced - County funded ³ | 278 | 994 | 137 | 322 | 91 |
| Affordable housing units produced - no cost to County | 201 | 352 | 213 | 224 | 235 |
| Affordable housing units produced in production (pipe line) ⁴ | 1,093 | 318 | 278 | 59 | 30 |
| Cost per unit of affordable housing units preserved ⁵ | 4,761 | 7,560 | 6,713 | 6,844 | 7,935 |
| Cost per unit of affordable housing units produced ⁶ | 52,063 | 34,425 | 67,793 | 66,745 | 40,694 |

¹ Preservation increases projected in FY14-16 are directly attributed to increases in MHI rental assistance funding.

² These figures represent no-cost rental agreements and are subject to heavy market fluctuations.

³ In FY13, a few large multifamily projects, which had been in the pipeline, came online.

⁴ The significant decrease from FY12 to FY13 is a result of the expiration of ARRA programs as well as a few large multi-family projects coming on-line in FY13.

⁵ Fluctuations are expected from year to year given that different projects have different funding gaps as well as different programs are more expensive to run than others.

⁶ Fluctuations are expected from year to year given that different projects have different funding gaps as well as different programs are more expensive to run than others.

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 28,056,801 | 8.40 |
| Enhance: Affordable Housing | 3,796,166 | 0.00 |
| Enhance: Rental Assistance (additional Estimated Recordation Tax Allocation) | 588,578 | 0.00 |
| Decrease Cost: Debt Service | -2,100 | 0.00 |
| Decrease Cost: Elimination of One-Time Items Approved in FY14 | -1,700,000 | 0.00 |
| Decrease Cost: Senior Housing (Silver Spring) | -4,500,000 | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 60,283 | 0.00 |
| FY15 CE Recommended | 26,299,728 | 8.40 |

Single-Family Housing Programs

This program creates and preserves affordable single-family housing units. It enforces Chapter 25A of the County Code to ensure that Moderately Priced Dwelling Units (MPDUs) are provided and monitored for resale control. The Code requires that 12.5 percent to 15.0 percent of an approved development of 20 dwelling units or more be MPDUs, depending on the amount of density bonus achieved. The housing units produced are marketed at controlled prices, which makes them affordable to moderate-income households. Additional single-family (SF) housing programs provide funding to replace, rehabilitate and weatherize single-family housing units, and rehabilitate group homes (GH) for the special needs population. In addition, this program is responsible for the newly created Work Force Housing Initiative.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|---|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Number of Housing Units Improved/Rehabilitated ¹ | 690 | 64 | 359 | 220 | 20 |

¹ Programs include Single Family Rehab, Group Home Rehab, and Weatherization. FY12 represents the final year of the ARRA-funded Weatherization program in which 674 units were preserved through weatherization-related rehab. In FY13, the new EmPOWER Maryland Weatherization program began and is expected to peak in FY14 and end in FY15.

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY14 Approved | 908,248 | 9.50 |
| Increase Cost: Weatherization - Increased Personnel Costs for the EmPOWER Maryland Grant | 18,818 | 0.00 |
| Increase Cost: Weatherization - Increase DOE Weatherization Grant | 13,919 | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 169,617 | 0.50 |
| FY15 CE Recommended | 1,110,602 | 10.00 |

Housing Code Enforcement

This program enforces Chapter 26 of the County Code, Housing Maintenance, by inspecting rental condominiums, multi-family apartments, and single-family housing to ensure safe and sanitary conditions; and Chapter 48, Solid Wastes; and Chapter 58, Weeds, the County's residential weeds and rubbish codes. Approximately 80 percent of the single-family inspections result from tenant and/or neighbor complaints; other inspections are the result of concentrated code enforcement efforts in specific areas. The multi-family inspections are based on a requirement for triennial inspections and in response to tenant and/or neighbor complaints. This program is supported by the collection of single-family and apartment/condominium licensing fees.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|--|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Percent of Cases that Achieve Voluntary Compliance | 94 | 95 | 95 | 95 | 95 |
| Properties with more than two cases in a two year period | 153 | 109 | 109 | 109 | 109 |

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY14 Approved | 2,048,524 | 21.10 |
| Increase Cost: Code Enforcement Contract with Takoma Park and Housing Opportunities Commission | 148,503 | 1.50 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | -10,626 | 0.00 |
| FY15 CE Recommended | 2,186,401 | 22.60 |

Grants Administration - Federal Programs

Staff provides management and oversight to ensure compliance with all regulatory requirements for Federal funding awarded to Montgomery County by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant, the HOME Investment Partnership Grant, and the Emergency Solutions Grant programs.

Funds from these programs support both operating activities and capital projects. Activities funded may include property acquisition, new construction, housing rehabilitation, commercial area revitalization and handicapped accessibility improvements.

Staff administers contracts with the cities of Rockville and Takoma Park, as well as nonprofit organizations awarded funding to provide a variety of public services involving assistance to low-income persons.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|--|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Number of Contracts Awarded and Monitored ¹ | 25 | 25 | 32 | 32 | 32 |

¹ Due to federal, state and local budget reductions, the number of CDBG, ESG, HOME, MHI, Historic, Community Grants, and Empowerment Grants contracts have been reduced.

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 5,587,334 | 6.70 |
| Add: Community Block Grant: Asian American LEAD (Asian American LEAD MD High School Program) | 45,000 | 0.00 |
| Add: Community Block Grant: Ethiopian Community Center in Maryland (ECCM Health Care Project) | 45,000 | 0.00 |
| Add: Community Block Grant: Interfaith Works, Inc. (Volunteer Coordination) | 45,000 | 0.00 |
| Add: Community Block Grant: Montgomery County Coalition for the Homeless, Inc. (Housing Locator at the Home Builders Assessment Center) | 45,000 | 0.00 |
| Add: Community Block Grant: Montgomery Housing Partnership, Inc. (MHP Play and Learn Program) | 45,000 | 0.00 |
| Add: Community Block Grant: National Center for Children and Families (Betty's House) | 45,000 | 0.00 |
| Add: Community Block Grant: National Center for Children and Families (Future Bound Transitional Housing Program) | 45,000 | 0.00 |
| Add: Community Block Grant: Mobile Medical Care, Inc. (Anticoagulation Clinic for the Low-Income, Uninsured) | 42,960 | 0.00 |
| Add: Community Block Grant: Jewish Foundation for Group Homes (Living Independently with Autism) | 40,500 | 0.00 |
| Add: Community Block Grant: Boys & Girls Clubs of Greater Washington, Inc. (Power Hour) | 39,410 | 0.00 |
| Add: Community Block Grant: Catholic Charities of the Archdiocese of Washington, Inc. (Immigration Legal Services) | 36,820 | 0.00 |
| Add: Community Block Grant: Sunflower Bakery, Inc. (Next Steps Employment Service Program) | 33,000 | 0.00 |
| Add: Community Block Grant: Home Care Partners, Inc. (Montgomery Light Care) | 20,000 | 0.00 |
| Add: Community Block Grant: Jewish Social Service Agency (JSSA Refugee Integration Project) | 12,640 | 0.00 |
| Decrease Cost: Adjustment for Individual Grants | -540,330 | 0.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 1,272,463 | 0.00 |
| FY15 CE Recommended | 6,859,797 | 6.70 |

Landlord-Tenant Mediation

This program ensures fair and equitable relations between landlords and tenants and encourages the maintenance and improvement of housing. Activities including mediating and arbitrating disputes; providing information and technical assistance to all parties; and taking legal action as necessary, including referring unresolved complaints to the Montgomery County Commission on Landlord-Tenant Affairs.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|---|------------------------|------------------------|---------------------------|------------------------|------------------------|
| Average days required to conciliate Landlord/Tenant disputes that do not go to the Commission | 33 | 30 | 30 | 30 | 30 |

| | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Percent of Landlord/Tenant cases mediated successfully (not referred to the Commission) | 97 | 97 | 97 | 97 | 97 |

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 1,016,014 | 8.50 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | -92,880 | -0.50 |
| FY15 CE Recommended | 923,134 | 8.00 |

Neighborhood Revitalization

This program provides planning and implementation for neighborhood revitalization in targeted areas. Activities include commercial revitalization (physical and economic) in both local retail centers and central business districts as well as assistance to address other community concerns, including issues related to housing and public services. Primary funding for these activities is provided from the County's Capital Improvements Program and from other Federal and State funds, including Community Development Block Grants and State Community Legacy Grants.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|--|----------------|----------------|-------------------|----------------|----------------|
| Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding/services ¹ | 2 | 2 | 2 | 2 | 2 |

¹ Under development - data currently reflects number of neighborhoods

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 185,563 | 3.20 |
| Shift: CDBG CIP Appropriation to Operating Budget | 1,145,000 | 1.90 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | -1,117,251 | 0.00 |
| FY15 CE Recommended | 213,312 | 5.10 |

Licensing and Registration

This program issues licenses to all rental housing (apartments, condominiums, single-family) and registers all housing units within common ownership communities.

| Program Performance Measures | Actual FY12 | Actual FY13 | Estimated FY14 | Target FY15 | Target FY16 |
|---|----------------|----------------|-------------------|----------------|----------------|
| Number of Rental Licenses Issued ¹ | 91,555 | 93,522 | 95,100 | 96,250 | 96,250 |

¹ Programs include Accessory Apartments, Condominiums, Single Family, and Apartments.

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 411,016 | 3.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 16,849 | 0.00 |
| FY15 CE Recommended | 427,865 | 3.00 |

Housing Administration

This program provides management and oversight to support activities within the housing division including single and multi-family housing programs, code enforcement, and landlord tenant mediation.

This program was formerly included as part of Housing Development and Loan Programs.

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|-------------|
| FY14 Approved | 262,922 | 3.00 |
| Increase Cost: Project Search Office Clerk | 26,163 | 0.50 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | -21,827 | 0.00 |
| FY15 CE Recommended | 267,258 | 3.50 |

Administration

This program provides overall direction, administration, and managerial support to the Department. Activities include budgeting, financial management, personnel management and administration, program oversight, training, automated systems management, and policy/program development and implementation (legislation, regulations, procedures).

| FY15 Recommended Changes | Expenditures | FTEs |
|---|---------------------|--------------|
| FY14 Approved | 967,308 | 10.00 |
| Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. | 35,154 | 0.00 |
| FY15 CE Recommended | 1,002,462 | 10.00 |

BUDGET SUMMARY

| | Actual FY13 | Budget FY14 | Estimated FY14 | Recommended FY15 | % Chg Bud/Rec |
|--|------------------------|------------------------|---------------------------|-----------------------------|--------------------------|
| COUNTY GENERAL FUND | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 2,736,819 | 2,892,113 | 2,650,144 | 3,062,271 | 5.9% |
| Employee Benefits | 1,031,506 | 1,089,556 | 1,106,900 | 1,177,659 | 8.1% |
| County General Fund Personnel Costs | 3,768,325 | 3,981,669 | 3,757,044 | 4,239,930 | 6.5% |
| Operating Expenses | 572,950 | 815,509 | 998,340 | 817,826 | 0.3% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| County General Fund Expenditures | 4,341,275 | 4,797,178 | 4,755,384 | 5,057,756 | 5.4% |
| PERSONNEL | | | | | |
| Full-Time | 79 | 83 | 83 | 82 | -1.2% |
| Part-Time | 5 | 2 | 2 | 3 | 50.0% |
| FTEs | 36.90 | 38.10 | 38.10 | 38.60 | 1.3% |
| REVENUES | | | | | |
| Board of Appeals Fees | 1,750 | 0 | 0 | 0 | — |
| Common Ownership Community Fees | -528 | 0 | 0 | 0 | — |
| Landlord-Tenant Fees | 4,801,435 | 4,830,000 | 4,830,000 | 4,988,040 | 3.3% |
| Loan Payments | 111 | 0 | 0 | 0 | — |
| Miscellaneous Revenues | 5,326 | 20,000 | 20,000 | 20,000 | — |
| Other Charges/Fees | 7,258 | 0 | 0 | 7,700 | — |
| Other Fines/Forfeitures | 88,950 | 50,000 | 50,000 | 50,000 | — |
| County General Fund Revenues | 4,904,302 | 4,900,000 | 4,900,000 | 5,065,740 | 3.4% |
| GRANT FUND MCG | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 1,307,475 | 1,307,849 | 1,307,849 | 1,708,044 | 30.6% |
| Employee Benefits | 454,186 | 484,496 | 484,496 | 589,766 | 21.7% |
| Grant Fund MCG Personnel Costs | 1,761,661 | 1,792,345 | 1,792,345 | 2,297,810 | 28.2% |
| Operating Expenses | 5,217,271 | 4,212,477 | 4,212,477 | 5,033,252 | 19.5% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| Grant Fund MCG Expenditures | 6,978,932 | 6,004,822 | 6,004,822 | 7,331,062 | 22.1% |
| PERSONNEL | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| FTEs | 13.80 | 20.60 | 20.60 | 24.00 | 16.5% |
| REVENUES | | | | | |
| Federal Grants | 5,721,833 | 4,396,028 | 4,396,028 | 5,564,263 | 26.6% |
| Investment Income | 276,290 | 0 | 0 | 0 | — |
| Loan Payments | 1,144,936 | 1,000,000 | 1,000,000 | 1,000,000 | — |
| Other Charges/Fees | 0 | 150,535 | 150,535 | 285,219 | 89.5% |
| State Grants | 204,400 | 458,259 | 458,259 | 481,580 | 5.1% |
| Other Intergovernmental | -368,527 | 0 | 0 | 0 | — |
| Grant Fund MCG Revenues | 6,978,932 | 6,004,822 | 6,004,822 | 7,331,062 | 22.1% |
| MONTGOMERY HOUSING INITIATIVE | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 1,129,016 | 1,175,606 | 1,199,919 | 1,298,495 | 10.5% |
| Employee Benefits | 388,768 | 429,856 | 437,661 | 471,687 | 9.7% |
| Montgomery Housing Initiative Personnel Costs | 1,517,784 | 1,605,462 | 1,637,580 | 1,770,182 | 10.3% |

| | Actual FY13 | Budget FY14 | Estimated FY14 | Recommended FY15 | % Chg Bud/Rec |
|---|-------------------|-------------------|-------------------|---------------------|------------------|
| Operating Expenses | 15,057,489 | 26,968,538 | 29,774,856 | 25,065,929 | -7.1% |
| Debt Service Other | 0 | 67,730 | 67,730 | 65,630 | -3.1% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| Montgomery Housing Initiative Expenditures | 16,575,273 | 28,641,730 | 31,480,166 | 26,901,741 | -6.1% |
| PERSONNEL | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| FTEs | 14.80 | 14.70 | 14.70 | 14.70 | — |
| REVENUES | | | | | |
| Investment Income | 3,066,615 | 1,000,000 | 1,000,000 | 1,000,000 | — |
| Loan Payments | 623,091 | 2,500,000 | 2,500,000 | 2,500,000 | — |
| MHI Transfer Tax | 1,018,309 | 800,000 | 800,000 | 800,000 | — |
| Miscellaneous Revenues | 727,942 | 75,006 | 75,006 | 75,006 | — |
| MPDU Revenues | 1,814,418 | 1,500,000 | 1,500,000 | 1,500,000 | — |
| Recordation Tax | 9,300,873 | 8,269,793 | 8,070,966 | 8,858,371 | 7.1% |
| Other Financing Sources | 56,855 | 67,730 | 67,730 | 65,630 | -3.1% |
| Montgomery Housing Initiative Revenues | 16,608,103 | 14,212,529 | 14,013,702 | 14,799,007 | 4.1% |
| DEPARTMENT TOTALS | | | | | |
| Total Expenditures | 27,895,480 | 39,443,730 | 42,240,372 | 39,290,559 | -0.4% |
| Total Full-Time Positions | 79 | 83 | 83 | 82 | -1.2% |
| Total Part-Time Positions | 5 | 2 | 2 | 3 | 50.0% |
| Total FTEs | 65.50 | 73.40 | 73.40 | 77.30 | 5.3% |
| Total Revenues | 28,491,337 | 25,117,351 | 24,918,524 | 27,195,809 | 8.3% |

FY15 RECOMMENDED CHANGES

| | Expenditures | FTEs |
|---|------------------|--------------|
| COUNTY GENERAL FUND | | |
| FY14 ORIGINAL APPROPRIATION | 4,797,178 | 38.10 |
| Other Adjustments (with no service impacts) | | |
| Increase Cost: FY15 Compensation Adjustment | 153,888 | 0.00 |
| Decrease Cost: Annualization of FY14 Personnel Costs | 56,735 | 0.00 |
| Increase Cost: Project Search Office Clerk [Housing Administration] | 26,163 | 0.50 |
| Increase Cost: Retirement Adjustment | 14,483 | 0.00 |
| Increase Cost: Group Insurance Adjustment | 6,992 | 0.00 |
| Increase Cost: Printing and Mail | 3,443 | 0.00 |
| Decrease Cost: Motor Pool Rate Adjustment | -1,126 | 0.00 |
| FY15 RECOMMENDED: | 5,057,756 | 38.60 |
| GRANT FUND MCG | | |
| FY14 ORIGINAL APPROPRIATION | 6,004,822 | 20.60 |
| Other Adjustments (with no service impacts) | | |
| Shift: CDBG CIP Appropriation to Operating Budget [Neighborhood Revitalization] | 1,145,000 | 1.90 |
| Increase Cost: Code Enforcement Contract with Takoma Park and Housing Opportunities Commission [Housing Code Enforcement] | 148,503 | 1.50 |
| Increase Cost: Weatherization - Increased Personnel Costs for the EmPOWER Maryland Grant [Single-Family Housing Programs] | 18,818 | 0.00 |
| Increase Cost: Weatherization - Increase DOE Weatherization Grant [Single-Family Housing Programs] | 13,919 | 0.00 |
| Federal Programs | | |
| Add: Community Block Grant: Asian American LEAD (Asian American LEAD MD High School Program) | 45,000 | 0.00 |
| Add: Community Block Grant: Boys & Girls Clubs of Greater Washington, Inc. (Power Hour) | 39,410 | 0.00 |
| Add: Community Block Grant: Catholic Charities of the Archdiocese of Washington, Inc. (Immigration Legal Services) | 36,820 | 0.00 |
| Add: Community Block Grant: Ethiopian Community Center in Maryland (ECCM Health Care Project) | 45,000 | 0.00 |
| Add: Community Block Grant: Home Care Partners, Inc. (Montgomery Light Care) | 20,000 | 0.00 |
| Add: Community Block Grant: Interfaith Works, Inc. (Volunteer Coordination) | 45,000 | 0.00 |
| Add: Community Block Grant: Jewish Foundation for Group Homes (Living Independently with Autism) | 40,500 | 0.00 |
| Add: Community Block Grant: Jewish Social Service Agency (JSSA Refugee Integration Project) | 12,640 | 0.00 |
| Add: Community Block Grant: Mobile Medical Care, Inc. (Anticoagulation Clinic for the Low-Income, Uninsured) | 42,960 | 0.00 |

| | Expenditures | FTEs |
|---|-------------------|--------------|
| Add: Community Block Grant: Montgomery County Coalition for the Homeless, Inc. (Housing Locator at the Home Builders Assessment Center) | 45,000 | 0.00 |
| Add: Community Block Grant: Montgomery Housing Partnership, Inc. (MHP Play and Learn Program) | 45,000 | 0.00 |
| Add: Community Block Grant: National Center for Children and Families (Betty's House) | 45,000 | 0.00 |
| Add: Community Block Grant: National Center for Children and Families (Future Bound Transitional Housing Program) | 45,000 | 0.00 |
| Add: Community Block Grant: Sunflower Bakery, Inc. (Next Steps Employment Service Program) | 33,000 | 0.00 |
| Decrease Cost: Adjustment for Individual Grants | -540,330 | 0.00 |
| FY15 RECOMMENDED: | 7,331,062 | 24.00 |
| MONTGOMERY HOUSING INITIATIVE | | |
| FY14 ORIGINAL APPROPRIATION | 28,641,730 | 14.70 |
| Changes (with service impacts) | | |
| Enhance: Affordable Housing [Multi-Family Housing Programs] | 3,796,166 | 0.00 |
| Enhance: Rental Assistance (additional Estimated Recodation Tax Allocation) [Multi-Family Housing Programs] | 588,578 | 0.00 |
| Other Adjustments (with no service impacts) | | |
| Increase Cost: FY15 Compensation Adjustment | 67,687 | 0.00 |
| Increase Cost: Retirement Adjustment | 6,925 | 0.00 |
| Increase Cost: Group Insurance Adjustment | 2,755 | 0.00 |
| Decrease Cost: Debt Service [Multi-Family Housing Programs] | -2,100 | 0.00 |
| Decrease Cost: Elimination of One-Time Items Approved in FY14 [Multi-Family Housing Programs] | -1,700,000 | 0.00 |
| Decrease Cost: Senior Housing (Silver Spring) [Multi-Family Housing Programs] | -4,500,000 | 0.00 |
| FY15 RECOMMENDED: | 26,901,741 | 14.70 |

PROGRAM SUMMARY

| Program Name | FY14 Approved | | FY15 Recommended | |
|--|-------------------|--------------|-------------------|--------------|
| | Expenditures | FTEs | Expenditures | FTEs |
| Multi-Family Housing Programs | 28,056,801 | 8.40 | 26,299,728 | 8.40 |
| Single-Family Housing Programs | 908,248 | 9.50 | 1,110,602 | 10.00 |
| Housing Code Enforcement | 2,048,524 | 21.10 | 2,186,401 | 22.60 |
| Grants Administration - Federal Programs | 5,587,334 | 6.70 | 6,859,797 | 6.70 |
| Landlord-Tenant Mediation | 1,016,014 | 8.50 | 923,134 | 8.00 |
| Neighborhood Revitalization | 185,563 | 3.20 | 213,312 | 5.10 |
| Licensing and Registration | 411,016 | 3.00 | 427,865 | 3.00 |
| Housing Administration | 262,922 | 3.00 | 267,258 | 3.50 |
| Administration | 967,308 | 10.00 | 1,002,462 | 10.00 |
| Total | 39,443,730 | 73.40 | 39,290,559 | 77.30 |

CHARGES TO OTHER DEPARTMENTS

| Charged Department | Charged Fund | FY14 | | FY15 | |
|----------------------------|----------------------|------------------|--------------|------------------|-------------|
| | | Total\$ | FTEs | Total\$ | FTEs |
| COUNTY GENERAL FUND | | | | | |
| CIP | CIP | 747,933 | 6.10 | 181,610 | 1.70 |
| Permitting Services | Permitting Services | 119,268 | 1.00 | 119,460 | 1.00 |
| Solid Waste Services | Solid Waste Disposal | 705,500 | 5.50 | 728,911 | 5.50 |
| Total | | 1,572,701 | 12.60 | 1,029,981 | 8.20 |

FUTURE FISCAL IMPACTS

| Title | CE REC. FY15 | FY16 | FY17 | (\$000's) FY18 | FY19 | FY20 |
|---|-----------------|---------------|---------------|-------------------|---------------|---------------|
| This table is intended to present significant future fiscal impacts of the department's programs. | | | | | | |
| COUNTY GENERAL FUND | | | | | | |
| Expenditures | | | | | | |
| FY15 Recommended | 5,058 | 5,058 | 5,058 | 5,058 | 5,058 | 5,058 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Labor Contracts | 0 | 40 | 40 | 40 | 40 | 40 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits. | | | | | | |
| Labor Contracts - Other | 0 | -6 | -6 | -6 | -6 | -6 |
| These figures represent other negotiated items included in the labor agreements. | | | | | | |
| Subtotal Expenditures | 5,058 | 5,092 | 5,092 | 5,092 | 5,092 | 5,092 |
| MONTGOMERY HOUSING INITIATIVE | | | | | | |
| Expenditures | | | | | | |
| FY15 Recommended | 26,902 | 26,902 | 26,902 | 26,902 | 26,902 | 26,902 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Labor Contracts | 0 | 14 | 14 | 14 | 14 | 14 |
| These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits. | | | | | | |
| Labor Contracts - Other | 0 | -2 | -2 | -2 | -2 | -2 |
| These figures represent other negotiated items included in the labor agreements. | | | | | | |
| Subtotal Expenditures | 26,902 | 26,913 | 26,913 | 26,913 | 26,913 | 26,913 |

| 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 |
| ASSUMPTIONS | | | | | | | |
| 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% |
| BEGINNING FUND BALANCE | 5,964,840 | 2,960,408 | 1,182,540 | 788,360 | 394,180 | 0 | 0 |
| REVENUES | | | | | | | |
| 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 |
| Subtotal Revenues | 14,212,529 | 14,799,007 | 15,032,771 | 15,551,969 | 15,974,181 | 16,556,250 | 16,920,541 |
| INTERFUND TRANSFERS (Net Non-CIP) | | | | | | | |
| 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 |
| TOTAL RESOURCES | 30,218,821 | 28,084,281 | 26,552,808 | 26,673,626 | 26,693,958 | 26,888,347 | 27,248,548 |
| PSP OPER. BUDGET APPROP/ EXP'S. | | | | | | | |
| 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) |
| Subtotal PSP Oper Budget Approp / Exp's | (28,641,730) | (26,901,741) | (25,764,448) | (26,279,446) | (26,693,958) | (26,888,347) | (27,248,548) |
| TOTAL USE OF RESOURCES | (28,641,730) | (26,901,741) | (25,764,448) | (26,279,446) | (26,693,958) | (26,888,347) | (27,248,548) |
| YEAR END FUND BALANCE | 1,577,091 | 1,182,540 | 788,360 | 394,180 | 0 | 0 | 0 |
| TOTAL INVESTMENT | | | | | | | |
| Total Use of Resources | (28,641,730) | (26,901,741) | (25,764,448) | (26,279,446) | (26,693,958) | (26,888,347) | (27,248,548) |
| Affordable Housing Acquisition and Preservation CIP Project #760100 | (10,000,000) | (15,950,000) | (8,460,000) | (7,085,900) | (1,293,500) | (7,501,000) | (4,555,000) |
| TOTAL INVESTMENT IN AFFORDABLE HOUSING (MHI Fund + CIP Project) | (38,641,730) | (42,851,741) | (34,224,448) | (33,365,346) | (27,987,458) | (34,389,347) | (31,803,548) |
| Assumptions: | | | | | | | |
| 1. 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. | | | | | | | |
| 2. FY14 Estimated CIP resources includes the unencumbered balance from prior years. | | | | | | | |
| 3. 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: | | | | | | | |
| 1. 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. | | | | | | | |

AFFORDABLE HOUSING INVESTMENT

| Affordable Housing Allocation | FY08 Thru FY14 | FY15 | Total FY08 - FY15 |
|---|-----------------------|-------------------|--------------------------|
| 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 |
| Total Affordable Housing Investment | 277,107,201 | 42,851,741 | 319,958,942 |

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.