



# 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 FY17 Operating Budget for the Department of Housing and Community Affairs is \$44,183,222, an increase of \$3,568,984 or 8.79 percent from the FY16 Approved Budget of \$40,614,238. Personnel Costs comprise 20.04 percent of the budget for 87 full-time position(s) and three part-time position(s), and a total of 82.95 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 79.96 percent of the FY17 budget.

DHCA expects the total signed agreements for affordable housing projects through the PILOT program to abate \$13.7 million in taxes in FY17.

## County Government Reorganization

In October 2015, the County Executive transmitted to the County Council recommended amendments to Chapter 10B, Common Ownership Communities of the Montgomery County Code which includes transfer of the Common Ownership Communities (COC) program from the Office of Consumer Protection to the Department of Housing and Community Affairs. Transfer of these responsibilities is designed to advance the core mission of the COC and will enhance adjudication of disputes, create cohesive staff and technology support, and increase overall public awareness.

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:

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

## Department Performance Measures

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY16 estimates reflect funding based on the FY16 approved budget. The FY17 and FY18 figures are performance targets based on the FY17 recommended budget and funding for comparable service levels in FY18.

## Initiatives

- ★ Invest \$47 million in Affordable Housing including the Montgomery Housing Initiative (MHI) fund and utilize \$16 million from the Affordable Housing Acquisition and Preservation CIP project. This increases dedicated funding and provides for renovation of

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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. Since FY08, \$803 million has been invested in support of affordable housing leveraging \$947 million in non-County funding.

- ★ Enhance the Common Ownership Communities (COC) program through the addition of program staff, funding for information technology improvements, and education and outreach. These resources will aid in successful implementation of Bill 50-15 and provide overall support to the COC.
- ★ Continue to use resources from the MHI fund to support rental assistance programs in DHCA, Health and Human Services (HHS), and the Housing Opportunities Commission (HOC). Over 2,000 households were assisted in FY16 and over 2,100 are projected to be assisted in FY17.
- ★ Complete renovations at Progress Place (a DGS, HHS, and DHCA collaboration), which includes the relocation of several Montgomery County supportive housing service providers to a new, consolidated location in Silver Spring. The relocation will furnish providers with a new and improved space while integrating 21 units of supportive, transitional housing within the facility.
- ★ In collaboration with the Maryland-National Capital Park and Planning Commission, launch a rental housing study to identify the County's rental housing needs and to develop holistic and sustainable approaches to meet the needs of County residents.
- ★ Continue the County's commitment to inclusive transit-oriented development by completing Fenwick Lane Condos, a project that consists of the acquisition, rehabilitation, and conversion of a 79,462 square foot eight-story office building into 102 market rate, for-sale condominiums located in downtown Silver Spring that will be available as affordable workforce housing.
- ★ Continue to receive funding from Federal Grants (Community Development Block Grant (CDBG), the HOME Investment Partnership Grant, and the Emergency Solutions Grant), which provide funding for affordable housing, housing rehabilitation, commercial revitalization, focused neighborhood assistance, public services, and preventing homelessness.
- ★ Continue to participate in the administration of the State and Federally-funded Weatherization Programs which provide 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 providing an effective network of services in a more cost-effective, culturally appropriate, and flexible way. Additionally, they are able to leverage community resources that may be unavailable to the County Government. For details, please see Community Grants: County Executive in the Non-Departmental Accounts section.

## Accomplishments

- ☑ Continued the County's commitment to inclusive transit-oriented development by completing The Bonifant, a new, mixed-income senior project located in downtown Silver Spring next to the new Silver Spring Library. Of the 149 units, 139 are affordable to seniors earning between 30 percent and 60 percent of the Area Median Income (AMI).
- ☑ Continued the County's commitment to affordable senior housing by completing Churchill Senior Living II. This six-story, 133-unit senior rental community will be located on the west side of Father Hurley Boulevard in Germantown. One hundred twenty-one (121) of the 133 units will be reserved for seniors at or below 60 percent of the Area Medium Income (AMI) with an additional five units for seniors at or below 50 percent of the AMI.
- ☑ Complete Thayer Avenue, a newly constructed 52-unit apartment building located in Silver Spring. Forty-two (42) of the 52 units are affordable under the Low Income Housing Tax Credit (LIHTC) guidelines serving families earning between 50 percent and 60 percent of the Area Median Income (AMI).
- ☑ Completed the Long Branch Walkway and Pedestrian Bridge, a safe ADA compliant pedestrian and bicycle pathway that connects the Silver Spring's Long Branch Community Center, the Long Branch Library, and the communities on both sides of the Long Branch Creek.

## Productivity Improvements

- ★ Analyze and redesign departmental data repositories with the goal of supporting improved integration with other departments or

initiatives ([montgomerycountymd.gov/open](http://montgomerycountymd.gov/open)) and established, or upcoming, standards.

- Continue to refine the Annual Rent Survey, which aims to increase adherence to the voluntary rent guideline and introduce rental market transparency by capturing countywide rent data on a per-unit basis and allows for rent analysis. This information is planned to be published on [montgomerycountymd.gov/open](http://montgomerycountymd.gov/open).

## 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; and
- 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Total affordable housing units preserved <sup>1</sup>	2,544	2,646	2,627	2,686	2,708
Total affordable housing units produced	1,180	983	773	717	500
Cost per unit of affordable housing units produced <sup>2</sup>	67,886	64,317	66,194	37,821	45,559
Cost per unit of affordable housing units preserved	7,361	3,346	7,895	9,355	12,064

<sup>1</sup> Preservation increases projected in FY14-18 due to increases in MHI rental assistance funding.

<sup>2</sup> DHCA projects a few well-leveraged housing developments to come on-line in FY17 and FY18. These projects effectively reduce the projected cost per-unit in those fiscal years. The reverse is true for FY15 and projected FY16. The average cost per-unit in this category during those fiscal years is approximately \$65,000.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>27,170,941</b>	<b>9.40</b>
Enhance: Rental Assistance Program Based on Additional Estimated Recordation Tax Allocation	1,668,320	0.00
Enhance: Affordable Housing Initiatives	1,445,190	0.00
Restore: Montgomery Housing Partnership (MHP) - Focused Neighborhood Assistance	120,000	0.00
Decrease Cost: Debt Service Other	(2,200)	0.00
Decrease Cost: Miscellaneous Operating Expenses	(3,412)	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.	(130,840)	(1.00)

FY17 Recommended Changes	Expenditures	FTEs
<b>FY17 Recommended</b>	<b>30,267,999</b>	<b>8.40</b>

## Affordable 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 and rehabilitate single-family housing units, and rehabilitate group homes (GH) for the special needs population. In addition, this program is responsible for the Work Force Housing Program.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Number of housing units improved/rehabilitated <sup>1</sup>	127	50	120	120	15

<sup>1</sup> Projections for FY16 and FY17 are based on the County benefiting from non-departmentally administered, State-sponsored, weatherization assistance. DHCA directly administered a State-sponsored EmPOWER Maryland grant, which expired in FY15; however, DHCA decided not to renew the program as the grant's administrative allowance was not sufficient to cover administrative costs.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>823,409</b>	<b>9.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	15,552	0.00
<b>FY17 Recommended</b>	<b>838,961</b>	<b>9.50</b>

## 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written	93	93	93	93	93
Number of housing code enforcement repeat offenses: More than 2 cases in a 2 year period	73	69	69	69	69

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>2,704,243</b>	<b>24.10</b>
Decrease Cost: Motor Pool Adjustment	(10,220)	0.00
Decrease Cost: Takoma Park / HOC Code Enforcement	(19,544)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY16	(77,220)	0.00
Decrease Cost: Annualization of FY16 Savings Plan Reduction - Code Enforcement	(102,353)	(1.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	9,230	0.40
<b>FY17 Recommended</b>	<b>2,504,136</b>	<b>23.50</b>

## 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Number of contracts awarded and monitored	37	34	40	40	40

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>4,999,855</b>	<b>5.70</b>
Add: Community Development Block Grant: Asian Pacific American Legal Resource Center, Inc. - Legal Services for Asian Immigrants	45,000	0.00
Add: Community Development Block Grant: Ethiopian Community Center in Maryland, Inc. - Breast Cancer Awareness	45,000	0.00
Add: Community Development Block Grant: Interfaith Works, Inc. - Job Developer for Low-Income Residents	45,000	0.00
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless, Inc. - Home Builders Care Assessment Center (HBCAC) Housing Locator	45,000	0.00
Add: Community Development Block Grant: Rockville Economic Development, Inc. - Maryland Women's Business Center	45,000	0.00
Add: Community Development Block Grant: The ARC of Montgomery County, Inc. - Transitioning Youth Retail Project	45,000	0.00
Add: Community Development Block Grant: The National Center for Children and Families, Inc. - FutureBound Transitional Housing Program	45,000	0.00
Add: Community Development Block Grant: Diaspora Resources of Ethiopians in the America's Metropolises, Dream North American Corp. - Elderly Service Plus Center Project	44,997	0.00
Add: Community Development Block Grant: Diaspora Resources of Ethiopians in the America's Metropolises, Dream North American Corp. - Elderly Service Plus Center Project	44,951	0.00
Add: Community Development Block Grant: Baby's Bounty MC, Inc. - Health, Safety, & Wellness Newborn Bundles	39,519	0.00
Add: Community Development Block Grant: Greater Washington Boys & Girls Clubs, Inc. - Power Hour	38,655	0.00
Add: Community Development Block Grant: The Armand Center for Conflict Resolution, Inc. - Supervised Visitation	36,826	0.00
Add: Community Development Block Grant: Housing Opportunities Community Partners, Inc. - Kid's STEM Program	20,000	0.00
Decrease Cost: Adjustment for Individual Grants	(539,948)	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.	54,041	0.00
<b>FY17 Recommended</b>	<b>5,053,896</b>	<b>5.70</b>

## 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Percent of landlord/tenant cases mediated successfully (not referred to the Commission)	97	97	97	97	97
Average length of time required to conciliate landlord/tenant disputes that do not go to the Landlord Tenant Commission: Single-family disputes (workdays)	36.7	52.5	50.0	50.0	50.0
Average length of time required to conciliate landlord/tenant disputes that do not go to the Landlord Tenant Commission: Multi-family disputes (workdays)	38.2	45.8	45.0	45.0	45.0

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,060,809</b>	<b>7.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	11,687	0.00

FY17 Recommended Changes	Expenditures	FTEs
<b>FY17 Recommended</b>	<b>1,072,496</b>	<b>7.50</b>

## 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.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,782,610</b>	<b>7.60</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(77,475)	0.00
<b>FY17 Recommended</b>	<b>1,705,135</b>	<b>7.60</b>

## 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 FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Number of rental licenses issued	96,185	99,003	100,900	102,900	104,000

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>439,988</b>	<b>3.00</b>
Increase Cost: Printing and Mail	1,367	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.	(75,880)	(0.60)
<b>FY17 Recommended</b>	<b>365,475</b>	<b>2.40</b>

Notes: Expenses in the Licensing and Registration program related to Common Ownership Communities (COC) activities have been shifted to the COC program.

## Housing Administration

This program provides management and oversight to support activities within the housing division including single and multi-family housing programs, and landlord tenant mediation. This program was formerly included as part of Housing Development and Loan Programs.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>343,961</b>	<b>3.50</b>
Increase Cost: Increase Hours of Project Search Intern	12,600	0.25
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	60,456	0.00
<b>FY17 Recommended</b>	<b>417,017</b>	<b>3.75</b>

## 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).

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>1,288,422</b>	<b>10.00</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	118,042	1.00
<b>FY17 Recommended</b>	<b>1,406,464</b>	<b>11.00</b>

## Common Ownership Community Program

This program ensures fair and equitable relations between the governing bodies of homeowner associations, condominium associations, and cooperatives, and the individuals living within these common ownership communities and encourages the maintenance and improvement of housing. Activities include 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 Common Ownership Communities.

Program Performance Measures	Actual FY14	Actual FY15	Estimated FY16	Target FY17	Target FY18
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing <sup>1</sup>	68%	60%	60%	70%	80%

<sup>1</sup> CCOC is moving from the Office of Consumer Protection to the Department of Housing and Community Affairs beginning in FY17.

FY17 Recommended Changes	Expenditures	FTEs
<b>FY16 Approved</b>	<b>0</b>	<b>0.00</b>
Shift: Common Ownership Communities Investigator III From the Office of Consumer Protection	190,089	1.00
Enhance: Common Ownership Communities - Outreach and Education	80,000	0.00
Enhance: Common Ownership Communities - Investigator III	75,010	1.00
Enhance: Common Ownership Communities - Information Technology Systems Development	75,000	0.00
Enhance: Common Ownership Communities - Office Services Coordinator	52,500	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	79,044	0.60
<b>FY17 Recommended</b>	<b>551,643</b>	<b>3.60</b>

Notes: Expenses in the Licensing and Registration program related to Common Ownership Communities (COC) activities have been shifted to the COC program.

## Budget Summary

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	3,097,571	3,325,239	3,307,445	3,556,163	6.9 %
Employee Benefits	1,203,982	1,295,661	1,255,159	1,358,287	4.8 %
<b>County General Fund Personnel Costs</b>	<b>4,301,553</b>	<b>4,620,900</b>	<b>4,562,604</b>	<b>4,914,450</b>	<b>6.4 %</b>
Operating Expenses	728,033	933,207	890,340	964,954	3.4 %
<b>County General Fund Expenditures</b>	<b>5,029,586</b>	<b>5,554,107</b>	<b>5,452,944</b>	<b>5,879,404</b>	<b>5.9 %</b>
<b>PERSONNEL</b>					
Full-Time	82	85	85	87	2.4 %
Part-Time	3	3	3	3	---
FTEs	38.60	41.60	41.60	44.25	6.4 %
<b>REVENUES</b>					
Board of Appeals Fees	7,750	0	8,750	8,750	---
Common Ownership Community Fees	0	0	0	675,000	---
Health Inspection: Restaurants	(193)	0	0	0	---
Landlord-Tenant Fees	5,013,344	5,436,018	5,436,018	5,635,073	3.7 %

	Actual FY15	Budget FY16	Estimate FY16	REC FY17	%Chg Bud/Rec
Miscellaneous Revenues	7,673	20,000	20,000	20,000	---
Other Charges/Fees	10,601	16,450	7,700	24,379	48.2 %
Other Fines/Forfeitures	18,632	50,000	50,000	40,000	-20.0 %
<b>County General Fund Revenues</b>	<b>5,057,807</b>	<b>5,522,468</b>	<b>5,522,468</b>	<b>6,403,202</b>	<b>15.9 %</b>

## MONTGOMERY HOUSING INITIATIVE

### EXPENDITURES

Salaries and Wages	1,274,890	1,335,209	1,372,700	1,376,685	3.1 %
Employee Benefits	472,276	475,865	476,941	469,722	-1.3 %
<b>Montgomery Housing Initiative Personnel Costs</b>	<b>1,747,166</b>	<b>1,811,074</b>	<b>1,849,641</b>	<b>1,846,407</b>	<b>2.0 %</b>
Operating Expenses	27,661,802	25,787,697	28,663,691	29,079,075	12.8 %
Debt Service Other	65,630	63,480	63,480	0	-100.0 %
<b>Montgomery Housing Initiative Expenditures</b>	<b>29,474,598</b>	<b>27,662,251</b>	<b>30,576,812</b>	<b>30,925,482</b>	<b>11.8 %</b>

### PERSONNEL

Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	14.70	14.70	14.70	14.70	---

### REVENUES

Asset Management Fee	0	32,188	32,188	50,000	55.3 %
Commitment Fee	0	150,000	150,000	200,000	33.3 %
Investment Income	2,039,820	1,468,200	2,125,040	2,125,040	44.7 %
Land Sale Proceeds	0	0	2,451,020	0	---
Loan Payments	4,584,067	1,825,000	1,825,000	1,975,000	8.2 %
MHI Transfer Tax	56,217	800,000	800,000	225,000	-71.9 %
Miscellaneous Revenues	146,848	75,006	75,006	75,006	---
MPDU Revenues	1,623,181	1,400,000	1,400,000	1,250,000	-10.7 %
Other Financing Sources	65,630	63,480	63,480	61,280	-3.5 %
Recordation Tax	8,573,787	8,382,680	10,010,000	10,051,000	19.9 %
<b>Montgomery Housing Initiative Revenues</b>	<b>17,089,550</b>	<b>14,196,554</b>	<b>18,931,734</b>	<b>16,012,326</b>	<b>12.8 %</b>

## GRANT FUND - MCG

### EXPENDITURES

Salaries and Wages	1,541,809	1,593,154	1,593,154	1,564,832	-1.8 %
Employee Benefits	557,809	579,711	579,711	530,176	-8.5 %
<b>Grant Fund - MCG Personnel Costs</b>	<b>2,099,618</b>	<b>2,172,865</b>	<b>2,172,865</b>	<b>2,095,008</b>	<b>-3.6 %</b>
Operating Expenses	5,144,153	5,225,015	5,225,015	5,283,328	1.1 %
<b>Grant Fund - MCG Expenditures</b>	<b>7,243,771</b>	<b>7,397,880</b>	<b>7,397,880</b>	<b>7,378,336</b>	<b>-0.3 %</b>

### PERSONNEL

Full-Time	0	0	0	0	---
Part-Time	0	0	0	0	---
FTEs	24.00	24.00	24.00	24.00	---

### REVENUES

Federal Grants	5,478,311	5,541,028	5,783,128	5,783,128	4.4 %
Investment Income	196,060	0	0	0	---
Loan Payments	750,507	1,000,000	1,000,000	1,000,000	---
Other Charges/Fees	390	314,752	314,752	295,208	-6.2 %
Other Intergovernmental	383,101	0	0	0	---
State Grants	407,257	542,100	300,000	300,000	-44.7 %
<b>Grant Fund - MCG Revenues</b>	<b>7,215,626</b>	<b>7,397,880</b>	<b>7,397,880</b>	<b>7,378,336</b>	<b>-0.3 %</b>

## DEPARTMENT TOTALS

<b>Total Expenditures</b>	<b>41,747,955</b>	<b>40,614,238</b>	<b>43,427,636</b>	<b>44,183,222</b>	<b>8.8 %</b>
<b>Total Full-Time Positions</b>	<b>82</b>	<b>85</b>	<b>85</b>	<b>87</b>	<b>2.4 %</b>
<b>Total Part-Time Positions</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>---</b>
<b>Total FTEs</b>	<b>77.30</b>	<b>80.30</b>	<b>80.30</b>	<b>82.95</b>	<b>3.3 %</b>
<b>Total Revenues</b>	<b>29,362,983</b>	<b>27,116,902</b>	<b>31,852,082</b>	<b>29,793,864</b>	<b>9.9 %</b>



**COUNTY GENERAL FUND**

**FY16 ORIGINAL APPROPRIATION 5,554,107 41.60**

**Changes (with service impacts)**

Enhance: Common Ownership Communities - Outreach and Education [Common Ownership Community Program]	80,000	0.00
Enhance: Common Ownership Communities - Investigator III [Common Ownership Community Program]	75,010	1.00
Enhance: Common Ownership Communities - Information Technology Systems Development [Common Ownership Community Program]	75,000	0.00
Enhance: Common Ownership Communities - Office Services Coordinator [Common Ownership Community Program]	52,500	1.00

**Other Adjustments (with no service impacts)**

Shift: Common Ownership Communities Investigator III From the Office of Consumer Protection [Common Ownership Community Program]	190,089	1.00
Increase Cost: FY17 Compensation Adjustment	71,829	0.00
Increase Cost: Group Insurance Adjustment	24,437	0.00
Increase Cost: Increase Hours of Project Search Intern [Housing Administration]	12,600	0.25
Increase Cost: Annualization of FY16 Personnel Costs	12,584	0.40
Increase Cost: Printing and Mail [Licensing and Registration]	1,367	0.00
Decrease Cost: Motor Pool Adjustment [Housing Code Enforcement]	(10,220)	0.00
Shift: Telecommunications to the Telecommunications Non-Departmental Account	(34,760)	0.00
Decrease Cost: Retirement Adjustment	(45,566)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY16 [Housing Code Enforcement]	(77,220)	0.00
Decrease Cost: Annualization of FY16 Savings Plan Reduction - Code Enforcement [Housing Code Enforcement]	(102,353)	(1.00)

**FY17 RECOMMENDED 5,879,404 44.25**

**MONTGOMERY HOUSING INITIATIVE**

**FY16 ORIGINAL APPROPRIATION 27,662,251 14.70**

**Changes (with service impacts)**

Enhance: Rental Assistance Program Based on Additional Estimated Recordation Tax Allocation [Multi-Family Housing Programs]	1,668,320	0.00
Enhance: Affordable Housing Initiatives [Multi-Family Housing Programs]	1,445,190	0.00

**Other Adjustments (with no service impacts)**

Restore: Montgomery Housing Partnership (MHP) - Focused Neighborhood Assistance [Multi-Family Housing Programs]	120,000	0.00
Increase Cost: FY17 Compensation Adjustment	29,103	0.00
Increase Cost: Group Insurance Adjustment	9,063	0.00
Increase Cost: Annualization of FY16 Personnel Costs	7,200	0.00
Decrease Cost: Debt Service Other [Multi-Family Housing Programs]	(2,200)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Multi-Family Housing Programs]	(3,412)	0.00
Decrease Cost: Retirement Adjustment	(10,033)	0.00

**FY17 RECOMMENDED 30,925,482 14.70**

**GRANT FUND - MCG**

**FY16 ORIGINAL APPROPRIATION 7,397,880 24.00**

**Federal Programs**

Add: Community Development Block Grant: Asian Pacific American Legal Resource Center, Inc. - Legal Services for Asian Immigrants	45,000	0.00
Add: Community Development Block Grant: Interfaith Works, Inc. - Job Developer for Low-Income Residents	45,000	0.00
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless, Inc. - Home Builders Care Assessment Center (HBCAC) Housing Locator	45,000	0.00
Add: Community Development Block Grant: Rockville Economic Development, Inc. - Maryland Women's Business Center	45,000	0.00
Add: Community Development Block Grant: The ARC of Montgomery County, Inc. - Transitioning Youth Retail Project	45,000	0.00
Add: Community Development Block Grant: Ethiopian Community Center in Maryland, Inc. - Breast Cancer Awareness	45,000	0.00

	Expenditures	FTEs
Add: Community Development Block Grant: The National Center for Children and Families, Inc. - FutureBound Transitional Housing Program	45,000	0.00
Add: Community Development Block Grant: Diaspora Resources of Ethiopians in the America's Metropolises, Dream North American Corp. - Elderly Service Plus Center Project	44,997	0.00
Add: Community Development Block Grant: Diaspora Resources of Ethiopians in the America's Metropolises, Dream North American Corp. - Elderly Service Plus Center Project	44,951	0.00
Add: Community Development Block Grant: Baby's Bounty MC, Inc. - Health, Safety, & Wellness Newborn Bundles	39,519	0.00
Add: Community Development Block Grant: Greater Washington Boys & Girls Clubs, Inc. - Power Hour	38,655	0.00
Add: Community Development Block Grant: The Armand Center for Conflict Resolution, Inc. - Supervised Visitation	36,826	0.00
Add: Community Development Block Grant: Housing Opportunities Community Partners, Inc. - Kid's STEM Program	20,000	0.00
<b>Other Adjustments (with no service impacts)</b>		
Decrease Cost: Takoma Park / HOC Code Enforcement [Housing Code Enforcement]	(19,544)	0.00
Decrease Cost: Adjustment for Individual Grants [Grants Administration - Federal Programs]	(539,948)	0.00
<b>FY17 RECOMMENDED</b>	<b>7,378,336</b>	<b>24.00</b>

## Program Summary

Program Name	FY16 APPR		FY17 REC	
	Expenditures	FTEs	Expenditures	FTEs
Multi-Family Housing Programs	27,170,941	9.40	30,267,999	8.40
Affordable Housing Programs	823,409	9.50	838,961	9.50
Housing Code Enforcement	2,704,243	24.10	2,504,136	23.50
Grants Administration - Federal Programs	4,999,855	5.70	5,053,896	5.70
Landlord-Tenant Mediation	1,060,809	7.50	1,072,496	7.50
Neighborhood Revitalization	1,782,610	7.60	1,705,135	7.60
Licensing and Registration	439,988	3.00	365,475	2.40
Housing Administration	343,961	3.50	417,017	3.75
Administration	1,288,422	10.00	1,406,464	11.00
Common Ownership Community Program	0	0.00	551,643	3.60
<b>Total</b>	<b>40,614,238</b>	<b>80.30</b>	<b>44,183,222</b>	<b>82.95</b>

## Charges to Other Departments

Charged Department	Charged Fund	FY16		FY17	
		Total\$	FTEs	Total\$	FTEs
<b>COUNTY GENERAL FUND</b>					
Permitting Services	Permitting Services	120,076	1.00	120,308	1.00
Solid Waste Services	Solid Waste Disposal	740,234	5.50	755,303	5.50
CIP	Capital Fund	189,280	1.70	189,409	1.70
<b>Total</b>		<b>1,049,590</b>	<b>8.20</b>	<b>1,065,020</b>	<b>8.20</b>

## Future Fiscal Impacts

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY17 Recommended</b>	<b>5,879</b>	<b>5,879</b>	<b>5,879</b>	<b>5,879</b>	<b>5,879</b>	<b>5,879</b>
No inflation or compensation change is included in outyear projections.						
<b>Annualization of Positions Recommended in FY17</b>	<b>0</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>

Title	CE RECOMMENDED (\$000s)					
	FY17	FY18	FY19	FY20	FY21	FY22
New positions in the FY17 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears.						
<b>Elimination of One-Time Items Recommended in FY17</b>	<b>0</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>	<b>(70)</b>
Items recommended for one-time funding in FY17, including information technology development cost for CCOC, will be eliminated from the base in the outyears.						
<b>Labor Contracts</b>	<b>0</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>5,879</b>	<b>5,883</b>	<b>5,883</b>	<b>5,883</b>	<b>5,883</b>	<b>5,883</b>

## MONTGOMERY HOUSING INITIATIVE

### EXPENDITURES

<b>FY17 Recommended</b>	<b>30,925</b>	<b>30,925</b>	<b>30,925</b>	<b>30,925</b>	<b>30,925</b>	<b>30,925</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>30,925</b>	<b>30,940</b>	<b>30,940</b>	<b>30,940</b>	<b>30,940</b>	<b>30,940</b>

## Annualization of Personnel Costs and FTEs

	FY17 Recommended		FY18 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Common Ownership Communities - Office Services Coordinator	52,500	1.00	70,000	1.00
Common Ownership Communities - Investigator III	75,010	1.00	100,000	1.00
<b>Total</b>	<b>127,510</b>	<b>2.00</b>	<b>170,000</b>	<b>2.00</b>

FY17-22 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Montgomery Housing Initiative					
FISCAL PROJECTIONS	FY16 APPROVED	FY17 REC	FY18 PROJECTION	FY19 PROJECTION	FY20 PROJECTION	FY21 PROJECTION	FY22 PROJECTION
<b>ASSUMPTIONS</b>							
Indirect Cost Rate	15.98%	16.45%	16.45%	16.45%	16.45%	16.45%	16.45%
CPI (Fiscal Year)	2.0%	1.8%	2.3%	2.5%	2.7%	2.7%	2.7%
Investment Income Yield	0.65%	0.50%	1.00%	1.50%	2.50%	2.50%	3.00%
<b>BEGINNING FUND BALANCE</b>	<b>7,241,980</b>	<b>4,786,860</b>	<b>3,387,600</b>	<b>2,198,840</b>	<b>1,442,600</b>	<b>1,290,810</b>	<b>1,182,610</b>
<b>REVENUES</b>							
Taxes	9,182,680	10,276,000	10,628,000	11,165,000	11,447,000	12,329,000	13,168,500
Charges For Services	32,188	50,000	70,200	90,000	109,400	128,412	147,052
Miscellaneous	4,981,686	5,686,326	5,684,066	5,681,766	5,679,446	5,677,096	5,674,686
<b>Subtotal Revenues</b>	<b>14,196,554</b>	<b>16,012,326</b>	<b>16,382,266</b>	<b>16,936,766</b>	<b>17,235,846</b>	<b>18,134,508</b>	<b>18,990,238</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>							
Transfers To Debt Service Fund	(7,196,110)	(7,950,310)	(8,708,010)	(9,451,510)	(9,455,600)	(9,450,460)	(9,446,660)
MHI Property Acquisition	(7,196,110)	(7,950,310)	(8,708,010)	(9,451,510)	(9,455,600)	(9,450,460)	(9,446,660)
Transfers To The General Fund	(289,410)	(303,734)	(305,874)	(305,874)	(305,874)	(305,874)	(305,874)
Indirect Costs	(289,410)	(303,734)	(305,874)	(305,874)	(305,874)	(305,874)	(305,874)
Transfers From The General Fund	19,259,777	21,767,940	21,767,940	21,767,940	21,767,940	21,767,940	21,767,940
<b>TOTAL RESOURCES</b>	<b>33,212,791</b>	<b>34,313,082</b>	<b>32,523,922</b>	<b>31,146,162</b>	<b>30,684,912</b>	<b>31,436,924</b>	<b>32,188,254</b>
<b>CIP CURRENT REVENUE APPROP.</b>	<b>(2,275,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>							
Operating Budget	(3,313,781)	(3,345,702)	(3,345,702)	(3,345,702)	(3,345,702)	(3,345,702)	(3,345,702)
Debt Service: Other (Non-Tax Funds only)	(63,480)	(61,280)	(59,020)	(56,750)	(54,400)	(52,050)	(49,640)
Compensation Adjustment	n/a	0	(55,390)	(78,090)	(96,680)	(96,680)	(105,980)
Labor Agreement	n/a	0	(13,011)	(13,011)	(13,011)	(13,011)	(13,011)
Labor Contracts - Other	n/a	0	(1,802)	(1,802)	(1,802)	(1,802)	(1,802)
Rental Assistance Program (RAP)	(9,605,920)	(11,274,240)	(11,626,240)	(11,769,060)	(11,489,060)	(12,371,060)	(13,210,560)
Housing First	(8,043,955)	(8,043,955)	(8,043,955)	(8,043,955)	(8,043,955)	(8,043,955)	(8,043,955)
Neighborhoods to Call Home	(596,340)	(716,340)	(716,340)	(716,340)	(716,340)	(716,340)	(716,340)
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)
100,000 Homes	(437,120)	(437,120)	(437,120)	(437,120)	(437,120)	(437,120)	(437,120)
Zero:2016	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Affordable Housing Initiative	(2,721,145)	(4,166,335)	(3,145,992)	(2,361,222)	(2,315,522)	(2,296,084)	(2,264,454)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(27,662,251)</b>	<b>(30,925,482)</b>	<b>(30,325,082)</b>	<b>(29,703,562)</b>	<b>(29,394,102)</b>	<b>(30,254,314)</b>	<b>(31,069,074)</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(29,937,251)</b>	<b>(30,925,482)</b>	<b>(30,325,082)</b>	<b>(29,703,562)</b>	<b>(29,394,102)</b>	<b>(30,254,314)</b>	<b>(31,069,074)</b>
<b>YEAR END FUND BALANCE</b>	<b>3,275,540</b>	<b>3,387,600</b>	<b>2,164,360</b>	<b>1,335,300</b>	<b>1,068,240</b>	<b>801,180</b>	<b>534,120</b>
<b>Total Use of Resources</b>	<b>(29,937,251)</b>	<b>(30,925,482)</b>	<b>(30,325,082)</b>	<b>(29,703,562)</b>	<b>(29,394,102)</b>	<b>(30,254,314)</b>	<b>(31,069,074)</b>
<b>Affordable Housing and Acquisition and Preservation CIP Project #P760100</b>	<b>(14,725,000)</b>	<b>(16,000,000)</b>	<b>(17,000,000)</b>	<b>(3,464,400)</b>	<b>(5,014,400)</b>	<b>(4,625,900)</b>	<b>(1,628,418)</b>
<b>TOTAL INVESTMENT IN AFFORDABLE HOUSING (MHI Fund + CIP Project)</b>	<b>(44,662,251)</b>	<b>(46,925,482)</b>	<b>(47,325,082)</b>	<b>(33,167,962)</b>	<b>(34,408,502)</b>	<b>(34,880,214)</b>	<b>(32,697,492)</b>

**Assumptions:**

- Maintains the County Executive's commitment to affordable housing. In addition to expenditures reflected in this fund, the Affordable Housing Acquisition and Preservation CIP Project #P760100 includes the issuance of \$13.4 million of debt in FY17 in addition to \$2.6 million in estimated loan repayments in FY17 to provide continued high level of support for the Housing Initiative Fund Property Acquisition Revolving Program created in FY09.
- The amount shown in the Fiscal Plan for the Affordable Housing Acquisition and Preservation CIP project in FY16 is different from the PDF by \$2,275,000. This is because that amount is already included in the Total Use of Resources in the MHI fund.
- Montgomery County Council Resolution #15-110 provides for an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) of \$16.1 million or the equivalent to 2.5 percent of actual General Fund property taxes from two years prior to the upcoming fiscal year, whichever is greater, for the purpose of maintaining and expanding the supply of affordable housing. 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 Support Summary**  
(000's)

	2008	2009	2010	2011	2012	2013	2014	2015	2016 Approved	2017 Recommended	Total Funding	Non-County Dollars Leveraged	Creation/ Preservation of Affordable Housing Unit 2008-2016	Projected FY17 Creation/ Preservation of Affordable Housing Units
<b>Actual Operating Budget Expenditures: FY2008-2014, FY15 Approved Budget, and FY16 Rec.</b>														
MHI Fund														
Operating Budget	33,715	23,083	27,266	16,450	13,890	21,021	24,312	27,658	27,662	30,925	245,984			
Debt Service (int. only)			1,572	2,183	2,454		2,930	3,646	3,566 *	3,740	20,091			
<b>Total MHI Operating Budget</b>	<b>33,715</b>	<b>23,083</b>	<b>27,266</b>	<b>18,023</b>	<b>16,073</b>	<b>23,475</b>	<b>27,242</b>	<b>31,304</b>	<b>31,228</b>	<b>34,665</b>	<b>266,075</b>			
<b>Other General Fund Affordable Housing Support</b>														
HHS Housing Programs (General Fund)			9,588	10,442	9,642	9,549	10,169	11,823	11,612	11,393	84,218	19,454	13	2
HOC NDA	5,731	6,141	6,136	5,804	5,514	5,583	6,093	6,376	6,401	6,513	60,294			
<b>Total Other General Fund Support</b>	<b>5,731</b>	<b>6,141</b>	<b>15,724</b>	<b>16,246</b>	<b>15,156</b>	<b>15,132</b>	<b>16,263</b>	<b>18,199</b>	<b>18,013</b>	<b>17,906</b>	<b>144,511</b>			
<b>Total Operating Budget</b>	<b>39,446</b>	<b>29,224</b>	<b>42,990</b>	<b>34,269</b>	<b>31,229</b>	<b>38,607</b>	<b>43,505</b>	<b>49,503</b>	<b>49,242</b>	<b>52,572</b>	<b>410,586</b>	<b>19,454</b>	<b>13</b>	<b>2</b>
<b>Funding Sources: Programed Funding Thru FY13, FY14, FY15 and FY16 Rec. Affordable Housing Acquisition and Preservation Project (CIP)</b>														
MHI				2,500					2,275		4,775			
HIF Revolving Loan Program				73,310	19,410	7,280			13,409		113,409			
Loan Repayment Proceeds				9,701	7,280	6,670			2,460		28,702			
G.O. Bonds						2,000			7,725		9,725			
Recordation Tax Premium									4,540		4,540			
<b>Total CIP</b>				<b>85,511</b>	<b>26,690</b>	<b>15,950</b>		<b>17,000</b>	<b>16,000</b>	<b>177,151</b>	<b>927,182</b>	<b>25</b>	<b>7</b>	<b>8</b>
<b>Other Affordable Housing Support</b>														
PILOTS (Payments in lieu of Taxes Non- HOC)	6,252	6,581	7,944	7,986	8,022	8,514	9,677	10,305 *	12,804 **	13,700	91,784			
Sub Total Affordable Housing											679,521			
HOC (PILOTS)	7,205	8,095	8,625	8,213	8,266	8,496	9,312	9,345	9,015 **	9,500	86,073			
DGS - Discounted Land Value								29,542		8,282	37,823			
<b>Total Affordable Housing Support</b>											<b>803,417</b>	<b>946,636</b>	<b>40</b>	<b>18</b>
* Estimated Debt Service interest for FY17 ** Estimated PILOT value for FY16 and FY17 PILOT Cap														

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