



Housing and Community Affairs

APPROVED FY20 BUDGET

\$58,760,909

FULL TIME EQUIVALENTS

100.70

 TIM GOETZINGER, ACTING DIRECTOR

MISSION STATEMENT

The mission of the Department of Housing and Community Affairs (DHCA) is to 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 approved FY20 Operating Budget for the Department of Housing and Community Affairs is \$58,760,909, an increase of \$7,196,170 or 13.96 percent from the FY19 Approved Budget of \$51,564,739. Personnel Costs comprise 19.92 percent of the budget for 106 full-time position(s) and one part-time position(s), and a total of 100.70 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 80.08 percent of the FY20 budget.

DHCA expects the total signed agreements for affordable housing projects through the PILOT program to abate \$18.2 million in taxes in FY20.

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

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

-  **A More Affordable and Welcoming Community**
-  **A Greener County**
-  **Effective, Sustainable 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 FY19 estimates reflect funding based on the FY19

Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Approved Budget and funding for comparable service levels in FY21.

INITIATIVES

- ★ Invest \$68.05 million in affordable housing, including an additional \$4.77 million loan repayments reallocated in FY19 and \$22 million in FY20 for the Affordable Housing Acquisition and Preservation CIP project. This increases dedicated funding 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.
- ★ Provide new resources to support tenant advocacy and eviction prevention, increase housing code staffing, provide outreach and education activities related to community policing and housing code enforcement workshops for tenants and landlords, and innovate code enforcement technology improvements to enhance and streamline the housing code inspections process.
- ★ Provide new resources to enhance housing code enforcement efforts on single-family rental homes and accessory apartment units.
- ★ Continue to protect lower-income residents of the Route 29/Castle Boulevard corridor from rent increases by working with nonprofits to identify and preserve at-risk, naturally-occurring affordable housing (NOAH) and actively engaging purchasers with Rental Agreements to preserve affordable rents.
- ★ Continue to actively underwrite affordable housing loans to preserve and produce affordable housing. Seven developments including two senior and five family projects, have already been identified for consideration. These developments would preserve or produce 1,500 total and 700 affordable units.
- ★ Expand neighborhood revitalization activities to additional low-moderate income areas throughout the County. Identify and study new possible residential and commercial target areas.
- ★ Modernize the Moderately Priced Dwelling Unit (MPDU) Program. Features will include a refreshed website, new MPDU Pricing Standards, better collaboration with partners, streamlined sale and resale offering procedures, and improved realtor compliance with sales requirements.
- ★ Collaborate with Health and Human Services (HHS) and the Housing Opportunities Commission (HOC) to provide rental assistance programs to the residents who need it the most. Approximately 3,300 households were assisted in FY19 and over 3,500 are projected to be assisted in FY20. A renewed focus will be on eviction prevention, including targeted assistance and financial literacy seminars in areas experiencing high evictions.
- ★ Manage funding from Federal grants (i.e., 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.

ACCOMPLISHMENTS

- ☑ Closed 22 multifamily loans providing \$103.7 million in county support which will preserve or produce 3,254 total units of which 1,982 units will be affordable. Investments included ten senior housing developments, nine multifamily housing developments for families, two special needs projects, and one distressed community project.
- ☑ Launched the Montgomery County Homeowner Energy Efficiency Program. Administered by Habitat Metro Maryland, this program provides free energy-efficiency upgrades to eligible residents.
- ☑ Continued providing downpayment and closing cost assistance through the Montgomery Homeownership Program. This partnership with the State helps to make the dream of homeownership a reality.

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- ✔ Partnered with Department of Permitting Services and nonprofits to create a new "Design for Life" program providing visitability and accessibility grants for lower-income seniors and families.
 - ✔ Awarded a State Community Legacy grant to help fund the Kimberly Place Balcony Replacement and Drainage Improvement project.
 - ✔ Improved Common Ownership Community (COC) Program operations. Updated Decisions and Orders (D&O) manual and created a searchable database for all D&O's, rolled out new website, streamlined and automated the complaint process and updated the mandatory Director Training creating new training modules on insurance and risk management, compliance and legal obligations.
 - ✔ Completed the first comprehensive revisions to the MPDU law and Executive Regulation since 2004.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ✦ Deployed a new Internet-facing affordable housing search application called 'Rental Guide.' The Rental Guide leverages the most recent web application development standards providing users with an intuitive and efficient interface. The application emphasizes speed, accuracy, and responsiveness.
- ✦ Completed the Housing Inspection iOS app. The app is designed to speed the inspection process to support and integrate seamlessly with Code Enforcement's case management system.
- ✦ Developed a new case management system (CMS) for the Office of Landlord-Tenant Affairs and the Office of Common Ownership Communities (COC) providing a rich set of productivity-enhancing features, more robust data validation, an exhaustive collection of reports, and integration with other DHCA core systems such as Licensing and Registration and Code Enforcement.
- ✦ Created a fully digitized COC program by utilizing the new COC CMS and new eReaders that are loaded with all applicable COC guides, training materials, laws and regulations. Monthly meeting packets and cases files are downloaded to the eReaders. This furthers the County's goal of promoting environmental and fiscal stewardship by reducing printing/production costs and ensuring that all members have everything needed in one place.
- ✦ Committed to using cloud-based services in accordance to the County's own vision. The Department is already leveraging the County's Azure file storage instance. DHCA-IT is also exploring Amazon Web Services (AWS) Elastic Cloud to support its application development activities.

COLLABORATION AND PARTNERSHIPS

- ✦ Rental Assistance
 - Utilize resources from the MHI fund to support rental assistance programs in DHCA, HHS, and the HOC. Over 3,500 households are projected to be assisted in FY20.
 - Partners
 - Department of Health and Human Services, Housing Opportunities Commission
- ✦ State & Federal Agencies
 - DHCA works closely with the Maryland Department of Housing and Community Development; the Maryland Department of Labor, Licensing, and Regulation; the Maryland-National Capital Park and Planning Commission; the U. S. Department of

Housing and Urban Development; and other regulatory agencies regarding a variety of housing-related issues.

* Agreement Between DEP (Solid Waste) and DHCA (Housing Code Enforcement)

This agreement states that DHCA is responsible for the enforcement of laws, rules, and regulations governing storage of solid waste and recyclable materials located on residential property in Montgomery County, other than that which has been placed at the curb for collections. It is estimated that 150 tons of trash was removed as a result of the clean and lien program and the Alternative Community Service (ACS) concentrated neighborhood efforts of litter removal from bi-weekly collection of street debris in targeted neighborhoods and streets.

Partners

Department of Environmental Protection

* Delegation of Enforcement Authority and MOU between DPS and DHCA

Through this agreement, inspectors from either department can cite violations of either Chapter 26 or Chapter 59, eliminating the need for duplicative and unnecessary inspections. This is a more efficient use of staff resources and enhances customer service by minimizing the confusion inherent in requiring the involvement of both departments to resolve a single complaint.

Partners

Department of Permitting Services

* Code Enforcement Task Force Initiative

Participate in an informal Code Enforcement Task Force initiative established by the County Police, Community Policing Division to address severe violations requiring a joint effort to gain compliance.

Partners

Department of Police

* Montgomery College, HHS, Community Partners

Landlord Tenant Affairs worked with the Department's Senior Fellow to conduct workshops regarding seniors and their unique housing issues and to develop a course regarding management in senior buildings that is currently being taught at Montgomery College in Rockville, in partnership with Montgomery County HHS, Montgomery College, and our community partners.

Partners

Department of Health and Human Services, Montgomery College, Non-Profits

* Health and Human Services

The MPDU program is finalizing procedures with HHS to give priority for rental MPDUs to persons exiting homelessness, and is working to increase the number of nonprofit organizations signing MPDU master leases to serve lower income households.

Partners

Department of Health and Human Services

PROGRAM CONTACTS

Contact Tim Goetzinger of the Department of Housing and Community Affairs at 240.777.3728 or Pofen Salem of the Office of Management and Budget at 240.777.2773 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 HOC, 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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Total affordable housing units preserved ¹	2,951	4,390	4,900	4,750	4,950
Total affordable housing units produced	1,724	1,525	1,616	1,538	1,277
Cost per unit of affordable housing units produced	24,127	33,603	33,536	28,118	25,425
Cost per unit of affordable housing units preserved	4,255	5,035	13,566	7,264	7,325

¹ Preservation increases projected in FY18-20 due to increases in MHI rental assistance funding.

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	34,588,014	6.90
Increase Cost: Affordable Housing Initiative	3,380,752	0.00
Re-align: Rental Assistance Program (Estimated Increase in Recordation Tax Premium Revenue)	2,121,420	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.	(65,376)	0.00
FY20 Approved	40,024,810	6.90

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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Number of housing units improved/rehabilitated ¹	7	3	120	120	120

¹ Projected increases beginning FY20 are the result operating a new local weatherization program.

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	852,235	8.50
Enhance: Provide Funding to Support Two Unfunded Full-time Positions for Implementation of MPDU Amendments	135,540	2.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(62,693)	0.00
FY20 Approved	925,082	10.50

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; 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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written	96	96.5	96.5	96.5	96.5
Number of housing code enforcement repeat offenses: More than 2 cases in a 2 year period	109	84	90	85	80

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	3,679,627	35.50
Enhance: Increase Single Family/Accessory Apartment Licensing Fees for Three Code Enforcement Inspectors	233,595	3.00
Enhance: Funding for Two Vacant Lapsed Housing Code Inspector Positions	144,450	0.00
Add: Enhance the Housing Code Inspections Delivery System and Routing	100,000	0.00
Increase Cost: Motor Pool Adjustment	29,709	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.	153,098	0.00
FY20 Approved	4,340,479	38.50

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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Number of contracts awarded and monitored	40	42	42	42	42

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	5,791,605	5.70
Add: Adjustment to Grant Amounts - Increased Loan Repayments	1,000,000	0.00
Add: Community Development Block Grant: CASA de Maryland, Inc. - Bilingual Volunteer Income Tax Assistance Program	45,000	0.00
Add: Community Development Block Grant: Legal Aid Bureau, Inc. - General Operating Support for Montgomery County Maryland Legal Aid	45,000	0.00
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless, Inc. - Assessment Center Employment Specialist	45,000	0.00
Add: Community Development Block Grant: Montgomery Housing Partnership, Inc. - Long Branch Middle School Afterschool Program	45,000	0.00
Add: Community Development Block Grant: Per Scholas, Inc. - NCR IT Job Training	45,000	0.00
Add: Community Development block Grant: The Ethiopian Community Center, Inc. - African Immigrant Workforce Development Program	45,000	0.00
Add: Community Development Block Grant: Interfaith Works, Inc. (IW) - Community Engagement and Volunteer Coordinator for IW's Clothing Center	44,503	0.00
Add: Community Development Block Grant: Latin American Youth Center, Inc. - Workforce Training for Re-entry Youth	44,452	0.00
Add: Community Development Block Grant: Interfaith Works, Inc. - Resource Coordinator for IW Connections	40,543	0.00
Add: Community Development Block Grant: Mobile Medical Care, Inc. - New Family Planning Options for Low-Income Women	37,500	0.00
Add: Community Development Block Grant: A Wider Circle, Inc. - Workforce Development Program	34,103	0.00
Add: Community Development Block Grant: NAMI Montgomery County (MD), Inc. - Mental Health Programs for Low-Income Latino Residents	30,000	0.00
Add: Community Development Block Grant: Boys & Girls Clubs of Greater Washington, Inc. - STEAM Program for Montgomery County Youth	26,696	0.00
Add: Community Development Block Grant: Community Ministries of Rockville, Inc. - REAP: Rockville Emergency Assistance Program	23,852	0.00
Add: Community Development Block Grant: Bethesda Cares - Housing Stabilization and Dynamic Retention	18,000	0.00
Add: Community Development Block Grant: The Shepherd's Table, Inc. - Food Services Program	15,351	0.00
Add: Community Development Block Grant: Horizons Greater Washington, Inc. - Horizons Academic Program	15,000	0.00
Decrease Cost: HOC Housing Quality Standard Inspections	(81,315)	0.00
Eliminate: DOE Weatherization Program	(300,000)	0.00

FY20 Approved Changes	Expenditures	FTEs
Decrease Cost: Adjustment for Individual Grants	(600,000)	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.	(78,013)	0.00
FY20 Approved	6,332,277	5.70

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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Percent of landlord/tenant cases mediated successfully (not referred to the Commission)	98	99	98	98	98
Average length of time required to conciliate landlord/tenant disputes that do not go to the Landlord Tenant Commission: Single-family disputes (workdays)	50	50	50	50	50
Average length of time required to conciliate landlord/tenant disputes that do not go to the Landlord Tenant Commission: Multi-family disputes (workdays)	42	40	40	40	40

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	1,063,541	8.00
Enhance: Provide Funds to Expand Tenant Advocacy and Support Services	218,000	0.00
Add: Tenant Advocacy Services	102,647	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.	42,169	0.00
FY20 Approved	1,426,357	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.

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	1,875,081	8.60
Shift: Two Unfunded Positions to be Funded by the MHI for Implementation of MPDU Amendments	0	(2.00)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(4,614)	0.00
FY20 Approved	1,870,467	6.60

Licensing and Registration

This program issues licenses to all rental housing (apartments, condominiums, and single-family) and registers all housing units

within common ownership communities.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Number of rental licenses issued	101,810	103,831	105,600	107,475	109,100

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	442,765	3.20
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	13,061	0.00
FY20 Approved	455,826	3.20

Note(s): 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.

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	627,618	3.55
Increase Cost: Provide Funding for Conversion of an Office Clerk Position from Part-time to Full-time	14,500	0.25
Decrease Cost: Miscellaneous Operating Expenses	(102,647)	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.	(42,746)	0.15
FY20 Approved	496,725	3.95

Administration

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

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	1,989,376	13.35
Increase Cost: Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position	93,190	(0.15)
Increase Cost: Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position	79,770	0.15
Add: Enhance Tenant-Landlord Outreach and Educational Activities	74,365	0.00
Decrease Cost: Operating Expenses to Offset Personnel Cost Increase	(93,190)	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.	49,851	(0.15)
FY20 Approved	2,193,362	13.20

☀ 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 FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing ¹	77	45	50	55	60

¹ CCOC moved from the Office of Consumer Protection to the Department of Housing and Community Affairs in FY17.

FY20 Approved Changes	Expenditures	FTEs
FY19 Approved	654,877	4.15
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	40,647	0.00
FY20 Approved	695,524	4.15

Note(s): In FY19, DHCA charges staff oversight (\$85,185, 0.55 FTE) to the Common Ownership Community Program.

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Approved FY20	%Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,472,999	4,593,905	4,619,483	5,118,117	11.4 %
Employee Benefits	1,601,091	1,665,449	1,635,119	1,885,472	13.2 %
County General Fund Personnel Costs	6,074,090	6,259,354	6,254,602	7,003,589	11.9 %
Operating Expenses	840,756	1,260,056	1,168,851	1,399,519	11.1 %
Capital Outlay	5,155	0	0	0	—
County General Fund Expenditures	6,920,001	7,519,410	7,423,453	8,403,108	11.8 %
PERSONNEL					
Full-Time	101	102	102	106	3.9 %
Part-Time	3	2	2	1	-50.0 %
FTEs	59.25	59.25	59.25	62.65	5.7 %
REVENUES					
Board of Appeals Fees	4,875	9,000	9,000	6,000	-33.3 %
Common Ownership Community Fees	711,065	685,125	685,125	715,000	4.4 %
Landlord-Tenant Fees	5,794,643	6,418,250	6,418,250	6,278,180	-2.2 %
Miscellaneous Revenues	(16,465)	20,000	20,000	6,500	-67.5 %
Other Charges/Fees	7,203	104,300	104,300	75,600	-27.5 %
Other Fines/Forfeitures	29,145	40,000	40,000	40,000	—

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Approved FY20	%Chg Bud/App
Other Licenses/Permits	0	0	0	813,420	—
County General Fund Revenues	6,530,466	7,276,675	7,276,675	7,934,700	9.0 %

MONTGOMERY HOUSING INITIATIVE

EXPENDITURES

Salaries and Wages	1,438,848	1,513,163	1,354,556	1,700,781	12.4 %
Employee Benefits	468,656	522,722	460,563	616,499	17.9 %
Montgomery Housing Initiative Personnel Costs	1,907,504	2,035,885	1,815,119	2,317,280	13.8 %
Operating Expenses	36,997,699	33,553,905	35,642,126	38,966,297	16.1 %
Debt Service Other	59,021	0	56,750	0	—
Montgomery Housing Initiative Expenditures	38,964,224	35,589,790	37,513,995	41,283,577	16.0 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	14.70	15.20	15.20	17.05	12.2 %

REVENUES

Asset Management Fee	34,842	70,200	70,200	70,200	—
Commitment Fee	0	200,000	200,000	200,000	—
Investment Income	2,841,976	3,010,190	2,595,950	2,765,250	-8.1 %
Loan Payments	1,515,876	2,375,000	2,375,000	2,700,000	13.7 %
MHI Transfer Tax	24	225,000	225,000	100,000	-55.6 %
Miscellaneous Revenues	6,433	75,006	75,006	75,006	—
MPDU Alternative Payments	0	0	0	360,000	—
MPDU Revenues	3,366,178	1,250,000	1,250,000	1,250,000	—
Other Financing Sources	16,021	56,750	56,750	56,750	—
Recordation Tax	12,936,278	14,246,142	16,170,347	16,367,562	14.9 %
Montgomery Housing Initiative Revenues	20,717,628	21,508,288	23,018,253	23,944,768	11.3 %

GRANT FUND - MCG

EXPENDITURES

Salaries and Wages	1,535,656	1,722,307	1,722,307	1,778,599	3.3 %
Employee Benefits	533,414	561,218	561,218	603,863	7.6 %
Grant Fund - MCG Personnel Costs	2,069,070	2,283,525	2,283,525	2,382,462	4.3 %
Operating Expenses	7,255,396	6,172,014	6,172,014	6,691,762	8.4 %
Grant Fund - MCG Expenditures	9,324,466	8,455,539	8,455,539	9,074,224	7.3 %

PERSONNEL

Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
FTEs	23.00	23.00	23.00	21.00	-8.7 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Approved FY20	%Chg Bud/App
REVENUES					
Federal Grants	7,278,096	6,816,697	6,816,697	6,816,697	—
Investment Income	395,471	0	0	0	—
Loan Payments	793,490	1,000,000	1,000,000	2,000,000	100.0 %
Miscellaneous Revenues	54,140	0	0	0	—
Other Charges/Fees	480	0	0	0	—
Other Intergovernmental	180,301	338,842	338,842	257,527	-24.0 %
State Grants	37,425	300,000	300,000	0	-100.0 %
Grant Fund - MCG Revenues	8,739,403	8,455,539	8,455,539	9,074,224	7.3 %
DEPARTMENT TOTALS					
Total Expenditures	55,208,691	51,564,739	53,392,987	58,760,909	14.0 %
Total Full-Time Positions	101	102	102	106	3.9 %
Total Part-Time Positions	3	2	2	1	-50.0 %
Total FTEs	96.95	97.45	97.45	100.70	3.3 %
Total Revenues	35,987,497	37,240,502	38,750,467	40,953,692	10.0 %

FY20 APPROVED CHANGES

	FY19 ORIGINAL APPROPRIATION	Expenditures	FTEs
COUNTY GENERAL FUND	7,519,410		59.25
<u>Changes (with service impacts)</u>			
Enhance: Increase Single Family/Accessory Apartment Licensing Fees for Three Code Enforcement Inspectors [Housing Code Enforcement]		233,595	3.00
Enhance: Provide Funds to Expand Tenant Advocacy and Support Services [Landlord-Tenant Mediation]		218,000	0.00
Enhance: Funding for Two Vacant Lapsed Housing Code Inspector Positions [Housing Code Enforcement]		144,450	0.00
Add: Tenant Advocacy Services [Landlord-Tenant Mediation]		102,647	0.00
Add: Enhance the Housing Code Inspections Delivery System and Routing [Housing Code Enforcement]		100,000	0.00
Add: Enhance Tenant-Landlord Outreach and Educational Activities [Administration]		74,365	0.00
<u>Other Adjustments (with no service impacts)</u>			
Increase Cost: FY20 Compensation Adjustment		207,927	0.00
Increase Cost: Annualization of FY19 Personnel Costs		96,512	0.00
Increase Cost: Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position [Administration]		79,770	0.15
Increase Cost: Motor Pool Adjustment [Housing Code Enforcement]		29,709	0.00
Increase Cost: Provide Funding for Conversion of an Office Clerk Position from Part-time to Full-time [Housing Administration]		14,500	0.25
Increase Cost: Retirement Adjustment		6,251	0.00
Decrease Cost: Savings from Turnover		(14,500)	0.00

FY20 APPROVED CHANGES

	Expenditures	FTEs
Decrease Cost: Elimination of One-Time Items Approved in FY19	(32,300)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Housing Administration]	(102,647)	0.00
Decrease Cost: Lapse Position	(125,277)	0.00
Decrease Cost: Operating Expenses	(149,304)	0.00
FY20 APPROVED	8,403,108	62.65

MONTGOMERY HOUSING INITIATIVE

	FY19 ORIGINAL APPROPRIATION	35,589,790	15.20
<u>Changes (with service impacts)</u>			
Enhance: Provide Funding to Support Two Unfunded Full-time Positions for Implementation of MPDU Amendments [Affordable Housing Programs]	135,540		2.00
<u>Other Adjustments (with no service impacts)</u>			
Increase Cost: Affordable Housing Initiative [Multi-Family Housing Programs]	3,380,752		0.00
Re-align: Rental Assistance Program (Estimated Increase in Recordation Tax Premium Revenue) [Multi-Family Housing Programs]	2,121,420		0.00
Increase Cost: Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position [Administration]	93,190		(0.15)
Increase Cost: FY20 Compensation Adjustment	49,545		0.00
Increase Cost: Annualization of FY19 Personnel Costs	4,865		0.00
Increase Cost: Retirement Adjustment	1,665		0.00
Decrease Cost: Operating Expenses to Offset Personnel Cost Increase [Administration]	(93,190)		0.00
FY20 APPROVED	41,283,577		17.05

GRANT FUND - MCG

	FY19 ORIGINAL APPROPRIATION	8,455,539	23.00
<u>Federal/State Programs</u>			
Add: Adjustment to Grant Amounts - Increased Loan Repayments	1,000,000		0.00
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless, Inc. - Assessment Center Employment Specialist	45,000		0.00
Add: Community Development Block Grant: Montgomery Housing Partnership, Inc. - Long Branch Middle School Afterschool Program	45,000		0.00
Add: Community Development Block Grant: Per Scholas, Inc. - NCR IT Job Training	45,000		0.00
Add: Community Development Block Grant: CASA de Maryland, Inc. - Bilingual Volunteer Income Tax Assistance Program	45,000		0.00
Add: Community Development block Grant: The Ethiopian Community Center, Inc. - African Immigrant Workforce Development Program	45,000		0.00
Add: Community Development Block Grant: Legal Aid Bureau, Inc. - General Operating Support for Montgomery County Maryland Legal Aid	45,000		0.00
Add: Community Development Block Grant: Interfaith Works, Inc. (IW) - Community Engagement and Volunteer Coordinator for IW's Clothing Center	44,503		0.00

FY20 APPROVED CHANGES

	Expenditures	FTEs
Add: Community Development Block Grant: Latin American Youth Center, Inc. - Workforce Training for Re-entry Youth	44,452	0.00
Add: Community Development Block Grant: Interfaith Works, Inc. - Resource Coordinator for IW Connections	40,543	0.00
Add: Community Development Block Grant: Mobile Medical Care, Inc. - New Family Planning Options for Low-Income Women	37,500	0.00
Add: Community Development Block Grant: A Wider Circle, Inc. - Workforce Development Program	34,103	0.00
Add: Community Development Block Grant: NAMI Montgomery County (MD), Inc. - Mental Health Programs for Low-Income Latino Residents	30,000	0.00
Add: Community Development Block Grant: Boys & Girls Clubs of Greater Washington, Inc. - STEAM Program for Montgomery County Youth	26,696	0.00
Add: Community Development Block Grant: Community Ministries of Rockville, Inc. - REAP: Rockville Emergency Assistance Program	23,852	0.00
Add: Community Development Block Grant: Bethesda Cares - Housing Stabilization and Dynamic Retention	18,000	0.00
Add: Community Development Block Grant: The Shepherd's Table, Inc. - Food Services Program	15,351	0.00
Add: Community Development Block Grant: Horizons Greater Washington, Inc. - Horizons Academic Program	15,000	0.00
Eliminate: DOE Weatherization Program	(300,000)	0.00
Other Adjustments (with no service impacts)		
Shift: Two Unfunded Positions to be Funded by the MHI for Implementation of MPDU Amendments [Neighborhood Revitalization]	0	(2.00)
Decrease Cost: HOC Housing Quality Standard Inspections [Grants Administration - Federal Programs]	(81,315)	0.00
Decrease Cost: Adjustment for Individual Grants [Grants Administration - Federal Programs]	(600,000)	0.00
FY20 APPROVED	9,074,224	21.00

PROGRAM SUMMARY

Program Name	FY19 APPR Expenditures	FY19 APPR FTEs	FY20 APPR Expenditures	FY20 APPR FTEs
Multi-Family Housing Programs	34,588,014	6.90	40,024,810	6.90
Affordable Housing Programs	852,235	8.50	925,082	10.50
Housing Code Enforcement	3,679,627	35.50	4,340,479	38.50
Grants Administration - Federal Programs	5,791,605	5.70	6,332,277	5.70
Landlord-Tenant Mediation	1,063,541	8.00	1,426,357	8.00
Neighborhood Revitalization	1,875,081	8.60	1,870,467	6.60
Licensing and Registration	442,765	3.20	455,826	3.20
Housing Administration	627,618	3.55	496,725	3.95
Administration	1,989,376	13.35	2,193,362	13.20
Common Ownership Community Program	654,877	4.15	695,524	4.15
Total	51,564,739	97.45	58,760,909	100.70

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY19 Total\$	FY19 FTEs	FY20 Total\$	FY20 FTEs
COUNTY GENERAL FUND					
Permitting Services	Permitting Services	123,982	1.00	128,103	1.00
Solid Waste Services	Solid Waste Disposal	811,530	5.50	831,165	5.50
CIP	Capital Fund	187,834	1.70	193,668	1.70
Total		1,123,346	8.20	1,152,936	8.20

FUTURE FISCAL IMPACTS

CC APPROVED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
COUNTY GENERAL FUND						
EXPENDITURES						
FY20 Approved	8,403	8,403	8,403	8,403	8,403	8,403
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Approved in FY20	0	148	148	148	148	148
New positions in the FY20 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.						
Elimination of One-Time Items Approved in FY20	0	(14)	(14)	(14)	(14)	(14)
Items recommended for one-time funding in FY20, including personal laptops and mobile phones, will be eliminated from the base in the outyears.						
Labor Contracts	0	73	73	73	73	73
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	8,403	8,610	8,610	8,610	8,610	8,610
MONTGOMERY HOUSING INITIATIVE						
EXPENDITURES						
FY20 Approved	41,284	41,284	41,284	41,284	41,284	41,284
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Approved in FY20	0	66	66	66	66	66
New positions in the FY20 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.						
Elimination of One-Time Items Approved in FY20	0	(24)	(24)	(24)	(24)	(24)
Items recommended for one-time funding in FY20, including (fill in major item names based on your Competition List), will be eliminated from the base in the outyears.						
Labor Contracts	0	12	12	12	12	12
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	41,284	41,338	41,338	41,338	41,338	41,338

ANNUALIZATION OF PERSONNEL COSTS AND FTES

	FY20 Approved		FY21 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Enhance Tenant-Landlord Outreach and Educational Activities	72,660	0.00	96,880	0.00
Funding for Two Vacant Lapsed Housing Code Inspector Positions	123,730	0.00	164,973	0.00
Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position	74,190	0.15	94,501	0.15
Provide Funding to Support Two Unfunded Full-time Positions for Implementation of MPDU Amendments	132,130	2.00	176,170	2.00
Reclassify Vacant Position to Support Creation of the Deputy Director/Chief Operation Officer Position	93,190	(0.15)	115,499	(0.15)
Increase Single Family/Accessory Apartment Licensing Fees for Three Code Enforcement Inspectors	185,595	3.00	247,461	3.00
Total	681,495	5.00	895,484	5.00