



Housing and Community Affairs

APPROVED FY24 BUDGET

\$76,759,542

FULL TIME EQUIVALENTS

106.20

 SCOTT BRUTON, DIRECTOR

MISSION STATEMENT

The Department of Housing and Community Affairs (DHCA) works to preserve and increase the supply of affordable housing; maintain existing housing in a safe and sanitary condition; preserve the safety and quality of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; and support the success of common ownership communities - all with a focus on reducing racial inequities and climate change impacts.


BUDGET OVERVIEW

The total approved FY24 Operating Budget for the Department of Housing and Community Affairs is \$76,759,542, an increase of \$8,311,057 or 12.14 percent from the FY23 Approved Budget of \$68,448,485. Personnel Costs comprise 18.42 percent of the budget for 112 full-time position(s) and no part-time position(s), and a total of 106.20 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 81.58 percent of the FY24 budget.


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 Greener County**
-  **An Affordable, Welcoming County for a Lifetime**
-  **Effective, Sustainable Government**

INITIATIVES

-  Provide \$97.2 million for affordable housing, including \$65.2 million in the Montgomery Housing Initiative (MHI) Fund and \$32 million in the Affordable Housing Acquisition and Preservation CIP project. This dedicated funding provides for the renovation of distressed housing, the acquisition and preservation of affordable housing units, creation of housing units for special needs residents, rental assistance and rapid rehousing, homeowner downpayment assistance, services to the "Building

Neighborhoods to Call Home", "Design for Life", and "Housing First" programs, and the creation of mixed-income housing.

- ★ Add one Housing Code Inspector and one Investigator to enhance DHCA's operations and service delivery related to housing code enforcement and landlord-tenant mediation to support increasing demand and provide more effective services.
- ★ Allocate \$30.2 million from loan repayments to the Preservation of Naturally Occurring Affordable Housing Fund to continue housing preservation efforts in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors.
- ★ Continue to actively underwrite affordable housing loans to preserve and produce affordable housing. Three developments for multi-family projects have already been identified for potential funding in FY24. These developments would preserve or produce a total of 590 units, including 412 affordable units.
- ★ Provide additional resources to support rental assistance and rental agreements implemented by the Department of Health and Human Services and DHCA with the estimated \$7.6 million in recordation tax premium generated from Bill 17-23.
- ★ Collaborate with the Department of Health and Human Services (HHS), and the Housing Opportunities Commission (HOC) to provide rental assistance programs to the County's most vulnerable residents. Funding supports lower-income residents by offsetting rent increases and preserving affordable rents.
- ★ Continue funding the "Design for Life" Program to provide for accessibility upgrades in single-family residences.
- ★ Provide additional resources to offset discontinued Federal funds for tenants to access legal assistance, counseling, and education services.
- ★ Provide funding to develop a "Faith-Based Housing Development Initiative" pilot project by working with mission-aligned houses of worship to increase the supply of affordable housing for low- and moderate-income households and advance racial equity in the County.
- ★ Continue funding support in the Homeowner Assistance Program for downpayment assistance to first-time homebuyers, including full-time career employees of Montgomery County and Montgomery County Public Schools, to help make homebuying more affordable in the County.
- ★ Continue to apply for and receive Federal grants, including the 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.

INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

- ★ DHCA's Moderately Priced Dwelling Unit (MPDU) program is the first mandatory inclusionary zoning law program in the United States. As of FY22, there are approximately 4,000 units under control in the MPDU program, split between rental and individually owned homeownership MPDUs. During FY22, the MPDU program oversaw the construction of 249 new MPDUs built and offered either for sale (122 units) or for rent (127 units) in Montgomery County.
- ★ DHCA's Multifamily Housing Development Team successfully closed eight residential real estate transactions in FY22. Montgomery County provided more than \$22 million towards these developments. Across Montgomery County, these real estate projects preserved, rehabilitated and/or produced 516 units of affordable rental housing, at an average cost of \$42,800 per unit.
- ★ The Code Enforcement team completes an average of 28,000 site visits and 10,000 service requests annually. Due to departmental COVID-19 protocols and other complications associated with the pandemic, site visits and service requests declined in FY21. During FY22, when nearly all COVID-19 protocols were lifted, the Division returned to its pre-pandemic productivity where 28,185 site visits and 10,221 service requests were completed.

- Historically, DHCA has maintained a contract with the City of Takoma Park to inspect the City's residential rental facilities and units. This agreement, which began in 2003, was put in place to ensure the protection of the health, welfare and safety of persons residing in over six hundred rental facilities and 3,700 rental units within the City of Takoma Park. A new contract was ratified in early FY23.
- The Focused Neighborhood Assistance (FNA) program provides financial and technical assistance to select neighborhoods to improve the quality of life, safety, and welfare of their residents. Construction is currently underway for the Grover's Forge, Center Stage, Walker's Choice and The Hamptons neighborhoods of Montgomery Village. Construction activities are also underway for the Montclair Manor community of Silver Spring and the Wedgewood drainage and site improvement project. All of these communities will benefit from site improvements and new lighting throughout their neighborhoods.

PROGRAM CONTACTS

Contact Pofen Salem of the Department of Housing and Community Affairs at 240.777.3728 or Anita Aryeetey of the Office of Management and Budget at 240.777.2784 for more information regarding this department's operating budget.

PROGRAM 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 FY23 estimates reflect funding based on the FY23 Approved Budget. The FY24 and FY25 figures are performance targets based on the FY24 Approved Budget and funding for comparable service levels in FY25.

PROGRAM DESCRIPTIONS

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.

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Asset Management - Loan repayments billed / received	\$16,761,478	\$47,141,999	\$48,556,259	\$50,012,947	\$51,513,335
Department MC311 Service Requests (SR)	19,328	22,909	23,596	24,304	25,033
Department MC311 Service Request success rate	91.2%	89.8%	92.5%	95.3%	98.2%
NACo Awards earned	2	1	1	1	1

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	2,331,339	13.80
Add: Recordation Tax Premium Generated from Bill 17-23	7,606,000	0.00
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	118,321	0.90
Technical Adj: Realign Budget by Shifting Expenditures between Personnel Costs and Operating Expenses	115,155	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	48,242	0.00
Add: Ayuda - Domestic Violence & Family Law Survivors Program	45,000	0.00
Add: Community Clinic, Inc. - Increasing Breastfeeding Access for Low-Income Women	45,000	0.00

FY24 Approved Changes	Expenditures	FTEs
Add: Collegiate Directions - Career Mentoring Initiative	45,000	0.00
Add: Community Bridges - College Access and Success Program for Girls	45,000	0.00
Add: EveryMind - Friendly Visitor and Rep Payee Case Management Services	45,000	0.00
Add: Foods and Friends - Improving the Lives and Health of the Most Vulnerable by Improving Food Delivery and Reducing Food Insecurity	45,000	0.00
Add: Montgomery County Coalition for the Homeless, Inc. - Rapid Exit Specialist	45,000	0.00
Add: Community Reach of Montgomery County - Rockville Emergency Assistance Program (REAP)	44,963	0.00
Add: Community Clinic, Inc. - Food as Medicine: CCI's Teaching Kitchen	40,928	0.00
Add: Community FarmShare - Expanding Culturally Valued Fresh Produce Access to at Risk Residents	37,000	0.00
Add: Horizon Greater Washington Inc. Summer Program	35,000	0.00
Add: Digital Bridge USA - Technology Training Community	34,109	0.00
Add: Arts for the Aging - Health Equity Through the Participatory Arts	30,000	0.00
Add: Ethiopian Community Center - Education and Youth Development	25,572	0.00
Add: Mobile Medical Care - Keeping Focused on Diabetic Eye Health	24,065	0.00
Add: Germantown Cultural Arts Center, Inc. - Beyond BlackRock: Positive Youth Development Arts Outreach Programming	22,428	0.00
Add: Community Reach of Montgomery County - Cancer Prevention and Screening and Hypertension Management in the Mansfield Kaseman Health Clinic	20,935	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts	16,981	0.00
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	0	(0.90)
Re-align: One-time Budget Adjustment to Reflect Higher than Expected Vacant Positions	(5,486)	0.00
Decrease Cost: Miscellaneous Operating Expenses	(14,941)	0.00
Decrease Cost: Community Development Block Grant (CDBG) Adjustments	(630,000)	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.	(7,680,059)	(0.10)
FY24 Approved	2,535,552	13.70

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 housing programs provide funding to replace and rehabilitate single-family housing units, and provide energy efficiency solutions and savings. Also, this program is responsible for the Work Force Housing Program.

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Affordable Housing Program - Number of MC311 Service Requests	1,170	1,780	1,500	1,200	1,236
Affordable Housing Program - Percent of MC311 Service Requests meeting service length agreement	99.3%	97.0%	100.0%	100.0%	100.0%
Number of affordable housing units produced and available for occupancy (at no cost to the County)	264	249	300	300	300
Number of housing units improved/rehabilitated ¹	118	24	28	0	0

¹ The single-family housing units improved or rehabilitated are implemented through the Weatherization Program, funded by the Merger Funds which is limited and expected to be exhausted by the end of FY23. DHCA does not expect any funding to be remaining in FY24.

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	925,856	7.50
Enhance: Design for Life Program	300,000	0.00
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	170,825	1.50
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	0	(1.50)
Decrease Cost: Miscellaneous Operating Expenses	(1,000)	0.00
Shift: Senior Planning Specialist Position from the Affordable Housing Program to the Multi-family Program to Support Operational Needs	(110,155)	(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.	(147,507)	0.00
FY24 Approved	1,138,019	6.50

☀ Common Ownership Community Program

The Common Ownership Community (COC) 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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
COC Program Customer Service - Number of MC311 Service Requests	675	802	745	750	773
COC Program Customer Service - Percent of MC311 Service Requests meeting service length agreement	99.7%	99.5%	99.0%	99.0%	100.0%
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing	42.0%	58.0%	40.0%	45.0%	46.4%

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	905,190	6.15
Decrease Cost: Miscellaneous Operating Expenses and Professional Education/Training	(23,500)	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.	129,642	0.00
FY24 Approved	1,011,332	6.15

☀ 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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
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Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Number of contracts awarded and monitored	25	22	23	24	25
Funding awarded to CDBG public service contracts	\$591,067	\$630,000	\$625,000	\$630,000	\$648,900
CDBG public service contract compliance rate	100%	100%	100%	100%	100%
CDBG public service contract non-housing beneficiaries ¹	\$8,250	\$23,220	\$6,277	\$6,000	\$6,180

¹ DHCA partners with the Community Development Advisory Committee, which provides funding recommendations for public service contracts. The beneficiaries of these contracts fluctuate annually based on the type of services provided.

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	8,741,200	6.70
Technical Adj: Realign Budget Allocation Between PC and OE to Meet the Estimated Grant Amount	178,282	0.00
Increase Cost: Emergency Solutions Grant Operating Expenses	4,119	0.00
Increase Cost: Takoma Park Code Enforcement Contract	3,569	0.00
Decrease Cost: Miscellaneous Operating Expenses	(1,000)	0.00
Decrease Cost: Home Investment Partnership Program (HOME) Grant Operating Expenses	(282,255)	0.00
Decrease Cost: Community Development Block Grant (CDBG) Operating Expenses	(732,797)	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.	1,435,859	0.00
FY24 Approved	9,346,977	6.70

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.

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Affordable housing units produced in the production pipeline	313	961	793	817	841
Number of affordable housing units in the preservation pipeline	558	521	849	903	930
Cost per unit of affordable housing units preserved	\$8,623	\$10,050	\$13,516	\$9,194	\$9,470
Cost per unit of affordable housing units produced ¹	\$56,284	\$45,744	\$87,804	\$89,522	\$92,208
Percent of affordable units created or preserved serving households under 50% AMI ²	30.0%	33.0%	25.0%	25.0%	25.0%

¹ Average cost per unit fluctuates with the type of project financed.

² DHCA's underwriting criteria was recently updated to reflect a goal of providing a certain attainable and consistent level of affordable housing for very low income households.

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	399,229	3.95
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	61,621	0.40
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	0	(0.40)
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(17,359)	0.00
FY24 Approved	443,491	3.95

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	Actual	Estimated	Target	Target
	FY21	FY22	FY23	FY24	FY25
Number of Housing Code Enforcement inspections	27,031	28,185	29,000	30,000	30,900
Housing Code Enforcement Program Customer Service - Number of MC311 Service Requests	6,428	10,220	10,000	10,000	10,300
Housing Code Enforcement Program Customer Service - Percent of MC311 Service Requests meeting service length agreement	74.3%	76.4%	77.0%	78.0%	79.31%
Code Enforcement - Number of violations per unit	1.67	2.12	2.12	2.12	2.18
Code Enforcement - Average severity of violations per unit	1.5	2.6	2.6	2.6	2.7

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	4,768,248	38.50
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	99,058	1.00
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	0	(1.00)
Decrease Cost: Miscellaneous Operating Expenses	(9,500)	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.	596,392	1.00
FY24 Approved	5,454,198	39.50

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	Actual	Estimated	Target	Target
	FY21	FY22	FY23	FY24	FY25
Number of Landlord Tenant mediations	610	845	900	925	953
Landlord Tenant Affairs Program - Number of MC311 Service Requests	7,049	7,783	7,800	8,000	8,240
Landlord Tenant Affairs Program - Percent of MC311 Service Requests meeting service length agreement	99.7%	99.7%	99.7%	99.7%	99.7%
Percent of landlord/tenant cases mediated successfully (not referred to the Commission)	97.2%	97.0%	97.0%	97.0%	97.0%
Number of evictions prevented due to Landlord & Tenant Affairs' intervention	450	153	250	290	299

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	1,487,910	9.00
Replace: Discounted Federal Funding to Continue Service Delivery for Tenant Outreach, Education, and Counseling	389,400	0.00
Add: One Investigator III Position to Comply with County Mandates	92,200	1.00
Increase Cost: Implement Bill 26-22 for Radon Testing and Mitigation	58,940	0.00
Decrease Cost: Miscellaneous Operating Expenses	(1,500)	0.00

FY24 Approved Changes	Expenditures	FTEs
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(16,664)	0.00
FY24 Approved	2,010,286	10.00

☀️ 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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Licensing and Registration Program - Number of MC311 Service Requests	3,426	4,211	4,337	4,467	4,601
Licensing and Registration Program - Percent of MC311 Service Requests meeting service length agreement	99.9%	99.9%	99.0%	100.0%	100.0%
Number of rental licenses issued	107,626	110,421	113,733	117,145	120,659

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	470,853	3.20
Add: One Program Specialist II Position (Licensing and Registration) to Increase Outreach and Revenue Collections	80,280	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.	(64,208)	(1.00)
FY24 Approved	486,925	3.20

☀️ 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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Number of affordable housing units preserved and available for occupancy (County funded)	6,197	6,454	6,003	6,256	6,444
Number of affordable housing units produced and available for occupancy (County funded) ¹	650	379	299	327	955

Program Performance Measures	Actual FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Ratio of non-County dollars leveraged to County dollars in affordable housing projects	4.38	7.05	5.18	5.18	5.34
Total affordable housing units produced	1,640	1,654	1,405	1,249	1,286
Total affordable housing units preserved	7,129	6,755	6,852	7,159	7,374

¹ Out year projections may fluctuate based on current pipeline activity and certain assumptions on preservation / production strategies.

FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	46,541,710	7.90
Increase Cost: Operating Expenses to Reflect Adjustments to the General Fund Transfer to Housing Initiative Fund (HIF)	3,525,389	0.00
Increase Cost: Housing Opportunities Commission (HOC) Production Fund Contribution to the Housing Initiative Fund (HIF)	2,131,875	0.00
Increase Cost: Operating Expenses to Reflect Adjusted Investment Income Estimates	590,300	0.00
Increase Cost: Realign Budget by Shifting Expenditures between Personnel Costs and Operating Expenses	394,524	0.00
Shift: Senior Planning Specialist Position to Support Multifamily Housing Program Operations	110,155	1.00
Increase Cost: Adjustment Other Revenue Sources in the Housing Initiative Fund (HIF)	7,280	0.00
Decrease Cost: Miscellaneous Operating Expenses	(1,000)	0.00
Decrease Cost: Operating Expenses for Affordable Housing Projects Based on Reduced Land Sale Proceeds Contributions to the Housing Initiative Fund (HIF)	(1,500,000)	0.00
Decrease Cost: Operating Expenses to Reflect the Debt Service Transfer for the Housing Capital Improvements Program (CIP) and the Housing Opportunities (HOC) Production Fund	(2,644,600)	0.00
Decrease Cost: Rental Assistance Program Due to Decreased Recordation Tax Premium Estimates	(3,236,787)	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.	7,014,990	0.00
FY24 Approved	52,933,836	8.90

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 FY21	Actual FY22	Estimated FY23	Target FY24	Target FY25
Focused Neighborhood Assistance Activity (expenditures) ¹	\$335,287	\$198,276	\$962,039	\$100,000	\$800,000
Facade Program - Private dollars leveraged	\$0	\$0	\$150,000	\$719,000	\$792,000
Focused Neighborhood Assistance Active projects	3	3	1	3	4
Focused Neighborhood Assistance beneficiaries ²	1,400	1,565	1,500	11,892	11,892
Facade Program - Number of businesses benefited	0	0	6	12	12

¹ FY23 activities include three active projects (Montclair Manor, Montgomery Village, and Wedgewood Projects). FY24-25 assumes construction activity for the two phased Long Branch Streetscape and Pedestrian Linkages Projects.

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FY24 Approved Changes	Expenditures	FTEs
FY23 Approved	1,876,950	7.50

FY24 Approved Changes	Expenditures	FTEs
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	153,337	1.30
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	92,431	0.60
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements	0	(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.	(723,792)	0.10
FY24 Approved	1,398,926	7.60

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Approved FY24	%Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	5,673,863	6,072,291	5,899,589	6,858,762	13.0 %
Employee Benefits	1,688,269	1,680,888	1,631,498	1,935,550	15.2 %
County General Fund Personnel Costs	7,362,132	7,753,179	7,531,087	8,794,312	13.4 %
Operating Expenses	1,999,377	1,751,387	1,750,958	1,831,406	4.6 %
County General Fund Expenditures	9,361,509	9,504,566	9,282,045	10,625,718	11.8 %
PERSONNEL					
Full-Time	107	110	110	112	1.8 %
Part-Time	0	0	0	0	—
FTEs	62.65	65.65	65.65	69.25	5.5 %
REVENUES					
Landlord-Tenant Fees	7,328,326	7,592,500	7,240,000	7,487,350	-1.4 %
Common Ownership Community Fees	717,625	792,500	802,850	1,024,705	29.3 %
Other Charges/Fees	(12,265)	74,350	64,000	41,500	-44.2 %
Other Fines/Forfeitures	78,376	40,000	40,000	9,000	-77.5 %
Miscellaneous Revenues	(19,872)	6,500	6,500	6,500	—
Board of Appeals Fees	(3,544)	8,000	8,000	0	-100.0 %
Other Licenses/Permits	0	492,000	2,000	3,000	-99.4 %
Fire Code Enforcement Permits	0	60,000	60,000	0	-100.0 %
County General Fund Revenues	8,088,646	9,065,850	8,223,350	8,572,055	-5.4 %

MONTGOMERY HOUSING INITIATIVE

EXPENDITURES					
Salaries and Wages	1,318,473	1,988,499	1,477,406	2,455,037	23.5 %
Employee Benefits	369,471	507,794	361,688	626,902	23.5 %
Montgomery Housing Initiative Personnel Costs	1,687,944	2,496,293	1,839,094	3,081,939	23.5 %
Operating Expenses	40,195,853	46,594,130	45,218,077	54,205,753	16.3 %
Montgomery Housing Initiative Expenditures	41,883,797	49,090,423	47,057,171	57,287,692	16.7 %
PERSONNEL					

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Approved FY24	%Chg Bud/App
Full-Time	0	1	1	1	—
Part-Time	0	0	0	0	—
FTEs	17.05	18.05	18.05	22.15	22.7 %
REVENUES					
Land Sale Proceeds	0	1,500,000	9,839,671	0	-100.0 %
Commitment Fee	0	200,000	200,000	200,000	—
Asset Management Fee	0	70,200	70,200	70,200	—
MHI Transfer Tax	0	100,000	120,689	100,000	—
Recordation Tax	27,898,441	19,510,377	18,014,231	23,879,590	22.4 %
Loan Payments	574,252	3,300,000	2,784,476	3,300,000	—
Miscellaneous Revenues	661,242	75,006	94,708	75,006	—
MPDU Revenues	2,797,573	1,970,000	1,000,000	1,970,000	—
Other Financing Sources	6,643	47,230	47,230	54,510	15.4 %
Investment Income	5,009,877	3,453,280	1,227,134	4,043,580	17.1 %
Other Charges and Fees	95,100	0	7,290	0	—
MPDU Alternative Payments	0	360,000	360,000	360,000	—
HOC Contributions	0	2,846,875	2,846,875	4,978,750	74.9 %
Montgomery Housing Initiative Revenues	37,043,128	33,432,968	36,612,504	39,031,636	16.7 %

GRANT FUND - MCG

EXPENDITURES

Salaries and Wages	1,262,949	1,932,732	1,932,732	1,869,393	-3.3 %
Employee Benefits	187,937	507,051	507,051	392,108	-22.7 %
Grant Fund - MCG Personnel Costs	1,450,886	2,439,783	2,439,783	2,261,501	-7.3 %
Operating Expenses	15,127,964	7,413,713	7,413,713	6,584,631	-11.2 %
Capital Outlay	5,544,089	0	0	0	—
Grant Fund - MCG Expenditures	22,122,939	9,853,496	9,853,496	8,846,132	-10.2 %

PERSONNEL

Full-Time	0	(1)	(1)	(1)	—
Part-Time	0	0	0	0	—
FTEs	21.50	20.50	20.50	14.80	-27.8 %

REVENUES

Miscellaneous Revenues	172,954	0	0	0	—
Federal Grants	19,449,342	7,571,762	7,571,762	6,930,829	-8.5 %
Other Intergovernmental	58,755	281,734	281,734	285,303	1.3 %
State Grants	471	0	0	630,000	—
Loan Payments	0	2,000,000	2,000,000	1,000,000	-50.0 %
Investment Income	19,634	0	0	0	—
Grant Fund - MCG Revenues	19,701,156	9,853,496	9,853,496	8,846,132	-10.2 %

BUDGET SUMMARY

	Actual FY22	Budget FY23	Estimate FY23	Approved FY24	%Chg Bud/App
DEPARTMENT TOTALS					
Total Expenditures	73,368,245	68,448,485	66,192,712	76,759,542	12.1 %
Total Full-Time Positions	107	110	110	112	1.8 %
Total Part-Time Positions	0	0	0	0	—
Total FTEs	101.20	104.20	104.20	106.20	1.9 %
Total Revenues	64,832,930	52,352,314	54,689,350	56,449,823	7.8 %

FY24 APPROVED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY23 ORIGINAL APPROPRIATION	9,504,566	65.65
<u>Changes (with service impacts)</u>		
Add: One Investigator III Position to Comply with County Mandates [Landlord-Tenant Mediation]	92,200	1.00
Add: One Program Specialist II Position (Licensing and Registration) to Increase Outreach and Revenue Collections [Licensing and Registration]	80,280	1.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY24 Compensation Adjustment	335,391	0.00
Increase Cost: Annualization of FY23 Compensation Increases	319,817	0.00
Increase Cost: Annualization of FY23 Lapsed Positions	219,337	0.00
Technical Adj: Realign Budget by Shifting Expenditures between Personnel Costs and Operating Expenses [Administration]	115,155	0.00
Shift: Senior Planning Specialist Position to Support Multifamily Housing Program Operations [Multi-Family Housing Programs]	110,155	1.00
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Housing Code Enforcement]	99,058	1.00
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Neighborhood Revitalization]	92,431	0.60
Increase Cost: Implement Bill 26-22 for Radon Testing and Mitigation [Landlord-Tenant Mediation]	58,940	0.00
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration]	16,981	0.00
Increase Cost: Printing and Mail	4,064	0.00
Decrease Cost: Miscellaneous Operating Expenses [Grants Administration - Federal Programs]	(1,000)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Affordable Housing Programs]	(1,000)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Multi-Family Housing Programs]	(1,000)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Landlord-Tenant Mediation]	(1,500)	0.00
Re-align: One-time Budget Adjustment to Reflect Higher than Expected Vacant Positions [Administration]	(5,486)	0.00
Decrease Cost: Retirement Adjustment	(7,440)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Housing Code Enforcement]	(9,500)	0.00
Decrease Cost: Miscellaneous Operating Expenses [Administration]	(14,941)	0.00

FY24 APPROVED CHANGES

	Expenditures	FTEs
Decrease Cost: Miscellaneous Operating Expenses and Professional Education/Training [Common Ownership Community Program]	(23,500)	0.00
Decrease Cost: Motor Pool Adjustment	(73,040)	0.00
Shift: Senior Planning Specialist Position from the Affordable Housing Program to the Multi-family Program to Support Operational Needs [Affordable Housing Programs]	(110,155)	(1.00)
Decrease Cost: Annualization of FY23 Personnel Costs	(174,095)	0.00
FY24 APPROVED	10,625,718	69.25

MONTGOMERY HOUSING INITIATIVE

FY23 ORIGINAL APPROPRIATION	49,090,423	18.05
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Changes (with service impacts)

Add: Recordation Tax Premium Generated from Bill 17-23 [Administration]	7,606,000	0.00
Enhance: Design for Life Program [Affordable Housing Programs]	300,000	0.00

Other Adjustments (with no service impacts)

Increase Cost: Operating Expenses to Reflect Adjustments to the General Fund Transfer to Housing Initiative Fund (HIF) [Multi-Family Housing Programs]	3,525,389	0.00
Increase Cost: Housing Opportunities Commission (HOC) Production Fund Contribution to the Housing Initiative Fund (HIF) [Multi-Family Housing Programs]	2,131,875	0.00
Increase Cost: Operating Expenses to Reflect Adjusted Investment Income Estimates [Multi-Family Housing Programs]	590,300	0.00
Increase Cost: Realign Budget by Shifting Expenditures between Personnel Costs and Operating Expenses [Multi-Family Housing Programs]	394,524	0.00
Replace: Discounted Federal Funding to Continue Service Delivery for Tenant Outreach, Education, and Counseling [Landlord-Tenant Mediation]	389,400	0.00
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Affordable Housing Programs]	170,825	1.50
Shift: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Neighborhood Revitalization]	153,337	1.30
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Administration]	118,321	0.90
Increase Cost: Annualization of FY23 Lapsed Positions	101,042	0.00
Increase Cost: FY24 Compensation Adjustment	84,095	0.00
Increase Cost: Annualization of FY23 Compensation Increases	83,894	0.00
Replace: Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Housing Administration]	61,621	0.40
Increase Cost: Three Percent Inflationary Adjustment to Non-Profit Service Provider Contracts [Administration]	48,242	0.00
Increase Cost: Adjustment Other Revenue Sources in the Housing Initiative Fund (HIF) [Multi-Family Housing Programs]	7,280	0.00
Decrease Cost: Retirement Adjustment	(2,965)	0.00
Decrease Cost: Annualization of FY23 Personnel Costs	(184,524)	0.00
Decrease Cost: Operating Expenses for Affordable Housing Projects Based on Reduced Land Sale Proceeds Contributions to the Housing Initiative Fund (HIF) [Multi-Family Housing Programs]	(1,500,000)	0.00

FY24 APPROVED CHANGES

	Expenditures	FTEs
Decrease Cost: Operating Expenses to Reflect the Debt Service Transfer for the Housing Capital Improvements Program (CIP) and the Housing Opportunities (HOC) Production Fund [Multi-Family Housing Programs]	(2,644,600)	0.00
Decrease Cost: Rental Assistance Program Due to Decreased Recordation Tax Premium Estimates [Multi-Family Housing Programs]	(3,236,787)	0.00
FY24 APPROVED	57,287,692	22.15
GRANT FUND - MCG		
	FY23 ORIGINAL APPROPRIATION	9,853,496 20.50
<u>Federal/State Programs</u>		
Add: Ayuda - Domestic Violence & Family Law Survivors Program	45,000	0.00
Add: Community Clinic, Inc. - Increasing Breastfeeding Access for Low-Income Women	45,000	0.00
Add: Collegiate Directions - Career Mentoring Initiative	45,000	0.00
Add: Community Bridges - College Access and Success Program for Girls	45,000	0.00
Add: EveryMind - Friendly Visitor and Rep Payee Case Management Services	45,000	0.00
Add: Foods and Friends - Improving the Lives and Health of the Most Vulnerable by Improving Food Delivery and Reducing Food Insecurity	45,000	0.00
Add: Montgomery County Coalition for the Homeless, Inc. - Rapid Exit Specialist	45,000	0.00
Add: Community Reach of Montgomery County - Rockville Emergency Assistance Program (REAP)	44,963	0.00
Add: Community Clinic, Inc. - Food as Medicine: CCI's Teaching Kitchen	40,928	0.00
Add: Community FarmShare - Expanding Culturally Valued Fresh Produce Access to at Risk Residents	37,000	0.00
Add: Horizon Greater Washington Inc. Summer Program	35,000	0.00
Add: Digital Bridge USA - Technology Training Community	34,109	0.00
Add: Arts for the Aging - Health Equity Through the Participatory Arts	30,000	0.00
Add: Ethiopian Community Center - Education and Youth Development	25,572	0.00
Add: Mobile Medical Care - Keeping Focused on Diabetic Eye Health	24,065	0.00
Add: Germantown Cultural Arts Center, Inc. - Beyond BlackRock: Positive Youth Development Arts Outreach Programming	22,428	0.00
Add: Community Reach of Montgomery County - Cancer Prevention and Screening and Hypertension Management in the Mansfield Kaseman Health Clinic	20,935	0.00
<u>Other Adjustments (with no service impacts)</u>		
Technical Adj: Realign Budget Allocation Between PC and OE to Meet the Estimated Grant Amount [Grants Administration - Federal Programs]	178,282	0.00
Increase Cost: Emergency Solutions Grant Operating Expenses [Grants Administration - Federal Programs]	4,119	0.00
Increase Cost: Takoma Park Code Enforcement Contract [Grants Administration - Federal Programs]	3,569	0.00
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Affordable Housing Programs]	0	(1.50)
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Housing Code Enforcement]	0	(1.00)
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Neighborhood Revitalization]	0	(1.90)

FY24 APPROVED CHANGES

	Expenditures	FTEs
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Housing Administration]	0	(0.40)
Replace: Shift Grant Funded Positions to Be Funded with County Resources to Meet Federal Requirements [Administration]	0	(0.90)
Decrease Cost: Annualization of FY23 Personnel Costs	(178,282)	0.00
Decrease Cost: Home Investment Partnership Program (HOME) Grant Operating Expenses [Grants Administration - Federal Programs]	(282,255)	0.00
Decrease Cost: Community Development Block Grant (CDBG) Adjustments [Administration]	(630,000)	0.00
Decrease Cost: Community Development Block Grant (CDBG) Operating Expenses [Grants Administration - Federal Programs]	(732,797)	0.00
FY24 APPROVED	8,846,132	14.80

PROGRAM SUMMARY

Program Name	FY23 APPR Expenditures	FY23 APPR FTEs	FY24 APPR Expenditures	FY24 APPR FTEs
Administration	2,331,339	13.80	2,535,552	13.70
Affordable Housing Programs	925,856	7.50	1,138,019	6.50
Common Ownership Community Program	905,190	6.15	1,011,332	6.15
Grants Administration - Federal Programs	8,741,200	6.70	9,346,977	6.70
Housing Administration	399,229	3.95	443,491	3.95
Housing Code Enforcement	4,768,248	38.50	5,454,198	39.50
Landlord-Tenant Mediation	1,487,910	9.00	2,010,286	10.00
Licensing and Registration	470,853	3.20	486,925	3.20
Multi-Family Housing Programs	46,541,710	7.90	52,933,836	8.90
Neighborhood Revitalization	1,876,950	7.50	1,398,926	7.60
Total	68,448,485	104.20	76,759,542	106.20

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY23 Total\$	FY23 FTEs	FY24 Total\$	FY24 FTEs
COUNTY GENERAL FUND					
Permitting Services	Permitting Services	108,638	1.00	118,842	1.00
Recycling and Resource Management	Solid Waste Disposal	707,264	5.50	776,562	5.50
CIP	Capital Fund	165,915	1.70	179,460	1.70
Total		981,817	8.20	1,074,864	8.20

FUNDING PARAMETER ITEMS

CC APPROVED (\$000S)

Title	FY24	FY25	FY26	FY27	FY28	FY29
COUNTY GENERAL FUND						
EXPENDITURES						
FY24 Approved	10,626	10,626	10,626	10,626	10,626	10,626
No inflation or compensation change is included in outyear projections.						
Annualization of Positions Approved in FY24	0	212	212	212	212	212
New positions in the FY24 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 FY24	0	(43)	(43)	(43)	(43)	(43)
Items recommended for one-time funding in FY24, including (operating budget expenses associated with new hires, including office equipment and vehicles, and a one-time lapse reduction), will be eliminated from the base in the outyears.						
Labor Contracts	0	312	312	312	312	312
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Restoration of One-Time Items Approved in FY24	0	5	5	5	5	5
Restoration of one-time budget adjustment to reflect higher than expected vacant positions.						
Subtotal Expenditures	10,626	11,112	11,112	11,112	11,112	11,112

MONTGOMERY HOUSING INITIATIVE

EXPENDITURES						
FY24 Approved	57,288	57,288	57,288	57,288	57,288	57,288
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	86	86	86	86	86
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	57,288	57,374	57,374	57,374	57,374	57,374

ANNUALIZATION OF FULL PERSONNEL COSTS

	FY24 Approved		FY25 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
One Program Specialist II Position (Licensing and Registration) to Increase Outreach and Revenue Collections	75,100	1.00	175,226	1.00
One Investigator III Position to Comply with County Mandates	87,020	1.00	198,844	1.00
Total	162,120	2.00	374,070	2.00

FY24-29 PUBLIC SERVICES PROGRAM: FISCAL PLAN **Montgomery Housing Initiative**

FISCAL PROJECTIONS	FY23 APPROVED	FY23 ESTIMATE	FY24 CC APPROVED	FY25 PROJECTION	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION	FY29 PROJECTION
ASSUMPTIONS								
Indirect Cost Rate	18.35%	18.35%	17.96%	17.96%	17.96%	17.96%	17.96%	17.96%
CPI (Fiscal Year)	3.0%	6.8%	2.11%	1.8%	2.2%	2.3%	2.4%	2.5%
Investment Income Yield	1.2%	3.0%	4.25%	3.0%	3.0%	3.0%	2.5%	2.5%
BEGINNING FUND BALANCE	12,747,400	47,422,860	15,555,321	2,910,300	2,134,300	1,334,899	511,298	164,697
REVENUES								
Taxes	19,610,377	18,134,920	23,979,590	17,035,642	17,134,946	18,032,213	18,945,292	20,165,327
Charges For Services	70,200	77,490	70,200	71,443	73,008	74,709	76,472	78,346
Miscellaneous	13,752,391	18,400,094	14,981,846	13,738,046	13,738,046	13,738,046	13,278,246	13,294,256
Subtotal Revenues	33,432,968	36,612,504	39,031,636	30,845,131	30,946,000	31,844,968	32,300,010	33,537,929
INTERFUND TRANSFERS (Net Non-CIP)								
Transfers To Debt Service Fund	(19,262,000)	(19,262,000)	(19,155,600)	(22,490,720)	(26,693,590)	(29,742,400)	(29,741,500)	(29,743,400)
MHI HOC Housing Opportunity Fund	(7,073,200)	(7,073,200)	(5,771,000)	(7,069,500)	(7,072,100)	(7,070,300)	(7,068,800)	(7,072,900)
MHI Property Acquisition	(12,188,800)	(12,188,800)	(13,384,600)	(15,421,220)	(19,621,490)	(22,672,100)	(22,672,700)	(22,670,500)
Transfers To The General Fund	(458,070)	(458,070)	(553,516)	(553,516)	(553,516)	(553,516)	(553,516)	(553,516)
Indirect Costs	(458,070)	(458,070)	(553,516)	(553,516)	(553,516)	(553,516)	(553,516)	(553,516)
Transfers From The General Fund	30,182,949	30,182,949	33,257,439	33,257,439	33,257,439	33,257,439	33,257,439	33,257,439
General Fund	30,182,949	30,182,949	33,257,439	33,257,439	33,257,439	33,257,439	33,257,439	33,257,439
TOTAL RESOURCES	56,643,247	94,498,243	68,135,280	43,968,634	39,090,633	36,141,390	35,773,731	36,663,149
PSP OPER. BUDGET APPROP/ EXP'S.								
Operating Budget	(2,939,743)	(34,389,941)	(3,525,389)	(3,525,389)	(3,525,389)	(3,525,389)	(3,525,389)	(3,525,389)
CPI-Fiscal Year for OE (= OE w/o FC x CPI)	n/a	n/a	0	(7,850)	(17,730)	(28,480)	(39,620)	(51,460)
Compensation Adjustment	n/a	n/a	0	(116,189)	(250,191)	(394,472)	(546,044)	(707,489)
Debt Service: Other (Non-Tax Funds only)	(47,230)	(47,230)	(54,510)	0	0	0	0	0
Rental Assistance Program (RAP)	(19,510,377)	0	(23,879,590)	(17,035,642)	(17,134,946)	(18,032,213)	(18,945,292)	(20,165,327)
Affordable Housing Loans	(12,472,750)	(12,620,000)	(13,946,104)	(5,567,164)	(1,245,378)	1,932,562	3,029,411	3,452,212
HHS Housing Programs	(9,706,200)	n/a	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)
Neighborhoods to Call Home	(1,414,123)	n/a	(1,875,900)	(1,875,900)	(1,875,900)	(1,875,900)	(1,875,900)	(1,875,900)
Design for Life	n/a	n/a	(300,000)	0	0	0	0	0
Homeownership Assistance Program	(3,000,000)	0	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Subtotal PSP Oper Budget Approp / Exp's	(49,090,423)	(47,057,171)	(57,287,693)	(41,834,334)	(37,755,734)	(35,630,092)	(35,609,034)	(36,579,553)
OTHER CLAIMS ON FUND BALANCE	(4,276,224)	(31,885,751)	(7,937,287)	0	0	0	0	0
TOTAL USE OF RESOURCES	(53,366,647)	(78,942,922)	(65,224,980)	(41,834,334)	(37,755,734)	(35,630,092)	(35,609,034)	(36,579,553)
YEAR END FUND BALANCE	3,276,600	15,555,321	2,910,300	2,134,300	1,334,899	511,298	164,697	83,596
END-OF-YEAR RESERVES AS A								
PERCENT OF RESOURCES	5.8%	16.5%	4.3%	4.9%	3.4%	1.4%	0.5%	0.2%

Assumptions:

- Approximately \$97.2 million will be allocated in affordable housing, including expenditures of \$65.2 million reflected in this fund and \$32 million for the Affordable Housing Acquisition and Preservation CIP Project #760100. The CIP fund assumes the issuance of \$19.28 million of debt, \$2.72 million in estimated loan repayments, and \$10 million funded with Recordation Tax Premium in FY24. The funding provides a continued high level of support for renovation of distressed housing, the acquisition and preservation of affordable housing units, creation of housing units for special needs residents and mixed-income housing and a variety of services for permanent supportive housing and community development.
- A supplemental request totaling \$30.2 million in Loan Repayments for the Preservation of Naturally Occurring Affordable Housing Fund CIP Project #762201 was submitted to the Council in January 2023 for approval. The funding will be used to preserve current naturally occurring affordable housing in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors.
- Montgomery County Council Resolution #15-110 provides for an allocation from the General Fund to the Montgomery Housing Initiative fund (MHI) of the equivalent to 2.5% of actual General Fund property taxes from two years prior to the upcoming fiscal year for the purpose of maintaining and expanding the supply of affordable housing. However, the actual transfer from the General Fund will be determined each year based on the availability of resources.

Notes:

- These projections are based on the County Council's Approved 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.
- The Council approves an additional \$3.07 million to be transferred from the General Fund to the MHI fund, compared to \$30.18 million approved for FY23. A combination totaling \$33.26 million transferred from the General Fund and the projected \$4.98 million contributed by the interest payments generated from HOC Housing Production Fund will reach beyond the 2.5% policy goal.

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