

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 new affordable housing; and maintain existing housing in a safe and sanitary condition.

BUDGET OVERVIEW

The total approved FY08 Operating Budget for the Department of Housing and Community Affairs is \$42,564,270, an increase of \$9,888,190 or 30.3 percent from the FY07 Approved Budget of \$32,676,080. Personnel Costs comprise 18.4 percent of the budget for 89 full-time positions and four part-time positions for 76.5 workyears. Operating Expenses, Capital Outlay, and Debt Service account for the remaining 81.6 percent of the FY08 budget.

Not included in the above is a total of \$1,637,700 and 14.5 workyears that are charged to: Capital Improvements Program - CIP (\$936,740, 8.0 WYs); Permitting Services (\$82,990, 1.0 WY); and Solid Waste Disposal (\$617,970, 5.5 WYs). The funding and workyears for these items are included in the receiving departments' budgets.

In addition, the department expects to have signed agreements abating \$8.7 million in taxes for affordable housing projects through the Payment in Lieu of Taxes (PILOT) program.

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

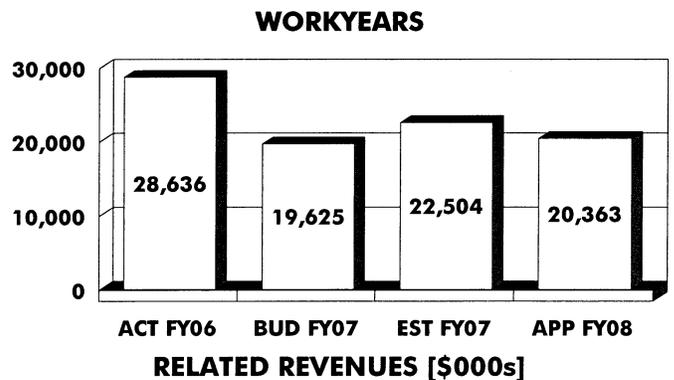
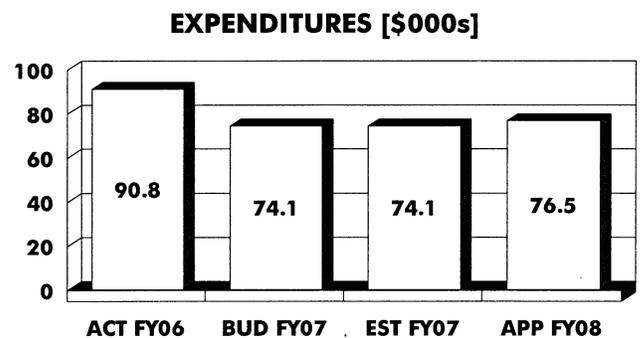
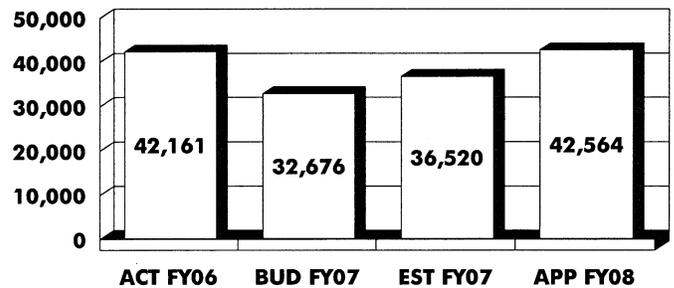
HIGHLIGHTS

- ❖ Provide \$29.8 million in total resources for the Montgomery Housing Initiative fund (MHI) for the acquisition and rehabilitation of affordable housing.
- ❖ Provide Community Development Block Grants (CDBG) of \$610,000 to 29 nonprofit organizations.
- ❖ Provide Emergency Shelter Grants of \$60,000 to two nonprofit organizations to prevent homelessness.
- ❖ Improve safety and sanitary conditions in neighborhoods by providing two additional Housing Code Enforcement Inspectors.
- ❖ Provide funding for a Senior Underwriter for the Montgomery Housing Initiative Fund (MHI) to process loan requests.

Program Summary

	Expenditures	WYs
Multi-Family Housing Programs	28,500,700	9.5
Single-Family Housing Programs	613,140	7.9
Housing Code Enforcement	2,025,510	19.5
Federal Programs	8,164,870	7.0
Landlord-Tenant Mediation	1,040,870	8.8
Commercial Revitalization	826,900	8.0
Licensing and Registration	340,710	3.0
Housing Administration	107,270	2.0
Administration	944,300	10.8
Totals	42,564,270	76.5

Trends



PROGRAM CONTACTS

Contact Fred Wilcox of the Department of Housing and Community Affairs at 240.777.3607 or Rose Glavinic of the Office of Management and Budget at 240.777.2769 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.

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.

FY08 Changes

	Expenditures	WYs
FY07 Approved	19,049,900	8.7
FY08 Approved	28,500,700	9.5

Single-Family Housing Programs

This program creates and preserves affordable single family housing units. It enforces Chapter 25A of the County Code to ensure 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 low- and moderate-income households. This program provides funding to replace, rehabilitate and weatherize single family housing units and rehabilitate group homes for the special needs population. In addition, this program is responsible for the newly created Work Force Housing Initiative.

FY08 Changes

	Expenditures	WYs
FY07 Approved	557,460	7.7
FY08 Approved	613,140	7.9

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, enforcing the residential weeds and rubbish code. 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.

FY08 Changes

	Expenditures	WYs
FY07 Approved	1,853,050	18.1
FY08 Approved	2,025,510	19.5

Federal Programs

This program is primarily funded by the Community Development Block Grant, the HOME Grant, and the Emergency Shelter Grant from the Federal government.

The Community Development Block Grant (CDBG) is a Federal Housing and Urban Development (HUD) grant awarded to Montgomery County. It funds both operating activities and Capital Improvements Program projects that meet HUD income and population guidelines.

The HOME Investment Partnership Program Grant, created under Title II of the National Affordable Housing Act of 1990, is intended to increase the stock of affordable housing. The HOME Grant is designed to increase housing choices for low-income households through rental and home ownership programs in cooperation with public, private, and nonprofit organizations.

The Emergency Shelter Grant (ESG) is a Federal Housing and Urban Development (HUD) grant awarded to Montgomery County. It funds both operating and capital expenses related to serving the homeless and preventing homelessness.

Activities may include property acquisition, construction, housing rehabilitation, commercial revitalization, road and sidewalk improvements, handicapped accessible improvements, and a variety of public services involving assistance to low-income persons. Staff carry out the major regulatory requirements related to Federal mandates, including the development and publication of the County's Consolidated plan that identifies the needs of lower-income residents and outlines the action plans addressing those needs.

FY08 Changes

	Expenditures	WYs
FY07 Approved	8,041,430	7.0
FY08 Approved	8,164,870	7.0

Landlord-Tenant Mediation

This program ensures fair and equitable relations between landlords and tenants 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, and referring unresolved complaints to the Montgomery County Commission on Landlord-Tenant Affairs.

FY08 Changes

	Expenditures	WYs
FY07 Approved	1,021,990	8.8
FY08 Approved	1,040,870	8.8

FY08 Changes

	Expenditures	WYs
FY07 Approved	947,720	10.8
FY08 Approved	944,300	10.8

Commercial Revitalization

This program provides planning and implementation for commercial revitalization (physical and economic) in targeted local retail centers and central business districts. Primary funding for these projects is provided from the County's Capital Improvements Program, Federal Community Development Block Grant, Federal Economic Development Incentive Grants, and State Community Legacy Grants.

FY08 Changes

	Expenditures	WYs
FY07 Approved	753,800	8.0
FY08 Approved	826,900	8.0

Licensing and Registration

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

FY08 Changes

	Expenditures	WYs
FY07 Approved	345,830	3.0
FY08 Approved	340,710	3.0

Housing Administration

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

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

FY08 Changes

	Expenditures	WYs
FY07 Approved	104,900	2.0
FY08 Approved	107,270	2.0

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).

BUDGET SUMMARY

	Actual FY06	Budget FY07	Estimated FY07	Approved FY08	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	4,636,622	3,555,320	3,600,810	3,705,430	4.2%
Employee Benefits	1,693,643	1,318,100	1,253,110	1,343,990	2.0%
County General Fund Personnel Costs	6,330,265	4,873,420	4,853,920	5,049,420	3.6%
Operating Expenses	1,026,895	646,960	658,950	658,220	1.7%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	7,357,160	5,520,380	5,512,870	5,707,640	3.4%
PERSONNEL					
Full-Time	103	86	86	89	3.5%
Part-Time	5	4	4	4	—
Workyears	66.4	49.5	49.5	50.4	1.8%
REVENUES					
Consumer Affairs Business Licenses	68,981	0	0	0	—
New Home Builder License	166,020	0	0	0	—
Miscellaneous - Common Ownership Communities	0	6,000	6,000	6,000	—
Common Ownership Communities Fees	273,507	262,970	262,970	268,250	2.0%
Developer Fee For Alternative Review Committee	0	0	0	53,200	—
Miscellaneous	-25	0	0	0	—
Landlord Apartment Rental License	2,333,237	2,312,110	2,360,000	2,353,650	1.8%
Miscellaneous - Landlord-Tenant	525	20,000	20,000	20,000	—
Civil Citations - Landlord-Tenant	113,425	45,000	45,000	75,000	66.7%
Landlord Single Family Rental License	1,237,954	1,176,000	1,176,000	1,176,000	—
Landlord Condominium Rental License	347,933	302,400	302,400	302,400	—
County General Fund Revenues	4,541,557	4,124,480	4,172,370	4,254,500	3.2%
GRANT FUND MCG					
EXPENDITURES					
Salaries and Wages	1,366,744	1,412,750	1,405,170	1,311,270	-7.2%
Employee Benefits	509,160	562,670	565,280	507,720	-9.8%
Grant Fund MCG Personnel Costs	1,875,904	1,975,420	1,970,450	1,818,990	-7.9%
Operating Expenses	8,363,523	6,121,710	6,313,750	6,371,140	4.1%
Capital Outlay	0	0	0	0	—
Grant Fund MCG Expenditures	10,239,427	8,097,130	8,284,200	8,190,130	1.1%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	17.3	16.9	16.9	16.2	-4.1%
REVENUES					
Community Development Block Grant	6,395,265	3,742,670	3,742,670	3,835,670	2.5%
Community Development Block Grant: Program Income	0	1,100,000	1,100,000	1,100,000	—
Long Branch Community Center	94,231	0	0	0	—
EDI Special Projects	1,070,337	0	0	0	—
Emergency Shelter: Group Homes	259,091	226,600	226,600	226,600	—
HOME Grant: Program Income	0	500,000	500,000	500,000	—
HOME Investment Partnership Grant	2,069,110	2,363,180	2,363,180	2,363,180	—
Takoma Park Code Enforcement	165,449	0	0	0	—
Weatherization	135,264	164,680	213,850	164,680	—
Wheaton Technology Center	30,367	0	0	0	—
Weatherization: DOE Supplement	59,445	0	0	0	—
Community Legacy	-62,730	0	50,000	0	—
Weatherization Universal Svc	0	0	62,900	0	—
Weatherization - Washington Gas	23,598	0	25,000	0	—
Grant Fund MCG Revenues	10,239,427	8,097,130	8,284,200	8,190,130	1.1%
MONTGOMERY HOUSING INITIATIVE					
EXPENDITURES					
Salaries and Wages	377,501	540,870	550,030	732,980	35.5%
Employee Benefits	131,518	188,280	183,710	226,450	20.3%
Montgomery Housing Initiative Personnel Costs	509,019	729,150	733,740	959,430	31.6%

	Actual FY06	Budget FY07	Estimated FY07	Approved FY08	% Chg Bud/App
Operating Expenses	23,974,864	18,250,000	21,909,800	27,592,810	51.2%
Debt Service Other	80,304	79,420	79,420	78,260	-1.5%
Capital Outlay	0	0	0	36,000	—
Montgomery Housing Initiative Expenditures	24,564,187	19,058,570	22,722,960	28,666,500	50.4%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	7.1	7.7	7.7	9.9	28.6%
REVENUES					
Developer Approval Payments	55,723	0	0	0	—
MPDU Alternative Payments	0	143,900	278,080	0	—
MPDU Forclosures	0	0	122,140	0	—
MPDU Resale Recapture	0	2,000,000	2,500,000	2,000,000	—
Seneca Heights Loan	80,304	0	0	0	—
Mortgage Repayments	1,043,900	800,000	800,000	800,000	—
Replacement Home: Mortgage Repayments	236,090	0	0	0	—
Miscellaneous	5,732,718	0	1,138,100	0	—
Other Interest Income	112,238	140,000	0	0	—
Sale of Property	1,250	0	0	0	—
Condo Transfer Tax	6,115,519	4,000,000	4,500,000	4,400,000	10.0%
Investment Income: Pooled	477,032	240,000	630,000	640,000	166.7%
HOC Loan Repayment	0	79,420	79,420	78,260	-1.5%
Montgomery Housing Initiative Revenues	13,854,774	7,403,320	10,047,740	7,918,260	7.0%
DEPARTMENT TOTALS					
Total Expenditures	42,160,774	32,676,080	36,520,030	42,564,270	30.3%
Total Full-Time Positions	103	86	86	89	3.5%
Total Part-Time Positions	5	4	4	4	—
Total Workyears	90.8	74.1	74.1	76.5	3.2%
Total Revenues	28,635,758	19,624,930	22,504,310	20,362,890	3.8%

FY08 APPROVED CHANGES

	Expenditures	WYs
COUNTY GENERAL FUND		
FY07 ORIGINAL APPROPRIATION	5,520,380	49.5
Other Adjustments (with no service impacts)		
Increase Cost: General Wage and Service Increment Adjustments	207,620	0.0
Replace: Staff Reassignments - CDBG to General Fund	104,830	0.7
Increase Cost: Retirement Rate Adjustment	30,170	0.0
Increase Cost: Annualization of FY07 Operating Expenses	25,210	0.0
Increase Cost: Annualization of FY07 Lapsed Positions	16,830	0.2
Increase Cost: Labor Contracts - Other	7,320	0.0
Increase Cost: Printing and Mail Adjustments	4,290	0.0
Decrease Cost: Retirement Rate Charges to Adjustment	-2,910	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY07	-8,000	0.0
Decrease Cost: Motor Pool Rate Adjustment	-10,240	0.0
Decrease Cost: Group Insurance Adjustment	-20,810	0.0
Decrease Cost: Hire two vacant positions at entry level	-29,880	0.0
Decrease Cost: Underfill at Public Administration Intern (PAI) level	-59,650	0.0
Decrease Cost: Annualization of FY07 Personnel Costs (Decrease due to personnel turnover)	-77,520	0.0
FY08 APPROVED:	5,707,640	50.4
GRANT FUND MCG		
FY07 ORIGINAL APPROPRIATION	8,097,130	16.9
Changes (with service impacts)		
Add: Emergency Shelter Grant: Community Ministry of Montgomery County, Inc. (Supported Employment Program)	45,000	0.0

	Expenditures	WYs
Add: Community Development Block Grant: Caribbean Help Center, Inc. (Education, Employment and Public Services-No One Left Behind)	40,000	0.0
Add: Community Development Block Grant: Hospice Caring (Support Services to Hospice Appropriate Patients)	40,000	0.0
Add: Community Development Block Grant: Montgomery County Dept. of Health & Human Services (Breaking the Barriers of Silence)	38,870	0.0
Add: Community Development Block Grant: Peoples Community Baptist Church, Inc. (Breast Cancer Awareness and Prevention Outreach Project)	37,210	0.0
Add: Community Development Block Grant: Silver Spring Interfaith Housing Coalition (Moving to Independence/Jobs for Housing Initiative)	36,000	0.0
Add: Community Development Block Grant: Ministries United Silver Spring Takoma Park, Inc. (Filling the Medical Prescription Gap is a MUSST)	34,000	0.0
Add: Community Development Block Grant: The Shepherd's Table, Inc. (Shepherd's Table Eye Clinic)	31,000	0.0
Add: Community Development Block Grant: College Tracks, Inc. (College Tracks at Wheaton High School)	30,000	0.0
Add: Community Development Block Grant: Hearts & Homes for Youth, Inc. (Work Ready)	30,000	0.0
Add: Community Development Block Grant: Passion for Learning, Inc. (Passion for Learning)	25,000	0.0
Add: Community Development Block Grant: Catholic Charities of the Archdioceses (Housing Support)	23,000	0.0
Add: Community Development Block Grant: Threshold Services, Inc. (Compeer of Montgomery County)	22,000	0.0
Add: Community Development Block Grant: Latino Economic Development Corporation (Small business development in Wheaton)	20,000	0.0
Add: Community Development Block Grant: Liberty's Promise (Enriching Immigrant Youth)	20,000	0.0
Add: Community Development Block Grant: Maryland Vietnamese Mutual Association, Inc. (Golden Age Project for Seniors (GAPS))	16,920	0.0
Add: Community Development Block Grant: Asian Pacific American Legal Resource Center (Asian American Domestic Violence Project)	15,500	0.0
Add: Community Development Block Grant: CASA of Maryland, Inc. (Direct Services Program)	15,500	0.0
Add: Community Development Block Grant: Chinese Culture & Community Service Center, Inc. (Adult English Literacy Program)	15,000	0.0
Add: Community Development Block Grant: Gapbuster Learning Center, Inc. (Leaders in Training)	15,000	0.0
Add: Community Development Block Grant: Korean-American Senior Citizens Association of MD, Inc. (Comprehensive Social Assistance Services)	15,000	0.0
Add: Community Development Block Grant: Spanish Catholic Center, Inc. (Pre-Apprenticeship Construction Program)	15,000	0.0
Add: Emergency Shelter Grant: Montgomery County Coalition for the Homeless, Inc. (Partnership for Permanent Housing)	15,000	0.0
Add: Community Development Block Grant: Asian American LEAD (AALEAD Mentoring Program)	10,000	0.0
Add: Community Development Block Grant: Community Preservation and Development Corp. (The CPDC Gateway @ Park Montgomery)	10,000	0.0
Add: Community Development Block Grant: Easter Seals Greater Washington-Baltimore Region, Inc. (Easter Seals Family Friends Program)	10,000	0.0
Add: Community Development Block Grant: Family Services Agency, Inc. (Healthy Families Montgomery-Strengthening Parent/Child Interaction)	10,000	0.0
Add: Community Development Block Grant: Korean American Association (Social Service Coordinating Program)	10,000	0.0
Add: Community Development Block Grant: Maryland Disabilities Forum (MD Disabilities Forum Durable Medical Goods Exchange Program)	10,000	0.0
Add: Community Development Block Grant: Montgomery County Coalition for the Homeless, Inc. (Partnership for Permanent Housing)	10,000	0.0
Add: Community Development Block Grant: Manna Food Center (Smart Snacks Backpack Program)	5,000	0.0
Other Adjustments (with no service impacts)		
Increase Cost: Annualization of FY07 Operating Expenses	156,430	0.0
Increase Cost: CIP appropriation decrease	93,000	0.0
Decrease Cost: Annualization of FY07 Personnel Costs	-51,600	0.0
Shift: Staff Reassignments - CDBG to General Fund	-104,830	-0.7
Decrease Cost: Adjust to display individual Federal programs listed above	-670,000	0.0
FY08 APPROVED:	8,190,130	16.2
MONTGOMERY HOUSING INITIATIVE		
FY07 ORIGINAL APPROPRIATION	19,058,570	7.7
Changes (with service impacts)		
Add: MHI allocation for FY08	9,238,110	0.0
Enhance: Senior Underwriter (Program Manager II) for Montgomery Housing Initiative (MHI) Loan requests [Single-Family Housing Programs]	149,030	0.5
Add: Two Housing Code Enforcement Inspectors to improve neighborhood safety and sanitary conditions	109,190	1.4

	Expenditures	WYs
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Debt Service adjustment	78,260	0.0
Increase Cost: Charges from County Attorney (Mid-year FY07 creation)	34,640	0.3
Increase Cost: General Wage and Service Increment Adjustments	27,020	0.0
Increase Cost: Annualization of FY07 Personnel Costs	26,770	0.0
Increase Cost: Retirement Rate Adjustment	2,350	0.0
Decrease Cost: Group Insurance Rate Adjustment	-2,720	0.0
Decrease Cost: Annualization of FY07 Operating Expenses	-54,720	0.0
FY08 APPROVED:	28,666,500	9.9