

MEMORANDUM

February 10, 2021

TO: Health and Human Services Committee
Planning, Housing, and Economic Development Committee

FROM: Linda McMillan, Senior Legislative Analyst

SUBJECT: Update: COVID Rental Assistance Program and Evictions
Update: Planning for new Emergency Homeless Shelter

PURPOSE: Updates and recommendation on new COVID rental assistance

Expected for this session:

Captain Robin Lewis, Commander Criminal/Civil Division, Sheriff's Office
Frank Vitale, Chief and Supervising Attorney, Maryland Legal Aid, Montgomery County Office
Amanda Harris, Chief, Services to End and Prevent Homelessness, Department of Health and
Human Services (DHHS)
Ilana Branda, Deputy Chief, Services to End and Prevent Homelessness
Aseem Nigam, Director, Department of Housing and Community Affairs (DHCA)
Frank Demarais, Deputy Director, DHCA
David Dise, Director, Department of General Services (DGS)
Greg Ossont, Deputy Director, DGS
Mary Beck, Office of Management and Budget
Pofen Salem, Office of Management and Budget
Lindsay Lucas, Office of Management and Budget

Evictions and Legal Aid

While currently there are protections in place to prevent COVID-related failure to pay rent cases, it is unknown what the "eviction cliff" will be once protections expire and the courts reopen. National and local estimates are that around 13% to 15% of renters are behind on rent,

but there is no good data on how far behind people are. In addition, the Council has discussed proposed State legislation offered by the Office of the Attorney General to increase the filing fee for an eviction, in part because Maryland's very low filing fee (\$15) makes it easy for landlords to file evictions before making other attempts to resolve the arrears. At this session, the Joint Committee will get an update from the Sheriff's Office on the eviction process and the resolution of cases that are forwarded to them and from Legal Aid regarding their work, in partnership with the Homeless Persons Representation Project, to provide legal assistance to low-income County residents.

Captain Lewis from the Sheriff's Office will provide the Joint Committee with an overview of the evictions process that will include data on past years as well as in 2020 and can respond to questions about the number of people where the case ends with the Sheriff's Office having to remove belongings from their home. As the Joint Committee has discussed before, most notices of eviction are usually resolved before the Sheriff's Office must carry out a physical eviction either through a resolution with the landlord or because they have moved out on their own (self-resolved).

During the COVID health emergency, there are protections for people who have lost income because of COVID, but tenants must know what they are and be able to fill out the appropriate documents. It is not known how many people may have moved out of their home proactively without knowing how to execute the protections in place.

The Court has returned to Phase 2 of re-opening which limits some physical access to the courthouses and limits the landlord/tenant cases that will be heard. The Court will currently hear: rent escrow actions, provided local inspection practices are capable of being conducted; emergency breach of lease involving threats or injury to people or property and associated warrants of restitution; emergency wrongful detainer actions and associated warrants of restitution; and, emergency tenant holding over actions and associated warrants of restitution.

Mr. Vitale, Maryland Legal Aid, will provide the Joint Committee with an update on what he are seeing at the court. In the weekly meetings DHCA convenes for the non-profits providing tenant support and Legal Aid, one issue is that some people are not showing up to court when they receive a notice, believing that they cannot be evicted. Legal Aid can only assist if they can connect with them before the case is heard.

The Centers for Disease Control and Prevention (CDC) moratorium on evictions due to COVID income loss has been extended to March 31, 2021. It is unclear when the Court will re-open to all landlord tenant cases and how quickly failure-to-pay rent cases will be heard once the court re-opens.

COVID Rental Assistance Update

Ms. Harris will provide the Joint Committee with an update on the \$20 million in COVID rental assistance that is funded through CARES Act money previously received by the County. The County stopped taking application for this program in November as over 9,000 were

received. DHHS is continuing to issue payments. Of the applications received, 45% are Hispanic and 38% are Black or African American. Over half of the households are from the high need areas.

Funding Adjustment for Previous CDBG Rental Assistance

Earlier this year, the County received Community Development Block Grant (CDBG) funds that the Council appropriated for rental assistance and microenterprise support. DHCA entered into a MOU with the Housing Opportunities Commission to administer this rental assistance. The first effort to push this assistance out was hampered by the income and COVID documentation required. DHCA requested and received approval from HUD to allow applicants to self-certify; however, HUD later clarified that self-certification could not be used.

In order to avoid any concern about the proper use of CDBG funds, DHCA will use \$1.2 million of Housing Initiative Fund (HIF) rental assistance funding for the HOC-administered program. The CDBG funds will then be used by DHHS for rental assistance. A memo explaining this is attached at © 1.

NEW COVID Rental and Utility Assistance \$31 million from Department of Treasury

On Tuesday (February 9) the Council introduced a special appropriation for \$31.405 in rental assistance from the Department of Treasury's Emergency Rental Assistance Program that was announced in early January. The introduction item is attached at © 2-7. While not all the guidance has been issued, the guidance says that priority should be given to households at or below 50% of the area median income and to households where an individual has been unemployed for the 90 days prior to applying. Income can either be based on calendar year 2020 income or monthly income at the time of the application (under the latter income must be verified every three months). The assistance can be used for both rent and utilities.

While the Council is not scheduled to hold a public hearing until February 23, if the Joint Committee makes a recommendation at this session, then action can also take place on February 23. If any issue is raised at the public hearing the Council can defer action and the Joint Committee can reconvene.

Council staff recommends approval of the special appropriation.

Update – Warming Centers

The recent weeks have been cold and snowy. Places that are normally available for people to get warm during the day, such as libraries and recreation centers, are currently closed. DHHS will provide the Committee with an update on how it has been providing warming centers for people who do not have shelter.

Update – Planning for New County Shelter

On October 29, 2020, the Joint HHS and PHED Committee met to hear about the projected need for homeless shelter beds and to get input from representatives from the Montgomery County Coalition for the Homeless, Interfaith Works, and Rainbow Place, about some of their identified needs and also the time for transition to any new facility. The County needs to move from the temporary location of the men’s shelter in Rockville and the expanded shelter space in recreation centers that is needed to socially distance during COVID.

On December 8, 2020 the Council approved a special appropriation and CIP amendment to provide \$1 million to allow the Department of General Services to undertake the work to identify and analyze options for one or more facilities to provide the needed shelter space. The staff report from the December 8 session and the approved resolution are attached at © 8-20.

DHHS and DGS will provide the Committee with an update.



DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Marc Elrich
County Executive

MEMORANDUM

Aseem K. Nigam
Director

To: Hans Riemer, Chair
Planning, Housing and Economic Development Committee

FROM: Aseem Nigam, Director *AN*
Department of Housing and Community Affairs

DATE: February 8, 2021

SUBJECT: Covid-19 Rental Assistance

I am writing to update you and the Committee on the COVID 19 Rental Assistance program administered for the County by the Housing Opportunity Commission.

DHCA entered into an MOU with HOC in May 2020 to administer a rental assistance grant program of \$1,955,102. The program was designed around CDBG CARES CV1 funding and the initial application reflected CDBG income and COVID documentation requirements. The initial requirements proved unworkable for approving cases, and DHCA requested and received approval in writing from HUD to allow applicants to self-certify the application details. The program reopened applications in August and approved a total of 608 applications for a total of \$1,092,000 in rental assistance, and a total program cost of \$1,282,000.

HUD subsequently clarified that the self-certification option would not apply to rental assistance programs, and to meet CDBG requirements we would have to go back to applicants to get additional documentation. Updating documentation is not a workable option.

Working with OMB, we have confirmed our current HIF rental assistance budget, using recordation tax receipts reserved for rental assistance, will support this program, and represents the most appropriate funding source given the HUD change. The MOU with HOC is being amended to reflect the change in source of funds.

The use of HIF funds for the HOC program leaves remaining CDBG CV1 funding available to support fully documented rental assistance under an approach to be administered by DHHS. DHHS and DHCA are working together to implement the MD DHCD CDBG rental assistance with the \$3.4M award and will use a similar approach to implement the remaining CDBG CV1 funds. These CDBG funds will be separated from the processing of the Federal \$31.4M emergency rental assistance.

Office of the Director

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www.montgomerycountymd.gov/dhca



Committee: Joint
Committee Review: N/A
Staff: Linda McMillan, Senior Legislative Analyst
Purpose: To introduce agenda item – no vote expected
Keywords: #PreventEviction

AGENDA ITEM #3G
February 9, 2021
Introduction

SUBJECT

Special Appropriation to the Fiscal Year 2021 Operating Budget; Montgomery County Government; Department of Health and Human Services; Rental and Utility Assistance \$31,405,652 (Source of Funds: United States Department of Treasury Grant); Lead Sponsor: Council President at the Request of the County Executive

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction. Public hearing and action are scheduled for February 23, 2021 at 1:30 p.m.
- Joint HHS and PHED Committee will review on February 11, 2021 at 1:30 p.m.

DESCRIPTION/ISSUE

The COVID-19 pandemic has caused severe income loss and economic distress for many households in Montgomery County. Many households are unable to pay all or part of their rent and monthly utilities. Low and moderate-income households have been disproportionately impacted. Evictions that are a result of lost income due to COVID are on hold both by extension of the Centers for Disease Control Order and the Governor's Executive Order. As these stays end and the courts reopen, there is the potential for many households to face eviction because they are behind on their rent. Utility companies are expected to phase out their pause on utility shut-offs. Rental assistance is needed to help people with rent arrearages and prevent evictions for those who are not able to enter into a repayment plan or work with landlords on other options to avoid eviction. Utility assistance is needed to prevent shut-offs which can result in a home being uninhabitable.

SUMMARY OF KEY DISCUSSION POINTS

- Responses to surveys conducted by the Department of Housing and Community Affairs indicate that as many as 15% of County renters were delinquent on part of all of their rent in June.
- Income loss from COVID-19 has disproportionately impacted low and moderate-income households. Of the over 9,000 applications received for the previous COVID rental assistance program, 43% identified as Black and 38% as Hispanic. The average age of the applicant was 40 years old. The average arrearage was \$3,360 but there are households where income was lost early in the pandemic with arrearages of \$10,000 or more. Over half of applications were from areas of the County that were identified as high-need.
- Maryland utilities could begin shutting off utilities as of November 15, 2020. A February 6, 2021 Washington Post article said that the National Energy Assistance Directors' Association estimates

that more than 400,000 Maryland households owe more than \$251 million. Pepco estimates that Maryland residents owe \$71 million. Pepco has shut off some households but says they reconnected about 75% after they entered into a payment plan or applied for financial aid. WSSC estimates that customers owe \$67 million.

- The Department of Health and Human Services will administer this new federal aid. DHHS will set criteria for applications. The federal government is requiring jurisdictions to prioritize households earning 50% or less of the area median income and those who have been unemployed for more than 90 days.

Attached:

Special Appropriation Resolution and memo
from County Executive

1-4

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

February 5, 2021

TO: Tom Hucker, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Special Appropriation #21-511 to the Fiscal Year 2021 Operating Budget
Montgomery County Government
Department of Health and Human Services
\$31,405,652 (Source of Funds: United States Department of Treasury Grant)

I am recommending a special appropriation to the Fiscal Year 2021 Operating Budget of the Department of Health and Human Services (DHHS) in the amount of \$31,405,652 for Emergency Rental Assistance Program. This appropriation will fund rental and utility assistance to households suffering an economic loss due to the COVID-19 pandemic.

This funding is needed because the pandemic has forced many businesses to temporarily or permanently close causing Montgomery County residents to suffer income loss and an inability to pay rent and utility expenses.

I recommend that the County Council approve this special appropriation in the amount of \$31,405,652 and specify the source of funds as United States Department of Treasury Emergency Rental Assistance.

I appreciate your prompt consideration of this action.

ME:gh

Attachment: Special Appropriation #21-511

c: Raymond L. Crowel, Director, Department of Health and Human Services
Jennifer Bryant, Director, Office of Management and Budget
Victoria Buckland, Chief Operating Officer, Department of Health and Human Services
Amanda J. Harris, Chief, Services to End and Prevent Homelessness, Department of Health and Human Services

Resolution No: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Special Appropriation #21-511 to the FY21 Operating Budget
Montgomery County Government
Department of Health and Human Services (DHHS); \$31,405,652
United States Department of Treasury Emergency Rental Assistance Program
(Source of Funds: Federal Grant)

Background

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than six members of the Council.
2. A new coronavirus disease, named COVID-19, appeared in China in December 2019 and spread extremely quickly. On March 11, 2020 the World Health Organization stated that the number of confirmed cases worldwide had exceeded 200,000. It took over three months to reach the first 100,000 confirmed cases, and only 12 days to reach the next 100,000. As of January 25, 2021, there were over 25 million confirmed cases in the United States, including 341,452 confirmed cases in Maryland, of which 56,729 were in Montgomery County.
3. To slow the spread of the disease, the Governor declared a State of Emergency and has issued several Executive Orders with actions that include, but are not limited to, closing schools, closing senior centers and adult medical day care programs, closing all non-essential businesses, and limiting the number of people that can gather.
4. The public health crisis has resulted in the immediate loss of income for many households as businesses have been required to close and people have been told to stay home. This creates a financial crisis for many County residents and businesses.

Special Appropriation #21-511

Page Two

5. The FY2021 Omnibus Appropriations bill was passed by Congress and signed into law by the President on December 27, 2020. The bill includes a \$900 billion COVID relief package with \$25 billion allocated to the Department of Treasury for Emergency Rental Assistance.
6. The Department of Health and Human Services applied for and was awarded \$31,405,652 in federal funding from the Department of Treasury. The Department of Treasury requires that this funding be utilized to reduce the negative impact of COVID-19 by providing rental and utility assistance to households facing economic hardship as a result of the COVID-19 pandemic. Funds must be prioritized to households with income at or below 50% of Area Median Income (AMI) and those who have been unemployed more than 90 days.
7. The County Executive has requested the following FY21 Operating Budget appropriation increase for the Department of Health and Human Services

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$31,405,652	\$0	\$31,405,652	Federal Grant

8. This increase is needed because the COVID-19 pandemic has forced many businesses to temporarily or permanently close causing Montgomery County residents to suffer income loss and an inability to pay rent and utility expenses.
9. The County Executive has requested a special appropriation to the FY21 Operating Budget in the amount of \$31,405,652 for the United States Department of Treasury Rental Assistance Program and specifies that the source of funds will be Federal Grant.
10. The public was notified by a news release.

Action

The County Council for Montgomery County, Maryland, approves the following actions:

1. A special appropriation to the FY21 Operating Budget of the Department of Health and Human Services is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$31,405,652	\$0	\$31,405,652	Federal Grant

2. The County Council declares that this action is necessary to act in response to a public health emergency and to act without delay in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council



Committee: Directly to Council
Committee Review: N/A
Staff: Linda McMillan, Senior Legislative Analyst
Purpose: Final action – vote expected
Keywords: Emergency Homeless Shelter

AGENDA ITEM #2M
December 8, 2020
Action

SUBJECT

Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation to the FY21 Capital Budget; Montgomery County Government; Department of Health and Human Services; Emergency Homeless Shelter

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- There was no Committee review of this supplemental appropriation and amendment. However, the HHS and PHED Committees held a joint session on the homeless shelter issue on October 29, 2020 and were informed of the need (see next section).

- **Council staff recommends the following minor changes to the narrative language in the PDF: Project Justification**

The County facilities supporting homeless sheltering and associated services are insufficient for the current population and future projection. And due to COVID-19, the maximum occupancy at each County homeless shelter has decreased to allow for social distancing and spacing of beds. This project will acquire an existing building, or buildings, and retrofit the facility, or facilities, to include space for congregation, meal service, medical offices, and case management offices. The current facility that provides those services for men, located at Taft Court in Rockville, will no longer be available starting spring of 2021. Space in recreation centers that has been used to house men and women during the pandemic must be replaced so the recreation centers can re-open once the pandemic eases to the point programs can resume. This facility, or facilities, will ensure that a full complement of homeless services are available to the men and women seeking emergency shelter in Montgomery County.

Fiscal Note:

Cost estimates are placeholders and will be updated once a particular facility, or facilities, has been identified.

DESCRIPTION/ISSUE

The County needs to acquire additional emergency shelter space as the current main men's shelter will no longer be available starting May 2021 and the County is also using two recreation centers to provide adequate shelter space for men and women given the need for distancing to maintain health and prevent the spread of COVID-19. An appropriation is needed for the County to undertake the process of acquiring an additional facility or facilities.

The Joint Health & Human Services and Planning, Housing, & Economic Development Committee held a session on October 29, 2020 on the status of current facility capacity and the need to expedite the process to find long-term solutions. Estimated need is for 250 year-round beds with surge capacity of 50 to 100. Program staff needs 30 to 60 days to transition staff and clients to new facilities. Link to staff report with DHHS presentation slides:

https://www.montgomerycountymd.gov/council/Resources/Files/agenda/cm/2020/20201029/20201029_HHSPHED1.pdf

SUMMARY OF KEY DISCUSSION POINTS

- This amendment and supplemental appropriation were introduced on November 10, 2020. A public hearing was held on December 1, 2020. Testimony was provided by Interfaith Works and the Montgomery County Coalition for the Homeless (MCCH) (attached).
- Both organizations recommended more than one facility, and each cited the need for adequate space for services including case management and for enhanced mental health supportive services. Both noted the need for security to create a safe environment.
- This appropriation will provide resources for the Department of General Services and Department of Health and Human Services to move forward with planning and consideration of facility options.
- In addition to any Council approval for funding, there are requirements for notice to the Council regarding acquisition or lease of a facility. The County Government Operating Budget Resolution 19-472 requires the CAO notify the Executive Director of the Council in writing at least 14 days in advance of executing a new lease or lease purchase that will annually exceed \$500,000 in FY 2021 or any future year. The notice must include the cost for build-out, maintenance, and utilities.
- The County Code requires the County to advertise once a week for at least two weeks any proposal to acquire real property. After considering public comment, the Executive may approve acquisition of the property. Notice to Council is required, but there is no specific time in County Code. (complete language is attached)

Attached:

CE memo, resolution, and PDF	1-3
Interfaith Works testimony	4-5
MCCH testimony	6-7
County Code acquisition language and Resolution 19-472, Provision #59	8

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

November 6, 2020

TO: Sidney Katz President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #13-S21-CMCG-5 to the FY21 Capital Budget
Montgomery County Government
Department of Health and Human Services
Emergency Homeless Shelter (No. P602103), \$1,000,000

I am recommending a supplemental appropriation to the FY21 Capital Budget and amendment to the FY21-26 Capital Improvements Program in the amount of \$1,000,000 for the Emergency Homeless Shelter (No. P602103). Appropriation for this project will fund initial steps needed to acquire and construct a facility or facilities to provide services for individuals seeking shelter. Complete project cost will be requested once more information is available.

This increase is needed because the current facility that provides shelter service, located at Taft Court in Rockville, will no longer be available starting May 2021. And, due to COVID-19, the maximum occupancy at each County shelter has decreased to allow for social distancing and spacing of beds. The facility or facilities will provide space for congregation, meal service, medical offices, and case management offices.

I recommend that the County Council approve this supplemental appropriation and amendment to the FY21-26 Capital Improvements Program in the amount of \$1,000,000 and specify the source of funds as GO Bonds.

I appreciate your prompt consideration of this action.

ME:ll

Attachment: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #13-S21-CMCG-5

c: Dr. Raymond L. Crowel, Psy.D., Director, Department of Health and Human Services
David Dise, Director, Department of General Services
Jennifer Bryant, Acting Director, Office of Management and Budget

Resolution: _____
 Introduced: _____
 Adopted: _____

COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #13-S21-CMCG-5 to the FY21 Capital Budget Montgomery County Government Department of Health and Human Services Emergency Homeless Shelter (No. P602103), \$1,000,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week’s notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	P602103	Planning, Design Supervision	\$200,000	GO Bonds
		Site Improvements	\$700,000	GO Bonds
		Other	\$100,000	GO Bonds
<hr/>				
TOTAL			\$1,000,000	GO Bonds

4. This increase is needed because the current facility that provides shelter service, located at Taft Court in Rockville, will no longer be available starting May of 2021. And, due to COVID-19, the maximum occupancy at each County shelter has decreased to allow for social distancing and spacing of beds. The facility or facilities will provide space for congregation, meal service, medical offices, and case management offices.
5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$1,000,000 for Emergency Homeless Shelter (No. P602103) and specifies that the source of funds will be GO Bonds.
6. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	P602103	Planning, Design Supervision	\$200,000	GO Bonds
		Site Improvements	\$700,000	GO Bonds
		Other	\$100,000	GO Bonds
TOTAL			\$1,000,000	GO Bonds

This is a correct copy of Council action.

Selena Mendy Singleton, Esq., Clerk of the Council



**Public Hearing before the Montgomery County Council
Written Testimony – 12-1-2020**

Interfaith Works welcomes the opportunity to present testimony before the Council during this Public Hearing. We support this special appropriation, which is necessary for the County to begin acquiring replacement emergency shelter facilities.

At Interfaith Works (IW), our programs and services focus on helping vulnerable families and individuals reach their maximum potential for sustainable financial independence. IW programs include emergency financial assistance, distribution of free clothing and household goods, vocational and educational services, and a complete continuum of housing – including 3 shelters for our neighbors experiencing homelessness. We have been operating shelters since 1992 and have the capacity to serve 138 individuals each night.

The public health pandemic has required us to change how we provide emergency shelter. Adequate space is required while clients are sleeping, eating, and tending to their daily needs. Additionally, we worked with the Department of Health and Human Services (DHHS) to begin offering shelter services year-round at Progress Place, rather than operating only during hypothermia season. This required IW to significantly reduce shelter capacity at The Women’s Center and at Progress Place. As a temporary solution, our team is operating a Women’s Shelter Overflow at the Coffield Recreation Center, where we serve an additional 65 individuals nightly.

DHHS seeks to acquire additional emergency shelter space, so that Montgomery County can meet the projected need of 300-400 beds – accessible year-round. Our experience indicates that this is a necessity.

In addition, we believe that any new emergency shelter sites should:

- Be moderately sized, with multiple smaller sleeping areas and a total capacity to serve 70 – 100 residents nightly. This will ensure that the facility is easier to manage, given the significant mental and physical health needs that are generally encountered at low-barrier shelters. We are concerned that larger shelters may remove the focus from quickly moving people to permanent housing, as we will be more focused on safely managing the population.
- If two shelters are planned, we recommend that they be in separate facilities. Each site should have enough distance from the other, so that each facility remains private. Neither site should serve more than 100 individuals, ensuring that it may be managed safely. Each site should have ample space, carefully designed for clients to store their belongings and to care for their companion animals.
- Facilitate increased access to mental health supports. Untreated mental health issues are often a barrier that prevents our clients from exiting shelter and securing more permanent housing. In general, we find it challenging for our clients to easily access mental health supports, such as ACT Teams and crisis psychiatric beds.

- Include adequate space that is conducive for effective case management. Both DGS and DHHS should continue to engage shelter providers like IW as sites are selected, so that we may provide subject-matter expertise related to space planning. This will help ensure that selected sites are functional, reflective of client needs, conducive to safely providing shelter, and do not need significant renovation in the future.
- Have 24-hour security in place to ensure safety for clients and staff.
- Include budgets that support adequate compensation for staff. Currently, our front-line shelter staff earn \$19.65/hr. – an increase made possible by temporary hazard pay. Without hazard pay, we expect this to decrease to \$13.25/hr. This is below minimum wage and is all that the contract budget will support. This means that front line staff can earn more with other employers, doing work that requires fewer skills. Our case managers are also earning \$6000-\$8000 annually below the market average. These disparities impact staff retention, the quality and consistency of services to clients, and the ability to attract skilled staff.

Interfaith Works remains committed to a continued partnership with DHHS, as we work to end homelessness for single adults. Granting this special appropriation is a necessary step as Montgomery County ensures that there are sufficient beds for those experiencing homelessness.

Thank you for considering our perspective as you proceed with this Hearing.

Courtney Hall
Chief Executive Officer

Montgomery County Coalition for the Homeless, Inc. Testimony Before the Montgomery County Council Supporting \$1 million Special Appropriation to Acquire Additional Shelter Space

Susie Sinclair-Smith, Chief Executive Officer

December 1, 2020

Good afternoon Councilmembers,

On behalf of the Montgomery County Coalition for the Homeless (MCCH), I thank you for the opportunity to testify today about

MCCH is in full support of the proposed \$1 million Special Appropriation to acquire additional shelter space and appreciates the urgency with which both the Executive Branch and Council are moving forward with this critical issue. Due to the approaching end of our ability to use temporary facilities at the men's shelter, MCCH is faced with having 37 beds as of April 2021. We are currently at capacity sheltering approximately over 200 a night. We have not seen the true impact that freezing weather brings in increasing the numbers we serve during the winter months, nor the stark result of the COVID pandemic's economic impact in the numbers of County residents seeking shelter due to job loss and evictions. This discussion could not come at a better time for us as we need to gear up to meet the need for shelter for men in the coming months.

MCCH has operated the County's emergency shelter for men for 30 years and has extensive experience operating congregate shelters that serve at least 140 men each year during the winter months. With this background, we respectfully offer the following recommendations as the County moves forward in securing permanent shelter locations:

1. MCCH believes that it would be extremely detrimental to co-locate large numbers of men and women experiencing homelessness in one facility knowing the realities of ensuring safety at a men's shelter. We recognize that smaller facilities are needed for men and women to stay together as couples and for vulnerable populations who have experienced domestic violence and/or sexual abuse.
2. MCCH has the capacity to operate large shelters that provide economies of scale as we ensure the health and safety of our clients. We have seen that with the right amount of social distancing and physical space for everyone, we can serve more people without having to create multiple 24/7 operations teams.
3. Upfront investment in time and the expertise of a subject expert to help plan the use of space in a congregate shelter facility will save time and resources in the long run, and will result in more speedy shelter exits and diversions.
4. Adequate space for essential supportive services that is planned considering the flow of the population inside the shelter is essential to helping people move out of shelter quickly. The primary services MCCH provides include on-site somatic and mental health services, case management, housing location, shelter diversion, and medication management. Our staffed

employment lab helped men secure and maintain jobs, which is essential to their ability to afford housing. Opportunities for isolation and privacy are needed as well.

5. Creating a welcoming and safe environment inside and out is a deterrent to people sleeping on the streets (meaning they will come inside), especially youth between 18 and 24. Security cameras, a well designed entrances that have the capacity to scan people when they enter for weapons or drugs, and a dedicated place with privacy for staff to do intakes with new clients including taking personal histories are all essential.
6. The County should provide the People's Committee of the MC Interagency Commission on Homelessness opportunities for input into planning as they are our consumers and have deep seated and collective know-how about what is needed to help them exit homelessness quickly.
7. An emergency shelter facility is not effective without the dedication of consistent and skilled staff who are drawn to helping the County's most vulnerable residents. We serve a vulnerable population where 41% of single adults have high acuity for mental health, 23% have high acuity for substance use, and 10% have high acuity for both mental health and substance use

We join with Interfaith Works, our sister shelter provider, in calling for our front-line staff to receive the minimum wage of \$15 an hour. County contracts have paid these staff, almost all of whom are African American, \$13.25 an hour prior to the onset of COVID and have supplemented these salaries with hazard pay of time and a half (\$21 an hour) during the pandemic. Without the ability to provide hazard pay and hence a competitive salary we are concerned that we will continue to see long term staff leave us for higher earning positions that have come on-line during COVID. Bringing our-front line staff to \$15 an hour would require an additional \$76, 000, and \$114,000 with hazard pay.

MCCH looks forward to working with the HHS and DGS as we move forward expeditiously to find needed space. As we have seen the demand for shelter increase significantly amongst our population, it is clear the need for permanent bed space for men far exceeds that for women. We ask going forward, that our meetings with HHS and DGS structured to best get meaningful and in depth that is focused on the needs service providers of different populations. Again, thank you for your attention to this matter.

County Code – Acquisition or Lease of Real Property

Sec. 11B-46. Purchase or lease of real property by County.

(a) In this article, the term real property means land and improvements to the land.

(b) The County must advertise once each week for not less than 2 weeks in at least one newspaper of general circulation in the County any proposal to acquire real property by purchase, condemnation, or a lease for more than 5 years duration. The advertisement must set forth the price to be paid for the acquisition of the real property, if known, the location of the real property, the name of the owner of the real property, the purpose for which the real property is to be acquired, and the means by which the public may comment on the proposed acquisition.

(c) The County Executive may hold a hearing to take public comment on the proposed acquisition of the real property.

(d) If the owner of the real property which is proposed to be acquired by the County consents, the County must post a sign on the property for at least 10 days before the deadline for receiving public comment in a manner that can be most readily seen by the public. The sign must read substantially as follows: Montgomery County, Maryland proposes to purchase (or lease) this property for (statement of purpose). For date and manner of making public comment, telephone (telephone number).

(e) After considering public comment, the County Executive may approve acquisition of the real property. The County Executive must notify the Council of each acquisition of real property.

(f) This Section applies to real property to be acquired by a rescue squad or fire department if the purchase of the real property is to be funded in whole or in part by County tax funds.

(g) This Section does not apply to:

(1) land acquired by the County in connection with roads, streets, alleys, sidewalks, walkways, bridges, or drainage; or

(2) real property acquired by gift. (1994 L.M.C., ch. 30, § 1.)

Resolution 19-472; Budget Provision #59

In FY 2021, when the County Government decides that it will execute a new lease or lease purchase agreement that will annually exceed \$500,000 in FY 2021 or any future fiscal year, or increase the cost of an existing lease or lease-purchase agreement annually by more than \$500,000, the Chief Administrative Officer or his designee must notify the Executive Director of the Office of the County Council in writing, at least 14 days before executing the new or modified lease, of the location of the property that will be leased, the County programs that will occupy the leased space, and the cost of the lease in FY 2021 and future fiscal years. For any new lease, the cost should include the estimated cost for build-out and maintenance and utilities if this cost would be paid directly by the County and not the property owner. For any continuing lease, increases in costs for taxes and utilities are not subject to this provision.

Resolution No.: 19-686
 Introduced: November 10, 2020
 Adopted: December 8, 2020

**COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #13-S21-CMCG-5 to the FY21 Capital Budget Montgomery County Government Department of Health and Human Services Emergency Homeless Shelter (No. P602103), \$1,000,000

Background

- Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week’s notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
- Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
- The County Executive recommends the following capital project appropriation increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	P602103	Planning, Design Supervision	\$200,000	GO Bonds
		Site Improvements	\$700,000	GO Bonds
		Other	\$100,000	GO Bonds
TOTAL			\$1,000,000	GO Bonds

4. This increase is needed because the current facility that provides shelter service, located at Taft Court in Rockville, will no longer be available starting May of 2021. And, due to COVID-19, the maximum occupancy at each County shelter has decreased to allow for social distancing and spacing of beds. The facility or facilities will provide space for congregation, meal service, medical offices, and case management offices.
5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$1,000,000 for Emergency Homeless Shelter (No. P602103) and specifies that the source of funds will be GO Bonds.
6. Notice of public hearing was given and a public hearing was held.

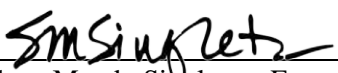
Action

The County Council for Montgomery County, Maryland approves the following resolution:

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	P602103	Planning, Design Supervision	\$200,000	GO Bonds
		Site Improvements	\$700,000	GO Bonds
		Other	\$100,000	GO Bonds
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TOTAL			\$1,000,000	GO Bonds

This is a correct copy of Council action.



 Selena Mendy Singleton, Esq.
 Clerk of the Council

Emergency Homeless Shelter (P602103)

Category	Health and Human Services	Date Last Modified	12/08/20
SubCategory	Health and Human Services	Administering Agency	General Services
Planning Area	Rockville	Status	Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
Planning, Design and Supervision	200	-	-	200	200	-	-	-	-	-	-
Site Improvements and Utilities	700	-	-	700	700	-	-	-	-	-	-
Other	100	-	-	100	100	-	-	-	-	-	-
TOTAL EXPENDITURES	1,000	-	-	1,000	1,000	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
G.O. Bonds	1,000	-	-	1,000	1,000	-	-	-	-	-	-
TOTAL FUNDING SOURCES	1,000	-	-	1,000	1,000	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	-	Year First Appropriation	FY21
Cumulative Appropriation	1,000	Last FY's Cost Estimate	-
Expenditure / Encumbrances	-		
Unencumbered Balance	1,000		

PROJECT DESCRIPTION

This project includes acquisition and construction of a building, or buildings, to provide congregation, meals, and medical and case management services.

ESTIMATED SCHEDULE

The work is planned to be completed by the end of calendar year 2021.

PROJECT JUSTIFICATION

The County facilities supporting homeless sheltering and associated services are insufficient for the current population and future projection. And due to COVID-19, the maximum occupancy at each County homeless shelter has decreased to allow for social distancing and spacing of beds. This project will acquire an existing building, or buildings, and retrofit the facility, or facilities, to include space for congregation, meal service, medical offices, and case management offices. The current facility that provides these services for men, located at Taft Court in Rockville, will no longer be available starting spring of 2021. Space in recreation centers that has been used to house men and women during the pandemic must be replaced so the recreation centers can re-open once the pandemic eases to the point programs can resume. This facility, or facilities will ensure that a full complement of homeless services are available to the men and women seeking emergency shelter in Montgomery County.

FISCAL NOTE

Cost estimates are placeholders and will be updated once a particular facility, or facilities, have been identified.

COORDINATION

Department of Health and Human Services, Department of General Services