

## MEMORANDUM

April 22, 2022

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Naeem M. Mia, Legislative Analyst

SUBJECT: **FY23 Recommended Operating Budget – Department of Housing and Community Affairs (DHCA) (Housing Initiative Fund only)**

**FY23-28 Recommended Capital Improvements Program (CIP) – Affordable Housing Acquisition and Preservation Fund CIP**

**Supplemental Appropriation to the County Government’s FY22 Capital Budget and Amendment to the FY21-26 Capital Improvements Program (CIP), Department of Housing and Community Affairs; \$14,749,992 for Affordable Housing Acquisition and Preservation; (Source of Funds: Loan Repayment Proceeds)**

**FY23-28 Recommended CIP – Preservation of Naturally Occurring Affordable Housing CIP**

PURPOSE: Vote on recommendations for the Council’s consideration

### Expected Attendees:

- Aseem Nigam, Director, DHCA
- Frank Demarais, Deputy Director, DHCA
- Dan Hughes, Acting Chief, Division of Community Development, DHCA
- Rogers Stanley, Chief, Neighborhood Revitalization Section, DHCA
- Pofen Salem, Chief, Division of Finance and Administration, DHCA
- Anita Aryeetey, Lead Fiscal Policy Analyst, OMB

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### A. Summary of Staff Recommendations

- 1) *Approve the HIF-funded portion of the DHCA FY23 operating budget as recommended by the County Executive;*

- 2) *Discuss options for inflationary adjustments for non-profit providers.*
- 3) *Approve the CE's recommended amendments for the Affordable Housing Acquisition and Preservation CIP, including the FY22 appropriation of \$14,749,992 of Loan Repayment Proceeds and the addition of \$25,000,000 of Recordation Tax Premium in FY24-26;*
- 4) *Do not approve at this time the CE's request for \$40,000,000 for a new CIP, the Preservation of Naturally Occurring Affordable Housing; and*
- 5) *Increase the General Fund Transfer to the HIF by \$40,000,000 in FY23 and designate those funds to be restricted until additional staff analysis and the development of options is complete; return to the Council in mid-FY23 to review options and recommendations.*

## B. Fiscal Summary

Housing and Community Affairs	FY22 Approved	FY23 CE Recommended	Change from FY22 Approved
<b>Housing Initiative Fund</b>	<b>\$43,122,517</b>	<b>\$49,066,087</b>	<b>13.8 %</b>
Personnel Costs	\$2,366,876 17.05 FTEs	\$2,496,293 18.05 FTEs	5.5% 1.0 FTEs
Operating Costs	\$40,755,641	\$46,569,794	14.3%
<b>Total Expenditures (HIF only)</b>	<b>\$43,122,517</b> 17.05 FTEs	<b>\$49,066,087</b> 18.05 FTEs	<b>13.8%</b> 5.9%

## C. Public Testimony

For the CIP projects, one speaker from the Executive branch spoke in support of the Preservation of Naturally Occurring Affordable Housing CIP at April 19, 2022 public hearing. During the April 19-21 operating budget public hearings, a total five speakers (of 120) testified in favor of additional affordable housing. An additional two speakers testified in favor of rental assistance programs.

## D. Overview of the HIF for FY23

The County Executive is recommending operating and capital resources which, after transfers out for debt service and indirect costs, will provide over \$57.0 million for affordable housing production, preservation, support for rental assistance and homeownership programs, and community-based services.

The 6-year Fiscal Plan for the HIF is at **circle 15**; **staff's summary of the Fiscal Plan is on circle 17**. The major components of the HIF are further described below:

### ***1) Fund Balance***

The beginning fund balance for FY23 is increased to \$12.7 million vs. the approved year-end fund balance of \$1.3 million. Changes in the fund balance are due to changes in actual expenditures during the current year, as well as changes in inter-fund transfers (primarily in transfers to the debt service fund).

Staff notes that the actual or projected fund balance does not always indicate funding available for additional programs or projects; DHCA may “commit” (without appropriating specific funds or identifying specific projects) to projects through its fund balance during the course of the year. Additional commitments include rental assistance agreements that have been signed but for which funds have not yet been disbursed; actual payments in a given fiscal year may be less than committed.

As a result, the additional fund balance projected in FY22 due to increases in revenues results in a higher “Other Claims on Fund Balance” (found as a separate line item on the 6-year Fiscal Plan) of approximately \$40.1 million.

### ***2) Inter-fund Transfers***

The Executive recommended *increasing* the transfer from the General Fund by \$1.4 million to \$30.1 million. Per the requirements of Council resolution 15-110, County Executive typically recommends the equivalent of 2.5% of actual property tax revenues from the prior two fiscal years to go to the HIF; however, the amount transferred in any given fiscal year is subject to actual revenues received.

In FY22, the Council approved a designated reserve of \$3.4 million in the HIF (as part of the General Fund transfer) to cover the cost of debt service for HOC’s Housing Production Fund (HPF). For FY23, the designated reserve in the General Fund transfer is decreased by \$3.4 million as the actual cost of debt service is close to \$3.0 million and was moved to the Debt Service Fund. For FY23, debt service for the HPF is estimated at \$3.0M and will be transferred to the Debt Service Fund through the HIF.

Transfers for debt service attributable to property acquisitions is estimated to *decrease* by \$1.2 million, from \$13.3 million in FY22 to \$12.2 million in FY23. This transfer/cost of debt service is for the bonds that fund the affordable housing acquisition and preservation CIP project.

Over the six-year CIP period, the cost is projected to *increase* from \$12.2 million in FY23 to \$22.4 million in FY28. The projection is based on the approval of the CIP project that assumes the additional bonds needed each year to provide a total of \$22 million in annual new expenditure authority. The actual debt service cost will vary based on the amount of new

bonds *actually* issued in any given year, changes in interest rates, opportunities to refund higher-cost bonds, and other factors.

### **3) Revenues**

Revenues from Land Sale Proceeds (based on the 25% of all proceeds from the sale of County property) *declined* from by \$5.3 million, from \$6.8 million to \$1.5 million to reflect a lower estimate of County land sales in FY23.

Revenues from Recordation Tax Premium for rental assistance programs appropriated in the HIF *increased* by \$4.7 million, from \$14.7 million in FY22 Approved to \$19.5 million in FY23. This is a critical funding source for the rental assistance programs in DHCA, Department of Health and Human Services (DHHS) and Housing Opportunities Commission (HOC). **A more detailed breakdown of this funding source is found on circle 18.**

Because the Recordation Tax Premium can fluctuate (FY22 and FY23 are expected to generate relatively high revenues due to rising home values and sales), DHCA has kept a portion of revenues in contingency so that it can draw on them for ongoing costs associated with rental assistance. For FY23, the reserve is approximately \$3.3 million, an increase from the FY22 Approved amount of \$721,000.

The CIP portion of the HIF, the Affordable Housing Acquisition and Preservations project, remains at \$22 million in resources in FY23 with increases in FY24-26 until “returning” to the \$22 million annual level in FY27-28 **(see further discussion below; the amended PDF, transmitted on March 15, 2022, is attached at circle 19).**

Throughout the six-year period, most of the annual funding is expected to come from bonds; changes in recordation tax premium allocated to this project will depend heavily on future homes sales activity in the County and is difficult to project.

### **4) Expenditures**

The CE is recommending total expenditures of \$49.1 million in FY23, an increase of \$6.0 million from the FY22 Approved. This funding includes HIF-related personnel costs and operating expenses (\$2.9 million), rental assistance programs (\$19.1 million), and affordable housing loans (\$13.5 million). Another \$2.0 million is allocated for the state and HOC Home Ownership Programs along with \$1.3 million for the Neighborhoods to Call Home initiative.

The HIF also allocates \$9.7 million (the same as FY22 Approved) to continue funding for the “HHS Housing Program” category that includes permanent supportive housing that was approved under the initial Housing First effort (\$8,369,080); the 100,000 Homes initiative (\$437,120), and the Zero 2016 veterans’ initiative (\$900,000).

More detailed discussion of FY23 expenditures is found in section F of this packet below.

## E. Affordable Housing Capital Projects

### 1) FY22 Supplemental Appropriation Request and FY23-28 CIP Amendments - Affordable Housing Acquisition and Preservation CIP

On January 18, 2022, the CE transmitted an FY22 CIP supplemental appropriation request to program \$14,749,992 of Loan Repayment Proceeds to the Affordable Housing Acquisition and Preservation CIP. On March 15, 2022, the CE transmitted an amendment to this CIP to program \$25,000,000 of Recordation Tax in FY24-26. The fiscal summary of all changes from the Approved FY21-26 CIP is as follows:

	<u>6-Year</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
FY23-28, Recommended	157,000	-	37,250	22,000	32,000	32,000	27,000	22,000	22,000
FY21-26, Approved	132,000	22,000	22,000	22,000	22,000	22,000	22,000	-	-
Difference	25,000	-	14,750	-	10,000	10,000	5,000	-	-

*Funding Source(s): HIF Revolving Program, Loan Repayment Proceeds, Recordation Tax Premium*

The CE has added \$25 million of Recordation Tax Premium (County portion) to the FY24-26 period, representing an almost 20% increase over the FY21-26 Approved CIP.

The CE's recommendation also programs \$14,749,992 of Loan Repayment Proceeds that was transmitted via a supplemental appropriation; DHCA does not expect to expend this FY22 appropriation until FY23. As bond-financed cash is issued to projects in the form of repayable loans, the loan repayment proceeds are revolved back into the project to fund additional projects. These proceeds require appropriation by the Council.

Council staff notes that due to the volatility of recordation tax revenues, the Council will have an opportunity to review and adjust, if necessary, for any increases or shortfalls in this revenue source in future budget cycles.

DHCA staff will present an update on the status of lending.

**Council staff recommendation:** Approve the CE's recommended amendments for this project, including the appropriation \$14,750,000 of Loan Repayment Proceeds in FY22 and \$25,000,000 of Recordation Tax Premium in FY24-26.

### 2) New Project - Preservation of Naturally Occurring Affordable Housing Fund CIP

	<u>6-Year</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
FY23-28, Recommended	40,000	-	5,000	20,000	15,000	-	-	-	-
FY21-26, Approved	-	-	-	-	-	-	-	-	-
Difference	40,000	-	5,000	20,000	15,000	-	-	-	-

*Funding Source(s): Current Revenue: General*

On March 15, 2022, the CE transmitted his request for a new CIP project, the Preservation of Naturally Occurring Affordable Housing (NOAH), as well as the associated supplemental appropriation of \$40 million of current revenue (cash)<sup>1</sup>. \$5.0 million is programmed in FY22 to provide funding for one potential project. The remaining funding is programmed in FY23-24.

According to DHCA, the need for this new program is as follows:

“The County has identified through the Planning Board’s studies, market analysis and DHCA’s affordable housing lending activities that it is necessary and effective to prioritize the preservation of current affordable housing. The FY23 recommended budget and the FY22 recommended supplementals for production and preservation lending represent an approach to communicate to the housing industry our commitment to prioritizing preservation of currently affordable housing while maintaining funding for new production. The recommended structure of dedicating the \$40 million NOAH CIP funding for preservation will complement the recommended \$6 million in FY23 for the Affordable Housing Opportunity Fund (AHOF) CIP (completing the CE’s initial recommendation of \$20M for this project) as the short-term funding supported by AHOF for acquisition of affordable housing would need long-term funding when refinanced.

The NOAH and AHOF CIP projects can dedicate the funding **to critical preservation activities while other funding resources**, such as the Affordable Housing Acquisition and Preservation CIP, the HIF-Operating Budget, and Federal CDBG/HOME grants, **can be utilized for the less restricted long-term production and/or preservation of affordable housing.”**

In addition, DHCA notes that the criteria for eligible projects

“The NOAH CIP funds will be lent on the same basis as other HIF lending, prioritizing currently affordable properties that are evaluated as at-risk of loss of affordability due to rent increases or redevelopment. Risk factors include current rents relative to the market prices and their proximity to transit corridors, etc. The NOAH Fund will be structured as repayable loans, which will be secured with a Deed of Trust and is based on the value of the property that can support the housing loans. No funding cap is set for each project.”

Staff analysis: Council staff notes that the use of current revenue for this project will likely allow greater flexibility as funding is readily available when compared to the lengthier timeline of going through loan financing. This may permit DHCA to identify and close on properties at a quicker pace.

On the other hand, it is possible that the \$40 million of cash can be leveraged to provide an even larger amount of loan financing through the traditional and existing Affordable Housing

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<sup>1</sup> The Council does not typically appropriate an amount of current revenue in the CIP that is greater than the estimated expenditures in a given fiscal year. Council, DHCA, and OMB staff discussed this issue and determined that the full amount of the appropriation is needed to demonstrate available resources to potential projects and partners;

Acquisition and Preservation Fund, Affordable Housing Opportunity Fund, or the Housing Production Fund. Assuming each \$1 of County funding can leverage approximately \$4, a total of \$120 million may be possible. Further analysis is needed to determine the impact on debt service and what the most effective funding mechanism (or mix of mechanisms) may be.

Therefore, staff recommends not funding this new project as recommended by the CE. The \$40 million of current revenue may be held in the HIF as a designated reserve until further analysis is complete. In addition, if DHCA identifies specific opportunities in the interim period, a supplemental appropriation tailored to that opportunity may be considered by the Council.

***Council staff recommendation:*** *Do not approve the Preservation of NOAH CP at this time. Staff recommends an increase the General Fund Transfer to the HIF by \$40,000,000 in FY23 and designate those funds to be restricted until additional staff analysis and the development of options is complete. Staff will return to the Council in early or mid-FY23 to review options and recommendations.*

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### **3) Status Update - Affordable Housing Opportunity Fund (AHOF) CIP**

This project provides funding to address the urgent challenge of preservation and development of affordable housing in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors.

According to DHCA:

“DHCA announced on March 31, 2022 that the AHOF was open and available to begin accepting applications. The AHOF lending will be coordinated by a fund manager, the National Housing Trust Community Development Fund (NHTCDF), selected through an RFP issued on September 25, 2021 and the contract signed on March 24, 2022.

The fund manager is contracted to solicit and evaluate lending opportunities for acquisition of currently affordable properties with the intent and capacity to finance for long-term affordability restrictions within three years of acquisition. NHTCDF has responsibility to ensure leveraging of County AHOF loans with at least 3:1 private funds, from the fund managers own funds and additional private capital.

The term sheet for the AHOF defines:

- lending up to 105% of value;
- the availability through NHTCDF of predevelopment and bridge financing; and
- the potential for interest rate incentives for deeper affordability and properties proximate to the Purple Line.
- The AHOF lending will utilize standardized loan documentation and processes to support timely commitment and closing to meet marketplace requirements.

AHOF lending currently prioritizes those affordable properties with at least half of their units at or below MPDU rent levels that are at-risk of loss of affordability due to various factors,

which include those located proximate to transit corridors, their affordability relative to market rents, and the potential for long-term affordability financing to achieve at least 20% of the units affordable to households below 50% AMI without displacement of current residents.

NHTCDF and DHCA have begun marketing the availability of this acquisition funding tool.”

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## **F. Major HIF-funded Expenditures with Service Impacts for FY23**

### ***1) Rental Assistance budget funded by HIF***

For FY23, the CE is recommending total funding for the County’s rental assistance programs at \$19.5 million, which is \$4.7 million (or 32 percent) higher than the FY22 Approved level of \$14.8 million. The increase is funded entirely by higher recordation taxes through the HIF. The allocations to HOC, DHHS, and DHCA programs are as follows:

- HOC: \$3.2 million (increase of \$92,000, or 3%)
- DHHS: \$8.1 million (increase of \$235,000, or 3%)
- DHCA: \$4.9 million (increase of \$1.8 million, or 56%)

In addition, the projected emergency rental assistance contingency for FY23 is increased significantly, from \$721,000 to \$3.3 million. As Recordation Tax Premium revenues are volatile, maintaining a healthy contingency is a prudent fiscal approach.

The County Code requirement for the half of the Recordation Tax Premium only says it must be used for rent assistance for low and moderate income households, which must not be used to supplant any otherwise available funds.

DHCA is using the increase for rental agreements to keep currently affordable units affordable. Often, but not always, these rental agreements are for older MPDUs (“MPDU extensions”) where the covenants for affordability are set to expire in the near term. While the additional funding is not significantly allocated to homelessness programs, this programming approach towards maintaining affordability for low- and moderate-income households is consistent with the Code’s requirements.

***Council staff recommendation:*** *Approve the CE’s recommendation.*

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### ***2) Homeownership Assistance Programs***

A summary of the resources allocated to this program and expended since FY21 are as follows:



<u>Fiscal Year</u>	<u>Funding Amount</u>	<u>Total Expended</u>	<u># of Applicants Receiving Funding</u>
FY21 Approved	\$2,000,000	\$2M (\$1M each for State DHCD and HOC Homeowner Assistance Program)	State portion (39 households) & HOC portion (45 households) received assistance
FY22 Approved	\$3,000,000	Expected to spend \$3M (\$1.5M for State and HOC Program)	TBD
FY23 Recommended	\$4,000,000	\$4M includes \$2M each to support HOC & State Homeowner Assistance Programs; and \$2M for the two-year employee home ownership pilot project.	TBD

For FY23, the Executive is recommending maintaining the partnership with the state Department of Housing and Community Development (DHCD) and HOC at a funding level of \$3.0 million. Each \$1 million would represent 40 additional down payment assistance packages of \$25,000 (the maximum amount); therefore this funding level provides support for 120 assistance packages.

In addition, \$2 million is also planned for the pilot program which will last two years (FY23-24). Details of the program will be negotiated in accordance with the County’s collective bargaining laws. However, most first-time homebuyer loan programs define first-time homebuyer as anyone who has not owned a home within the past three years and it is expected that the pilot will follow that definition.

***Council staff recommendation:*** Approve the CE’s recommendation. Request an update from DHCA once more specific parameters for the employee assistance program is developed.

**3) Inflationary Adjustments for Non-Profit Providers (HIF-Funded)**

The CE is recommending a six percent increase in the contracted amounts for inflation adjustments; the total for DHCA HIF-funded providers is \$73,007. The Council previously approved a 3% inflationary adjustment for FY22. **The list of non-profit partners receiving the 6% adjustment is on circles 25-26.**

Council staff recommends that inflationary adjustments for non-profit provider and partners remain consistent across *all* departments. Staff notes that the HHS Committee, at its April 21, 2022 worksession for the Department of Health and Human Services (DHHS), recommended adding to the Reconciliation List two additional tranches to *increase* the inflationary adjustment to 8% and 10%.

The PHED Committee may wish to recommend a similar increase for DHCA (General Fund) or may wish to defer any adjustments until further consideration in mid-FY23. The table below provides the estimated additional impact to the FY23 General Fund when compared to the base FY22 Approved budget.

<b>Non-Profit Partners (HIF)</b>					
	<u>FY22 Approved</u>	<u>CE Recommended</u>	<u>Option A</u>	<u>Option B</u>	<u>Option C</u>
% Increase		6.00%	3.00%	8.00%	10.00%
Total Cost	\$ 1,216,780	\$ 1,289,787	\$ 1,253,284	\$ 1,314,123	\$ 1,338,458
Additional vs. FY22		\$ 73,007	\$ 36,503	\$ 97,342	\$ 121,678

*Council staff recommendation: Discuss options.*

## G. Summary of FY23 Resources Available for Home Loans (source: DHCA)

### Montgomery County Funding Resources for Housing Loans

*Housing Initiative Fund (HIF) - Provided in the Operating and Capital budgets to support production and preservation of affordable housing, as well as rental assistance, homeless prevention, homeownership assistance, and Build Neighborhood to Call Home Program.*

	<b>FY23 Recommended</b>
<b>County Funds</b>	
<b>HIF - Operating (Affordable Housing Loans)</b>	<b>18,873,495</b>
<i>New funding from FY23 appropriation</i>	13,572,750
<i>Fund balance from prior year appropriation</i>	5,300,745
<b>HIF - CIP</b>	<b>36,750,000</b>
<i>New funding from FY23 appropriation</i>	22,000,000
<i>FY22 Supplemental appropriation request (appropriated in FY22; available in FY23)</i>	14,750,000
<b>Preservation of NOAH Fund - CIP</b>	
<i>FY22 Supplemental appropriation request (appropriated in FY22; available in FY23)</i>	<b>40,000,000</b>
<b>Affordable Housing Opportunity Fund - CIP</b>	
<i>New funding from FY23 appropriation</i>	<b>6,000,000</b>
<b>SUBTOTAL - COUNTY FUNDING SOURCES</b>	<b><u>101,623,495</u></b>
<b>Federal Funds</b>	
CDBG	2,177,150
HOME	2,412,203
<b>SUBTOTAL - FEDERAL GRANTS</b>	<b><u>4,589,353</u></b>
<b>TOTAL RESOURCES AVAILABLE IN FY23:</b>	<b><u>106,212,848</u></b>

This packet contains:

Circle Page #

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| 1. FY23 Recommended Publication and Fiscal Plan – DHCA               | 1-16  |
| 2. Staff summary of the FY23 HIF and changes from FY22 Approved      | 17    |
| 3. Rental Assistance Programs – 6-Year Fiscal Projection             | 18    |
| 4. Recommended PDF - Affordable Housing Acquisition and Preservation | 19    |
| 5. Resolution –Supplemental Appropriation, \$14,749,992              | 20-21 |
| 6. Recommended PDF - Preservation of NOAH Fund CIP                   | 22    |
| 7. Resolution – Preservation of NOAH Fund CIP                        | 23-24 |
| 8. List of DHCA Non-Profit Partners for FY23                         | 25-26 |



# Housing and Community Affairs

## RECOMMENDED FY23 BUDGET

\$68,414,227

## FULL TIME EQUIVALENTS

104.20

 ASEEM NIGAM, DIRECTOR

## MISSION STATEMENT

The mission of the Department of Housing and Community Affairs (DHCA) is to prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of affordable housing; and maintain existing housing in a safe and sanitary condition.

## BUDGET OVERVIEW

The total recommended FY23 Operating Budget for the Department of Housing and Community Affairs is \$68,414,227, an increase of \$6,669,758 or 10.80 percent from the FY22 Approved Budget of \$61,744,469. Personnel Costs comprise 18.55 percent of the budget for 110 full-time position(s) and no part-time position(s), and a total of 104.20 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 81.45 percent of the FY23 budget.

DHCA expects the total signed agreements for affordable housing projects through the Payment in Lieu of Taxes (PILOT) program to abate \$20.6 million in taxes in FY23.


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:

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

## INITIATIVES

-  Provide the highest level of affordable housing funding in the County's history by investing nearly \$100 million in affordable housing. This includes \$57 million in the Montgomery Housing Initiative (MHI) Fund, \$36.7 million in the Affordable

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Housing Acquisition and Preservation CIP project, and an additional \$6 million for the new Affordable Housing Opportunity Fund. This increases dedicated funding and provides for renovation of distressed housing, the acquisition and preservation of affordable housing units, creation of housing units for special needs residents, services to the "Building Neighborhoods to Call Home" and "Housing First" programs, and creation of mixed-income housing.

- ★ Dedicate one-time funding of \$40 million to create a new capital project, Preservation of Naturally Occurring Affordable Housing Fund, to support acquisition and preservation of at-risk currently naturally occurring affordable housing (NOAH), including units along the Purple Line and other County transit corridors.
- ★ Continue to protect lower-income residents from rent increases by working with nonprofits to identify and preserve at-risk naturally-occurring affordable housing and actively engaging purchasers with Rental Agreements to preserve affordable rents.
- ★ Continue to actively underwrite affordable housing loans to preserve and produce affordable housing. Five developments, including one senior and four family projects, have already been identified for potential funding in FY23. These developments would preserve or produce a total of 815 units, including 317 affordable units.
- ★ Commit additional resources in the Rental Assistance Program to pursue extension of approximately 125 expiring Moderately Priced Dwelling Units for another five years.
- ★ Collaborate with Health and Human Services (HHS), and the Housing Opportunities Commission (HOC) to provide rental assistance programs to the residents who need it the most. A renewed focus will be on eviction prevention, including targeted assistance and financial literacy seminars in areas experiencing high eviction rates.
- ★ Continue to apply for and receive Federal grants (i.e., Community Development Block Grant - CDBG, the HOME Investment Partnership Grant, and the Emergency Solutions Grant), which provide funding for affordable housing, housing rehabilitation, commercial revitalization, focused neighborhood assistance, public services, and preventing homelessness.
- ★ Allocate \$2 million from existing resources to explore, subject to the County's collective bargaining laws, a pilot program for down payment assistance to full-time career employees of Montgomery County and Montgomery County Public Schools to help make first time homebuying more affordable in the County.
- ★ Add an Investigator III Position for the Landlord-Tenant Mediation Program to support increasing demand for tenant services.
- ★ Add two positions in the Common Ownership Community Program to enhance staffing capacity and restructure program operations to provide more effective and efficient service delivery.

## INNOVATIONS AND PRODUCTIVITY IMPROVEMENTS

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- ★ Implemented the Affordable Housing Opportunity Fund to provide ready capital for acquisition and preservation of at-risk affordable housing. The fund launch in the first calendar quarter of 2022 provides opportunities for affordable housing developers to compete with market purchasers on cost of capital and timely execution to support preservation of affordability.
- ★ Implementing internet-facing support for resident access to information and services, including an affordable housing search application called 'Rental Marketplace' and the Moderately Priced Dwelling Units (MPDU) Portal for applicants. The Rental Marketplace leverages rental survey reporting to provide residents with an intuitive and efficient interface to identify rental properties by rent levels. The MPDU Portal provides secure registration, document submission, training, and processing of applications.
- ★ Produced the online, interactive "Housing and Building Code Enforcement Guide" to support public awareness of housing and building standards, and how to obtain support to promote healthy, safe, and thriving communities.
- ★ Responded to COVID impact by implementing the Microenterprise Stabilization Program, creating one of the few CDBG COVID funded programs for businesses implemented nationwide. The Program provided 177 small businesses with up to

\$10,000 grants to address COVID business impacts for business owners who met Community Development Block Grant household income eligibility.

## 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 FY22 estimates reflect funding based on the FY22 Approved Budget. The FY23 and FY24 figures are performance targets based on the FY23 Recommended Budget and funding for comparable service levels in FY24.

## 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Asset Management - Loan repayments billed / received <sup>1</sup>	\$21,218,393	\$16,761,478	\$17,264,322	\$17,782,252	\$18,315,720
Department MC311 Service Requests (SR)	20,925	19,328	19,908	20,505	21,120
Department MC311 Service Request success rate	87.1%	91.2%	93.9%	96.8%	99.7%
NACo Awards earned	1	2	1	1	1

<sup>1</sup> FY20 spike in loan repayments includes several large refinancing payoffs.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>2,379,713</b>	<b>13.70</b>
Re-align: Create an Information Technology Specialist Position for Cost Efficiency	98,760	1.00
Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts	29,766	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.	(176,900)	(0.90)
<b>FY23 Recommended</b>	<b>2,331,339</b>	<b>13.80</b>

### Affordable Housing Programs

This program creates and preserves affordable single-family housing units. It enforces Chapter 25A of the County Code to ensure that Moderately Priced Dwelling Units (MPDUs) are provided and monitored for resale control. The Code requires that 12.5 percent to 15.0 percent of an approved development of 20 dwelling units or more be MPDUs, depending on the amount of density bonus achieved. The housing units produced are marketed at controlled prices, which makes them affordable to moderate-income households. Additional single-family 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Affordable Housing Program - Number of MC311 Service Requests	1,654	1,170	1,205	1,241	1,278
Affordable Housing Program - Percent of MC311 Service Requests meeting service length agreement	100.0%	99.3%	100.0%	100.0%	100.0%
Number of affordable housing units produced and available for occupancy (at no cost to the County)	79	264	277	291	306
Number of housing units improved/rehabilitated	248	118	125	125	125

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>967,439</b>	<b>10.50</b>
Re-align: Create a Program Manager II Position to Support Implementation of MPDU Requirements	75,781	1.00
Re-align: Abolish a Lapsed Office Services Coordinator Position to Create a Program Manager II Position to Implement MPDU Requirements	0	(1.00)
Re-align: Operating Expenses to Fund the Creation of a Program Manager II Position	(75,781)	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.	(41,583)	(3.00)
<b>FY23 Recommended</b>	<b>925,856</b>	<b>7.50</b>

## ☀ 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
COC Program Customer Service - Number of MC311 Service Requests	757	675	695	716	738
COC Program Customer Service - Percent of MC311 Service Requests meeting service length agreement	99.6%	99.7%	100.0%	100.0%	100.0%
Percent of Commission on Common Ownership Communities (CCOC) cases resolved prior to a hearing	40.0%	42.0%	42.0%	42.0%	42.0%

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>712,097</b>	<b>4.15</b>
Add: MIII Position for Common Ownership Communities	96,322	1.00
Add: Investigator III Position for Common Ownership Communities	82,475	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.	14,296	0.00
<b>FY23 Recommended</b>	<b>905,190</b>	<b>6.15</b>

## ☀ Grants Administration - Federal Programs

Staff provides management and oversight to ensure compliance with all regulatory requirements for Federal funding awarded to Montgomery County by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant, the HOME Investment Partnership Grant, and the Emergency Solutions Grant programs. Funds from these

programs support both operating activities and capital projects. Activities funded may include property acquisition, new construction, housing rehabilitation, commercial area revitalization, and handicapped accessibility improvements. Staff administers contracts with the cities of Rockville and Takoma Park, as well as nonprofit organizations awarded funding to provide a variety of public services involving assistance to low-income persons.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Number of contracts awarded and monitored	48	25	25	26	25
Funding awarded to CDBG public service contracts	\$600,000	\$591,067	\$630,000	\$625,000	\$630,000
CDBG public service contract compliance rate	100%	100%	100%	100%	100%
CDBG public service contract non-housing beneficiaries <sup>1</sup>	\$6,382	\$8,250	\$19,612	\$10,000	\$10,300

<sup>1</sup> 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.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>7,097,202</b>	<b>5.70</b>
Increase Cost: Community Development Block Grant (CDBG) Operating Expenses	102,750	0.00
Add: Bethesda Cares, Inc. - Full-time Support to Supervise Volunteers Providing Homeless Services	45,000	0.00
Add: Community Reach of Montgomery County, Inc. - Provides support for the operations of a Diabetes Center	45,000	0.00
Add: Lead4Life, Inc. - Disconnected Youth Intervention	45,000	0.00
Add: Montgomery Housing Partnership - Homework Club Afterschool Enrichment Program	45,000	0.00
Add: Montgomery County Coalition for the Homeless, Inc. - Rapid Exit Specialist	45,000	0.00
Add: Hispanic Business Foundation of Maryland, Inc. - Partnership Youth Initiative	45,000	0.00
Add: Community Reach of Montgomery County, Inc. - Reduce Financial Instability by Providing Case Management Services and Financial Assistance	43,500	0.00
Add: Interfaith Works, Inc. - Empowerment Center to Support Residents Experiencing Homelessness	41,100	0.00
Add: Cornerstone Montgomery Inc. - Provide Nursing Healthcare in Mental Health Residential Facilities	40,500	0.00
Add: EveryMind - Stabilizing Adults through Situational Support	39,131	0.00
Add: ECDC Enterprise Development Group - Small Business Loan Program for Low to Moderate Income People	35,400	0.00
Add: Horizons Greater Washington Inc. - Summer Youth Program to Improve Proficiency in Literacy and Math	35,000	0.00
Add: Community Bridges, Inc. - College Access and Success Program for Young Women from Low Income and/or Minority Backgrounds	35,000	0.00
Add: Latin American Youth Center, Inc. - Maryland Multicultural Youth Center Mental Health	34,619	0.00
Add: Arts for the Aging - Boost Wellness and Connection through the Arts.	26,685	0.00
Add: Mobile Medical Care Inc. - Diabetic Eye Health	24,065	0.00
Increase Cost: Emergency Solutions Grant Operating Expenses	11,158	0.00
Technical Adj: Takoma Park Code Enforcement Contract	1,057	0.00
Decrease Cost: Home Investment Partnership Program (HOME) Grant Operating Expenses	(4,392)	0.00
Decrease Cost: CDBG Grant Adjustments	(625,000)	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.	1,527,863	1.00
<b>FY23 Recommended</b>	<b>8,735,638</b>	<b>6.70</b>

## 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Affordable housing units produced in the production pipeline	577	313	323	332	342
Number of affordable housing units in the preservation pipeline	58	558	368	379	390
Cost per unit of affordable housing units preserved	7,069	8,623	8,590	8,848	9,114
Cost per unit of affordable housing units produced <sup>1</sup>	\$24,801	\$56,284	\$58,966	\$60,735	\$62,557
Percent of affordable units created or preserved serving households under 50% AMI <sup>2</sup>	42.7%	30.0%	35.0%	37.5%	40.2%

<sup>1</sup> Average cost per unit fluctuates with the type of project financed.

<sup>2</sup> 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.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>469,121</b>	<b>3.95</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(69,892)	0.00
<b>FY23 Recommended</b>	<b>399,229</b>	<b>3.95</b>

## Housing Code Enforcement

This program enforces Chapter 26 of the County Code, *Housing Maintenance*, by inspecting rental condominiums, multi-family apartments, and single-family housing to ensure safe and sanitary conditions; 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Number of Housing Code Enforcement inspections	28,253	27,031	30,000	30,900	31,827
Housing Code Enforcement Program Customer Service - Number of MC311 Service Requests <sup>1</sup>	6,888	6,428	6,621	6,819	7,024
Housing Code Enforcement Program Customer Service - Percent of MC311 Service Requests meeting service length agreement	61.5%	74.3%	76.5%	78.8%	81.2%
Code Enforcement - Number of violations per unit	1.64	1.67	1.67	1.67	1.67
Code Enforcement - Average severity of violations per unit	1.27	1.5	1.5	1.5	2

<sup>1</sup>

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>4,595,390</b>	<b>38.50</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	172,858	0.00
<b>FY23 Recommended</b>	<b>4,768,248</b>	<b>38.50</b>

## Landlord-Tenant Mediation

This program ensures fair and equitable relations between landlords and tenants and encourages the maintenance and improvement of housing. Activities including mediating and arbitrating disputes; providing information and technical assistance to all parties; and

taking legal action as necessary, including referring unresolved complaints to the Montgomery County Commission on Landlord-Tenant Affairs.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Number of Landlord Tenant meditations	686	610	684	684	684
Landlord Tenant Affairs Program - Number of MC311 Service Requests	7,053	7,049	7,260	7,478	7,703
Landlord Tenant Affairs Program - Percent of MC311 Service Requests meeting service length agreement	99.6%	99.7%	100.0%	100.0%	100.0%
Percent of landlord/tenant cases mediated successfully (not referred to the Commission)	97.0%	97.2%	97.2%	97.2%	97.2%
Number of evictions prevented due to Landlord & Tenant Affairs' intervention	402	450	450	450	450

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>1,412,014</b>	<b>8.00</b>
Add: Investigator III Position for the Landlord-Tenant Mediation Program	82,475	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.	(10,939)	0.00
<b>FY23 Recommended</b>	<b>1,483,550</b>	<b>9.00</b>

## ☼ 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Licensing and Registration Program - Number of MC311 Service Requests	4,564	3,426	3,529	3,635	3,744
Licensing and Registration Program - Percent of MC311 Service Requests meeting service length agreement	100.0%	99.9%	100.0%	100.0%	100.0%
Number of rental licenses issued	114,365	107,626	107,600	107,600	107,600

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>456,256</b>	<b>3.20</b>
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	14,597	0.00
<b>FY23 Recommended</b>	<b>470,853</b>	<b>3.20</b>

## ☼ 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 FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Number of affordable housing units preserved and available for occupancy (County funded)	5,946	6,197	6,381	6,572	6,769
Number of affordable housing units produced and available for occupancy (County funded) <sup>1</sup>	546	650	668	688	929
Ratio of non-County dollars leveraged to County dollars in affordable housing projects	4.25	4.38	4.51	4.64	4.78
Total affordable housing units produced	1,202	1,640	1,306	1,345	1,999
Total affordable housing units preserved <sup>2</sup>	6,004	7,129	7,142	7,357	7,577

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

<sup>2</sup> Preservation increases projected in FY18-20 due to increases in MHI rental assistance funding.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>41,798,198</b>	<b>6.90</b>
Enhance: Operating Expenses to Reflect Adjusted General Fund Transfer to MHI	4,842,120	0.00
Enhance: Rental Assistance Program Due to Increased Revenue Estimates	4,757,190	0.00
Enhance: Operating Expenses to Reflect Adjusted Investment Income Estimates	2,453,820	0.00
Increase Cost: Operating Expenses to Reflect Adjusted Debt Service for Housing CIP	1,534,800	0.00
Increase Cost: HOC Production Fund Contribution to MHI	729,167	0.00
Enhance: Reflect Adjusted Loan Payment Estimates	200,000	0.00
Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts	73,007	0.00
Decrease Cost: Reflect Adjusted Other Financing Sources	(2,420)	0.00
Reduce: Designated Expenditures due to Adjustment of Reserve for Affordable Housing	(3,400,000)	0.00
Reduce: Affordable Housing Projects Based on Land Sale Proceeds Contributed to the MHI	(5,297,750)	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.	(1,170,758)	1.00
<b>FY23 Recommended</b>	<b>46,517,374</b>	<b>7.90</b>

## Neighborhood Revitalization

This program provides planning and implementation for neighborhood revitalization in targeted areas. Activities include commercial revitalization (physical and economic) in both local retail centers and central business districts as well as assistance to address other community concerns, including issues related to housing and public services. Primary funding for these activities is provided from the County's Capital Improvements Program and from other Federal and State funds, including Community Development Block Grants and State Community Legacy Grants.

Program Performance Measures	Actual FY20	Actual FY21	Estimated FY22	Target FY23	Target FY24
Focused Neighborhood Assistance Activity (expenditures) <sup>1</sup>	\$903,822	\$335,287	\$727,000	\$1,380,000	\$600,000
Facade Program - Private dollars leveraged	\$0	\$0	\$0	\$300,000	\$309,000
Focused Neighborhood Assistance Active projects	5	3	3	3	2
Focused Neighborhood Assistance beneficiaries <sup>2</sup>	191	1,400	1,400	2,200	2,200
Facade Program - Number of businesses benefited	0	0	7	8	10

<sup>1</sup> FY20 activity includes four active projects (Kimberly Place Balconies and Drainage, Montclair Manor and Montgomery Village). FY21 assumes

activity at Kimberly Place Balconies and Wedgewood. FY22 assumes activity is only for Kimberly Place Balconies.

<sup>2</sup> FY20 activity includes four active projects (Kimberly Place Balconies and Drainage, Montclair Manor and Montgomery Village). FY21 assumes activity at Kimberly Place Balconies and Wedgewood. FY22 assumes activity is only for Kimberly Place Balconies.

FY23 Recommended Changes	Expenditures	FTEs
<b>FY22 Approved</b>	<b>1,857,039</b>	<b>6.60</b>
Re-align: Abolish a Vacant Planning Specialist III Position in the Neighborhood Revitalization Program to Support Creation of a New IT Specialist Position in the Management Services Program	(98,760)	(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.	118,671	1.90
<b>FY23 Recommended</b>	<b>1,876,950</b>	<b>7.50</b>

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	5,651,608	5,567,030	5,648,523	6,072,291	9.1 %
Employee Benefits	1,731,608	1,674,106	1,666,856	1,680,888	0.4 %
<b>County General Fund Personnel Costs</b>	<b>7,383,216</b>	<b>7,241,136</b>	<b>7,315,379</b>	<b>7,753,179</b>	<b>7.1 %</b>
Operating Expenses	1,519,675	1,637,893	1,493,880	1,741,465	6.3 %
<b>County General Fund Expenditures</b>	<b>8,902,891</b>	<b>8,879,029</b>	<b>8,809,259</b>	<b>9,494,644</b>	<b>6.9 %</b>
<b>PERSONNEL</b>					
Full-Time	106	107	107	110	2.8 %
Part-Time	1	0	0	0	—
FTEs	62.65	62.65	62.65	65.65	4.8 %
<b>REVENUES</b>					
Board of Appeals Fees	(2,250)	8,000	8,000	8,000	—
Common Ownership Community Fees	666,861	722,500	722,500	792,500	9.7 %
Fire Code Enforcement Permits	0	0	0	60,000	—
Landlord-Tenant Fees	5,669,814	7,119,750	7,119,750	7,592,500	6.6 %
Miscellaneous Revenues	(13,790)	6,500	6,500	6,500	—
Other Charges/Fees	(10,780)	74,350	74,350	74,350	—
Other Fines/Forfeitures	23,632	40,000	40,000	40,000	—
Other Licenses/Permits	0	492,000	492,000	492,000	—
<b>County General Fund Revenues</b>	<b>6,333,487</b>	<b>8,463,100</b>	<b>8,463,100</b>	<b>9,065,850</b>	<b>7.1 %</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	1,347,183	1,849,048	1,258,710	1,989,224	7.6 %
Employee Benefits	375,074	517,828	347,813	507,069	-2.1 %
<b>Montgomery Housing Initiative Personnel Costs</b>	<b>1,722,257</b>	<b>2,366,876</b>	<b>1,606,523</b>	<b>2,496,293</b>	<b>5.5 %</b>
Operating Expenses	37,749,395	40,755,641	44,610,813	46,569,794	14.3 %
<b>Montgomery Housing Initiative Expenditures</b>	<b>39,471,652</b>	<b>43,122,517</b>	<b>46,217,336</b>	<b>49,066,087</b>	<b>13.8 %</b>

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>PERSONNEL</b>					
Full-Time	0	0	0	1	—
Part-Time	0	0	0	0	—
FTEs	17.05	17.05	17.05	18.05	5.9 %
<b>REVENUES</b>					
Asset Management Fee	77,540	70,200	70,200	70,200	—
Commitment Fee	0	200,000	200,000	200,000	—
HOC Contributions	0	1,770,833	1,770,833	2,500,000	41.2 %
Investment Income	1,461,522	1,000,000	578,620	3,453,280	245.3 %
Land Sale Proceeds	0	6,797,750	6,797,750	1,500,000	-77.9 %
Loan Payments	12,840,059	3,100,000	3,300,000	3,300,000	6.5 %
MHI Transfer Tax	0	100,000	100,000	100,000	—
Miscellaneous Revenues	3,473,978	75,006	75,006	75,006	—
MPDU Alternative Payments	0	360,000	360,000	360,000	—
MPDU Revenues	2,492,079	1,970,000	1,970,000	1,970,000	—
Other Financing Sources	9,034	49,650	49,650	47,230	-4.9 %
Recordation Tax	16,313,395	14,753,187	19,825,844	19,510,377	32.2 %
<b>Montgomery Housing Initiative Revenues</b>	<b>36,667,607</b>	<b>30,246,626</b>	<b>35,097,903</b>	<b>33,086,093</b>	<b>9.4 %</b>

### GRANT FUND - MCG

<b>EXPENDITURES</b>					
Salaries and Wages	1,500,319	1,930,057	1,930,057	1,932,732	0.1 %
Employee Benefits	338,283	551,984	551,984	507,051	-8.1 %
<b>Grant Fund - MCG Personnel Costs</b>	<b>1,838,602</b>	<b>2,482,041</b>	<b>2,482,041</b>	<b>2,439,783</b>	<b>-1.7 %</b>
Operating Expenses	11,119,945	7,260,882	7,260,882	7,413,713	2.1 %
<b>Grant Fund - MCG Expenditures</b>	<b>12,958,547</b>	<b>9,742,923</b>	<b>9,742,923</b>	<b>9,853,496</b>	<b>1.1 %</b>

<b>PERSONNEL</b>					
Full-Time	0	0	0	(1)	—
Part-Time	0	0	0	0	—
FTEs	21.00	21.50	21.50	20.50	-4.7 %
<b>REVENUES</b>					
Federal Grants	4,649,706	7,462,246	7,462,246	7,571,762	1.5 %
Investment Income	139,808	0	0	0	—
Loan Payments	3,551,168	2,000,000	2,000,000	2,000,000	—
Other Intergovernmental	21	280,677	280,677	281,734	0.4 %
State Grants	70,335	0	0	0	—
<b>Grant Fund - MCG Revenues</b>	<b>8,411,038</b>	<b>9,742,923</b>	<b>9,742,923</b>	<b>9,853,496</b>	<b>1.1 %</b>

### DEPARTMENT TOTALS

## BUDGET SUMMARY

	Actual FY21	Budget FY22	Estimate FY22	Recommended FY23	%Chg Bud/Rec
<b>Total Expenditures</b>	<b>61,333,090</b>	<b>61,744,469</b>	<b>64,769,518</b>	<b>68,414,227</b>	<b>10.8 %</b>
<b>Total Full-Time Positions</b>	<b>106</b>	<b>107</b>	<b>107</b>	<b>110</b>	<b>2.8 %</b>
<b>Total Part-Time Positions</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>—</b>
<b>Total FTEs</b>	<b>100.70</b>	<b>101.20</b>	<b>101.20</b>	<b>104.20</b>	<b>3.0 %</b>
<b>Total Revenues</b>	<b>51,412,132</b>	<b>48,452,649</b>	<b>53,303,926</b>	<b>52,005,439</b>	<b>7.3 %</b>

## FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY22 ORIGINAL APPROPRIATION</b>	<b>8,879,029</b>	<b>62.65</b>
<b><u>Changes (with service impacts)</u></b>		
Add: MIII Position for Common Ownership Communities [Common Ownership Community Program]	96,322	1.00
Add: Investigator III Position for Common Ownership Communities [Common Ownership Community Program]	82,475	1.00
Add: Investigator III Position for the Landlord-Tenant Mediation Program [Landlord-Tenant Mediation]	82,475	1.00
<b><u>Other Adjustments (with no service impacts)</u></b>		
Increase Cost: Annualization of FY22 Compensation Increases	163,925	0.00
Increase Cost: FY23 Compensation Adjustment	138,742	0.00
Increase Cost: Motor Pool Adjustment	71,271	0.00
Increase Cost: Annualization of FY22 Personnel Costs	56,625	0.00
Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts [Administration]	29,766	0.00
Increase Cost: Printing and Mail Adjustment	2,535	0.00
Decrease Cost: Retirement Adjustment	(108,521)	0.00
<b>FY23 RECOMMENDED</b>	<b>9,494,644</b>	<b>65.65</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>		
<b>FY22 ORIGINAL APPROPRIATION</b>	<b>43,122,517</b>	<b>17.05</b>
<b><u>Changes (with service impacts)</u></b>		
Enhance: Operating Expenses to Reflect Adjusted General Fund Transfer to MHI [Multi-Family Housing Programs]	4,842,120	0.00
Enhance: Rental Assistance Program Due to Increased Revenue Estimates [Multi-Family Housing Programs]	4,757,190	0.00
Enhance: Operating Expenses to Reflect Adjusted Investment Income Estimates [Multi-Family Housing Programs]	2,453,820	0.00
Enhance: Reflect Adjusted Loan Payment Estimates [Multi-Family Housing Programs]	200,000	0.00
Reduce: Designated Expenditures due to Adjustment of Reserve for Affordable Housing [Multi-Family Housing Programs]	(3,400,000)	0.00
Reduce: Affordable Housing Projects Based on Land Sale Proceeds Contributed to the MHI [Multi-Family Housing Programs]	(5,297,750)	0.00
<b><u>Other Adjustments (with no service impacts)</u></b>		

## FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
Increase Cost: Operating Expenses to Reflect Adjusted Debt Service for Housing CIP [Multi-Family Housing Programs]	1,534,800	0.00
Increase Cost: HOC Production Fund Contribution to MHI [Multi-Family Housing Programs]	729,167	0.00
Re-align: Create an Information Technology Specialist Position for Cost Efficiency [Administration]	98,760	1.00
Re-align: Create a Program Manager II Position to Support Implementation of MPDU Requirements [Affordable Housing Programs]	75,781	1.00
Increase Cost: Six Percent Inflationary Increase to Non-Profit Service Provider Contracts [Multi-Family Housing Programs]	73,007	0.00
Increase Cost: Annualization of FY22 Compensation Increases	40,222	0.00
Increase Cost: FY23 Compensation Adjustment	30,545	0.00
Decrease Cost: Reflect Adjusted Other Financing Sources [Multi-Family Housing Programs]	(2,420)	0.00
Decrease Cost: Retirement Adjustment	(17,131)	0.00
Re-align: Operating Expenses to Fund the Creation of a Program Manager II Position [Affordable Housing Programs]	(75,781)	0.00
Re-align: Abolish a Vacant Planning Specialist III Position in the Neighborhood Revitalization Program to Support Creation of a New IT Specialist Position in the Management Services Program [Neighborhood Revitalization]	(98,760)	(1.00)
<b>FY23 RECOMMENDED</b>	<b>49,066,087</b>	<b>18.05</b>

### GRANT FUND - MCG

	FY22 ORIGINAL APPROPRIATION	9,742,923	21.50
<b><u>Federal/State Programs</u></b>			
Add: Lead4Life, Inc. - Disconnected Youth Intervention	45,000	0.00	
Add: Hispanic Business Foundation of Maryland, Inc. - Partnership Youth Initiative	45,000	0.00	
Add: Bethesda Cares, Inc. - Full-time Support to Supervise Volunteers Providing Homeless Services	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, Inc. - Provides support for the operations of a Diabetes Center	45,000	0.00	
Add: Montgomery Housing Partnership - Homework Club Afterschool Enrichment Program	45,000	0.00	
Add: Community Reach of Montgomery County, Inc. - Reduce Financial Instability by Providing Case Management Services and Financial Assistance	43,500	0.00	
Add: Interfaith Works, Inc. - Empowerment Center to Support Residents Experiencing Homelessness	41,100	0.00	
Add: Cornerstone Montgomery Inc. - Provide Nursing Healthcare in Mental Health Residential Facilities	40,500	0.00	
Add: EveryMind - Stabilizing Adults through Situational Support	39,131	0.00	
Add: ECDC Enterprise Development Group - Small Business Loan Program for Low to Moderate Income People	35,400	0.00	
Add: Community Bridges, Inc. - College Access and Success Program for Young Women from Low Income and/or Minority Backgrounds	35,000	0.00	
Add: Horizons Greater Washington Inc. - Summer Youth Program to Improve Proficiency in Literacy and Math	35,000	0.00	
Add: Latin American Youth Center, Inc. - Maryland Multicultural Youth Center Mental Health	34,619	0.00	
Add: Arts for the Aging - Boost Wellness and Connection through the Arts.	26,685	0.00	
Add: Mobile Medical Care Inc. - Diabetic Eye Health	24,065	0.00	
<b><u>Other Adjustments (with no service impacts)</u></b>			



## FY23 RECOMMENDED CHANGES

	Expenditures	FTEs
Increase Cost: Community Development Block Grant (CDBG) Operating Expenses [Grants Administration - Federal Programs]	102,750	0.00
Increase Cost: Emergency Solutions Grant Operating Expenses [Grants Administration - Federal Programs]	11,158	0.00
Technical Adj: Takoma Park Code Enforcement Contract [Grants Administration - Federal Programs]	1,057	0.00
Re-align: Abolish a Lapsed Office Services Coordinator Position to Create a Program Manager II Position to Implement MPDU Requirements [Affordable Housing Programs]	0	(1.00)
Decrease Cost: Home Investment Partnership Program (HOME) Grant Operating Expenses [Grants Administration - Federal Programs]	(4,392)	0.00
Decrease Cost: CDBG Grant Adjustments [Grants Administration - Federal Programs]	(625,000)	0.00
<b>FY23 RECOMMENDED</b>	<b>9,853,496</b>	<b>20.50</b>

## PROGRAM SUMMARY

Program Name	FY22 APPR Expenditures	FY22 APPR FTEs	FY23 REC Expenditures	FY23 REC FTEs
Administration	2,379,713	13.70	2,331,339	13.80
Affordable Housing Programs	967,439	10.50	925,856	7.50
Common Ownership Community Program	712,097	4.15	905,190	6.15
Grants Administration - Federal Programs	7,097,202	5.70	8,735,638	6.70
Housing Administration	469,121	3.95	399,229	3.95
Housing Code Enforcement	4,595,390	38.50	4,768,248	38.50
Landlord-Tenant Mediation	1,412,014	8.00	1,483,550	9.00
Licensing and Registration	456,256	3.20	470,853	3.20
Multi-Family Housing Programs	41,798,198	6.90	46,517,374	7.90
Neighborhood Revitalization	1,857,039	6.60	1,876,950	7.50
<b>Total</b>	<b>61,744,469</b>	<b>101.20</b>	<b>68,414,227</b>	<b>104.20</b>

## CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY22 Total\$	FY22 FTEs	FY23 Total\$	FY23 FTEs
<b>COUNTY GENERAL FUND</b>					
Permitting Services	Permitting Services	101,627	1.00	108,638	1.00
Recycling and Resource Management	Solid Waste Disposal	691,391	5.50	707,264	5.50
CIP	Capital Fund	203,663	1.70	165,915	1.70
<b>Total</b>		<b>996,681</b>	<b>8.20</b>	<b>981,817</b>	<b>8.20</b>

## FUNDING PARAMETER ITEMS

CE RECOMMENDED (\$000S)



Title	FY23	FY24	FY25	FY26	FY27	FY28
<b>COUNTY GENERAL FUND</b>						
<b>EXPENDITURES</b>						
<b>FY23 Recommended</b>	<b>9,495</b>	<b>9,495</b>	<b>9,495</b>	<b>9,495</b>	<b>9,495</b>	<b>9,495</b>
No inflation or compensation change is included in outyear projections.						
<b>Annualization of Positions Recommended in FY23</b>	<b>0</b>	<b>219</b>	<b>219</b>	<b>219</b>	<b>219</b>	<b>219</b>
New positions in the FY23 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears.						
<b>Labor Contracts</b>	<b>0</b>	<b>317</b>	<b>317</b>	<b>317</b>	<b>317</b>	<b>317</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>9,495</b>	<b>10,031</b>	<b>10,031</b>	<b>10,031</b>	<b>10,031</b>	<b>10,031</b>
<b>MONTGOMERY HOUSING INITIATIVE</b>						
<b>EXPENDITURES</b>						
<b>FY23 Recommended</b>	<b>49,066</b>	<b>49,066</b>	<b>49,066</b>	<b>49,066</b>	<b>49,066</b>	<b>49,066</b>
No inflation or compensation change is included in outyear projections.						
<b>Annualization of Positions Recommended in FY23</b>	<b>0</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>	<b>101</b>
New positions in the FY23 budget are generally assumed to be filled at least two months after the fiscal year begins. Therefore, the above amounts reflect annualization of these positions in the outyears.						
<b>Labor Contracts</b>	<b>0</b>	<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
<b>Subtotal Expenditures</b>	<b>49,066</b>	<b>49,249</b>	<b>49,249</b>	<b>49,249</b>	<b>49,249</b>	<b>49,249</b>

### ANNUALIZATION OF FULL PERSONNEL COSTS

	FY23 Recommended		FY24 Annualized	
	Expenditures	FTEs	Expenditures	FTEs
Create a Program Manager II Position to Support Implementation of MPDU Requirements	75,781	1.00	176,823	1.00
Investigator III Position for Common Ownership Communities	82,475	1.00	191,845	1.00
Investigator III Position for the Landlord-Tenant Mediation Program	82,475	1.00	192,442	1.00
<b>Total</b>	<b>240,731</b>	<b>3.00</b>	<b>561,110</b>	<b>3.00</b>

**FY23-28 PUBLIC SERVICES PROGRAM: FISCAL PLAN**

**Montgomery Housing Initiative**

FISCAL PROJECTIONS	FY22 APPROVED	FY22 ESTIMATE	FY23 REC	FY24 PROJECTION	FY25 PROJECTION	FY26 PROJECTION	FY27 PROJECTION	FY28 PROJECTION
<b>ASSUMPTIONS</b>								
Indirect Cost Rate	19.18%	19.18%	18.35%	18.35%	18.35%	18.35%	18.35%	18.35%
CPI (Fiscal Year)	1.6%	5.4%	3.0%	2.3%	2.4%	2.4%	2.3%	2.2%
Investment Income Yield	0.1%	0.2%	1.2%	1.5%	1.5%	1.5%	1.5%	1.5%
<b>BEGINNING FUND BALANCE</b>	<b>20,635,425</b>	<b>47,597,551</b>	<b>12,747,400</b>	<b>3,276,600</b>	<b>823,600</b>	<b>582,700</b>	<b>334,500</b>	<b>394,600</b>
<b>REVENUES</b>								
Taxes	14,853,187	19,925,844	19,610,377	20,248,308	21,011,408	21,780,993	22,589,703	23,409,166
Charges For Services	70,200	70,200	70,200	71,787	73,488	75,230	76,945	78,007
Miscellaneous	15,323,239	15,101,859	13,405,516	12,980,236	13,097,956	13,276,758	13,462,356	13,655,026
<b>Subtotal Revenues</b>	<b>30,246,626</b>	<b>35,097,903</b>	<b>33,086,093</b>	<b>33,300,331</b>	<b>34,182,852</b>	<b>35,132,979</b>	<b>36,129,004</b>	<b>37,142,799</b>
<b>INTERFUND TRANSFERS (Net Non-CIP)</b>								
Transfers To Debt Service Fund	(16,718,400)	(11,566,600)	(15,262,000)	(17,906,600)	(17,798,020)	(22,123,890)	(22,122,599)	(26,421,400)
MHI HOC Housing Opportunity Fund	(3,400,000)	(3,071,100)	(3,073,200)	(3,071,000)	(3,069,500)	(3,072,100)	(3,070,300)	(3,068,800)
MHI Property Acquisition	(13,318,400)	(8,495,500)	(12,188,800)	(14,835,600)	(14,728,520)	(19,051,790)	(19,052,299)	(22,352,600)
Transfers To The General Fund	(453,967)	(453,967)	(458,070)	(477,584)	(498,454)	(520,236)	(542,502)	(565,070)
Indirect Costs	(453,967)	(453,967)	(458,070)	(477,584)	(498,454)	(520,236)	(542,502)	(565,070)
Transfers From The General Fund	28,740,829	28,740,829	30,182,949	30,182,949	30,182,949	30,182,949	30,182,949	30,182,949
General Fund	25,340,829	25,340,829	30,182,949	30,182,949	30,182,949	30,182,949	30,182,949	30,182,949
Designated Reserve for Affordable Housing	3,400,000	3,400,000	0	0	0	0	0	0
<b>TOTAL RESOURCES</b>	<b>62,450,513</b>	<b>99,415,716</b>	<b>60,296,372</b>	<b>48,375,696</b>	<b>46,892,928</b>	<b>43,254,501</b>	<b>43,981,352</b>	<b>41,733,878</b>
<b>PSP OPER. BUDGET APPROP/ EXP'S.</b>								
Operating Budget	(43,072,867)	(30,397,146)	(2,939,743)	(2,939,743)	(2,939,743)	(2,939,743)	(2,939,743)	(2,939,743)
CPI-Fiscal Year for OE (= OE w/o FC x CPI)	n/a	n/a	0	(10,020)	(20,770)	(31,770)	(42,610)	(53,110)
Compensation Adjustment	n/a	n/a	0	(106,342)	(220,077)	(338,782)	(460,123)	(583,110)
Debt Service: Other (Non-Tax Funds only)	(49,650)	(49,650)	(47,230)	(54,510)	0	0	0	0
Annualizations and One-Time	n/a	n/a	0	(101,042)	(101,042)	(101,042)	(101,042)	(101,042)
Rental Assistance Program (RAP)	n/a	(9,770,540)	(19,510,377)	(20,248,308)	(21,011,408)	(21,780,993)	(22,589,703)	(23,409,166)
Affordable Housing Loans	n/a	(4,000,000)	(13,572,750)	(11,096,144)	(9,021,201)	(4,731,684)	(4,457,544)	(1,570,620)
HHS Housing Programs	n/a	n/a	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)	(9,706,200)
Neighborhoods to Call Home	n/a	0	(1,289,787)	(1,289,787)	(1,289,787)	(1,289,787)	(1,289,787)	(1,289,787)
Homeownership Assistance Program	n/a	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
<b>Subtotal PSP Oper Budget Approp / Exp's</b>	<b>(43,122,517)</b>	<b>(46,217,336)</b>	<b>(49,066,087)</b>	<b>(47,552,096)</b>	<b>(46,310,228)</b>	<b>(42,920,001)</b>	<b>(43,586,752)</b>	<b>(41,652,778)</b>
<b>OTHER CLAIMS ON FUND BALANCE</b>	<b>(17,997,996)</b>	<b>(40,450,980)</b>	<b>(7,953,685)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USE OF RESOURCES</b>	<b>(61,120,513)</b>	<b>(86,668,316)</b>	<b>(57,019,772)</b>	<b>(47,552,096)</b>	<b>(46,310,228)</b>	<b>(42,920,001)</b>	<b>(43,586,752)</b>	<b>(41,652,778)</b>
<b>YEAR END FUND BALANCE</b>	<b>1,330,000</b>	<b>12,747,400</b>	<b>3,276,600</b>	<b>823,600</b>	<b>582,700</b>	<b>334,500</b>	<b>394,600</b>	<b>81,100</b>
<b>END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES</b>								
	2.1%	12.8%	5.4%	1.7%	1.2%	0.8%	0.9%	0.2%

**Assumptions:**

- Approximately \$100 million will be allocated in affordable housing, including expenditures of \$57.0 million reflected in this fund, \$22 million for the Affordable Housing Acquisition and Preservation CIP Project #760100, and \$6 million for Affordable Housing Opportunity Fund CIP Project #762101. The CIP fund assumes the issuance of \$14.89 million of debt, \$7.1 million in estimated loan repayments, and \$6 million funded with Recordation Tax Premium in FY23. 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 \$14.75 million in Loan Repayments for the Acquisition and Preservation of Affordable Housing CIP Project #760100 was submitted to the Council in January 2022 for approval. The funding will be used to address the urgent challenge of preservation and development of affordable housing in areas at risk of rent escalation to higher market rents, including County transit corridors.
- \$40 million in cash is dedicated to a new CIP project, Preservation of Naturally Occurring Affordable Housing Fund, P762201, to preserve those NOAH properties in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors
- The six-year CIP includes \$25 million in Recordation Tax Premium for the Affordable Housing Acquisition and Preservation (760100) for additional housing acquisition and/or preservation activities in FY24 through FY26.
- 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 Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here to fee or tax rates.
- The Executive recommends an additional \$4.8 million to be transferred from the General Fund to the MHI fund, compared to \$25.3 million approved for FY22. A combination totaling \$30.2 million transferred from the General Fund, the additional \$1.5 million collected from land sale proceeds, and the projected \$2.5 million contributed by the interest payments generated from HOC Housing Production Fund will reach beyond the 2.5% policy goal.
- Operating budget includes personnel costs, contracts for homeownership education, and miscellaneous expenses for consultants, technology upgrades and monitoring.

**AFFORDABLE HOUSING SUPPORT SUMMARY**

Funding Sources	Total County Resources (FY08 - FY21)	Avg Resources FY08-FY21	FY22 CC Approved Budget	FY23 Recommended Budget	Projected Creation / Preservation of Affordable Housing (FY23)	Notes
<b>Operating Budget Expenditures</b>						
DHCA - MHI Operating Budget	398,521,561	28,465,826	43,122,517	49,066,087		
DHCA - MHI Debt Service (interest only)	36,604,264	2,614,590	4,563,250	4,787,383		
HHS - General Fund - Housing Programs	137,008,191	9,786,299	16,847,775	23,968,821	2,500	Clients Served
HOC - Non-Departmental Account	87,123,489	6,223,106	6,895,693	7,633,168		
<b>Total Operating Budget</b>	<b>659,257,505</b>	<b>47,089,822</b>	<b>71,429,235</b>	<b>85,455,459</b>		
<b>Affordable Housing Acquisition and Preservation Project (CIP)</b>						
MHI	4,775,000	397,917				
HIF Revolving Loan Program	174,783,000	12,484,500	8,751,000	14,896,000		
Loan Repayment Proceeds (actual)	63,697,507	4,549,822	13,249,000	21,854,000		An FY22 supplemental request of \$14.75M is pending Council's action.
G.O. Bonds	-	-	-	-		
Recordation Tax Premium	4,544,540	568,068	-	-		
<b>DHCA - Affordable Housing Acquisition and Preservation Project (CIP) - Total</b>	<b>247,800,047</b>	<b>18,000,306</b>	<b>22,000,000</b>	<b>36,750,000</b>		
<b>Affordable Housing Opportunity Fund (CIP)</b>						
Preservation of Naturally Occurring Affordable Housing (NOAH) Fund	-	-	14,000,000	6,000,000	8,653	Includes Montgomery Housing Initiative Fund and Capital Improvements Program.
DHCA - Payment in Lieu of Taxes (Non-HOC PILOTs)	171,456,722	12,246,909	20,024,034	20,624,755	600	In support of operating costs for Non-profits and Senior housing
DHCA - Payment in Lieu of Taxes (HOC PILOTs)	125,436,849	8,959,775	9,993,954	10,593,592	150	
DGS - Discounted Land Value	49,493,163	8,248,861	6,797,750	1,500,000		Units captured in DHCA
<b>Total Affordable Housing Support</b>	<b>1,253,444,287</b>	<b>94,545,672</b>	<b>137,447,223</b>	<b>199,423,806</b>	<b>11,903</b>	

	A	O	P	Q	R
1	<b><u>Housing Initiative Fund (HIF)</u></b>	<b>FY22</b>	<b>FY22</b>	<b>FY23</b>	<b>Change (\$)</b>
2	<b>Approved and Recommended</b>	<b>Approved</b>	<b>Estimate</b>	<b>Recommend</b>	<b>FY 23 Rec vs FY22 App</b>
3					
4	<b>Resources (non-CIP):</b>				
5	Beginning Balance	20,635,425	47,597,551	12,747,400	(7,888,025)
6	Transfer from the General Fund	28,740,829	28,740,829	30,182,949	1,442,120
7	Recordation Taxes/MHI Transfer Tax	14,853,187	19,925,844	19,610,377	4,757,190
8	Miscellaneous Revenues	13,622,606	13,401,226	10,975,716	(2,646,890)
9	HOC Contribution from Production Fund	1,770,833	1,770,833	2,500,000	729,167
10	<b>Resources Before Required Transfers:</b>	<b>79,622,880</b>	<b>111,436,283</b>	<b>76,016,442</b>	<b>(3,606,438)</b>
11					
12	<b>Required Transfers:</b>				
13	Transfer to Debt Service Fund (debt service on acquisition and preservation bonds)	(13,318,400)	(8,495,500)	(12,188,800)	1,129,600
14	HOC Housing Production Fund	(3,400,000)	(3,071,100)	(3,073,200)	326,800
15	To General Fund for Indirect Costs	(453,967)	(453,967)	(458,070)	(4,103)
16					
17	<b>Non-CIP Resources Available for Programs:</b>	<b>62,450,513</b>	<b>99,415,716</b>	<b>60,296,372</b>	<b>(2,154,141)</b>
18					
20	<b>Uses:</b>				
21	Operating Budget	443,450	833,113	443,450	-
22	Personnel Costs	2,366,876	1,606,523	2,496,293	129,417
24	Rental Assistance Programs (MCG portion of Recordation Tax)	14,753,187	18,770,540	19,510,377	4,757,190
25	Affordable Housing Loans	12,551,814	12,000,000	13,572,750	1,020,936
26	HHS Housing Program (includes Housing First)	9,706,200	9,706,200	9,706,200	-
27	Homeownership Assistance Program (State and HOC programs only)	2,000,000	2,000,000	2,000,000	-
28	Neighborhoods to Call Home	1,251,340	1,251,340	1,289,787	38,447
30	Other Debt Service (Non-tax Funds)	49,650	49,650	47,230	(2,420)
35	<b>Uses - HIF - Operating Programs:</b>	<b>43,122,517</b>	<b>46,217,366</b>	<b>49,066,087</b>	<b>5,943,570</b>
36					
37	<b>Other Claims:</b>	<b>17,997,996</b>	<b>40,450,980</b>	<b>7,953,685</b>	<b>(10,044,311)</b>
38	NTCH (One Time to A Wider Circle)				
39	Reallocated to Housing First				
40	Special Needs and Non-Profit Housing				
41	Affordable Housing - loans and grants*	16,345,056	38,798,040	5,300,745	(11,044,311)
42	Senior Affordable Housing				-
43	HHS Medically Vulnerable (5 Year)	510,000	510,000	510,000	-
44	One-time Cost increase for Burnt Mills	142,940	142,940	142,940	-
45	One-time Cost increase for Falkland Chase				-
46	Homeownership Assistance Program	1,000,000	1,000,000	2,000,000	1,000,000
47	<b>Uses of Non-CIP HIF:</b>	<b>104,243,030</b>	<b>132,885,712</b>	<b>106,085,859</b>	<b>1,842,829</b>
48					
49	<b>Ending Balance:</b>	<b>1,330,000</b>	<b>12,747,370</b>	<b>3,276,600</b>	<b>1,946,600</b>
50					-
51	<b>Acquisition &amp; Preservation CIP (part of HIF)</b>				
52	Current Revenue		2,275,000	-	
53	HIF Revolving Program		17,603,000	14,896,000	
54	Loan Repayment Proceeds		27,999,000	7,104,000	
55		<b>22,000,000</b>	<b>47,877,000</b>	<b>22,000,000</b>	-
56					
57	<b>Affordable Housing Opportunity Fund</b>				
58	Recordation Tax Premium (MCG)	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	-
59					
60	<b>Preservation of NOAH</b>				
61	Current Revenue	<b>5,000,000</b>	<b>5,000,000</b>	<b>20,000,000</b>	<b>15,000,000</b>
62					
63	<b>HIF Funding available for Program Uses:</b>	<b>94,120,513</b>	<b>145,545,346</b>	<b>105,019,772</b>	<b>10,899,259</b>

	FY22 HCA Apprv.	FY23 HCA Rec.	FY24 HCA Rec.	FY25 HCA Rec.	FY26 HCA Rec.	FY27 HCA Rec.	FY28 HCA Rec.
<b>Rental Assistance Budget</b>	<b>14,753,187</b>	<b>19,510,377</b>	<b>20,248,308</b>	<b>21,011,408</b>	<b>21,780,993</b>	<b>22,589,703</b>	<b>23,409,166</b>
<b>Housing Opportunities Commission (HOC)</b>	<b>3,076,238</b>	<b>3,168,526</b>	<b>3,263,581</b>	<b>3,361,489</b>	<b>3,462,333</b>	<b>3,566,204</b>	<b>3,673,190</b>
Rent Supplement Program	2,118,250	2,181,798	2,247,252	2,314,669	2,384,109	2,455,633	2,529,302
Rental Assistance Program - State Match	-	-	-	-	-	-	-
Move Up Initiative	172,203	177,369	182,690	188,171	193,816	199,630	205,619
Community Choice Homes Initiative / McKinney Supporting Hsg Prog	699,686	720,677	742,297	764,566	787,503	811,128	835,462
Youth Bridge Initiative	86,099	88,682	91,343	94,083	96,905	99,813	102,807
HOC Ambassador Relocation Assistance	-	-	-	-	-	-	-
Ease HOC Sequestration Impact / Relocation and Housing Stabilization	-	-	-	-	-	-	-
Reallocation for unspent funds - COVID 19 Eviction Prevention Initiative	-	-	-	-	-	-	-
Rental Arrearage Assistance	-	-	-	-	-	-	-
<b>Health and Human Services (HHS)</b>	<b>7,850,750</b>	<b>8,086,272</b>	<b>8,205,929</b>	<b>8,452,107</b>	<b>8,579,050</b>	<b>8,836,422</b>	<b>8,971,096</b>
Rental Assistance	3,978,375	4,097,726	4,097,726	4,220,658	4,220,658	4,347,278	4,347,278
Rental Assistance Program - State Match	137,875	142,011	146,271	150,660	155,179	159,835	164,630
Exp. Hsg 1st - DHHS HIP Rental Subsidies (10 Singles / 10 Families)	407,600	419,828	432,423	445,396	458,757	472,520	486,696
Exp. Hsg 1st - DHHS HIP Service Coordination	86,000	88,580	91,237	93,975	96,794	99,698	102,688
Exp. Hsg 1st - Client Needs	149,400	153,882	158,498	163,253	168,151	173,196	178,391
Exp. Hsg 1st - County RAP (150 Subsidies)	419,100	431,673	444,623	457,962	471,701	485,852	500,427
Med Vulnerable Adults - Rental Subsidies (25 singles)	464,700	478,641	493,000	507,790	523,024	538,715	554,876
Med Vulnerable Adults - Supportive Services (25 singles)	312,700	322,081	331,743	341,696	351,947	362,505	373,380
Rental Assistance Program - Case Manager - IAPS (Broker Position)	60,900	62,727	64,609	66,547	68,543	70,600	72,718
MCCH - PPH (previously HOME)	637,600	656,728	676,430	696,723	717,624	739,153	761,328
Rapid Rehousing Program	214,500	220,935	227,563	234,390	241,422	248,664	256,124
Progress Place PLQ's	327,000	336,810	346,914	357,322	368,041	379,083	390,455
MCCH - PPH	170,326	175,436	180,699	186,120	191,703	197,455	203,378
HHS Rental Assistance Gap	484,674	499,214	514,191	529,616	545,505	561,870	578,726
Allocated from Contingency - COVID-19 Rental Assistance	-	-	-	-	-	-	-
<b>Housing and Community Affairs (HCA)</b>	<b>3,105,702</b>	<b>4,925,933</b>	<b>5,426,052</b>	<b>5,530,210</b>	<b>5,637,493</b>	<b>4,069,899</b>	<b>4,066,589</b>
Eviction Prevention	322,390	432,062	545,024	561,374	578,215	595,562	613,429
Rental Assistance (based on Existing Rental Agreements)	443,312	1,234,447	1,296,169	1,335,054	1,375,106	1,416,359	1,458,850
Capitalized Rental Assistance (to Reduce Rents on New HCA-financed Projects)	1,340,000	1,482,219	1,526,685	1,572,486	1,619,661	1,668,250	1,718,298
Hampshire Towers Rental Assistance (10-Years) - Yearmarked for \$6M based on the 3rd agreement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-
MPDU Extension (Montgomery Apartment)	-	678,096	678,096	678,096	678,096	-	-
MPDU Extension (Palisades at Bethesda Triangle)	-	-	247,860	247,860	247,860	247,860	247,860
MPDU Extension (The Whitney at Bethesda)	-	-	28,152	28,152	28,152	28,152	28,152
Town Crest (Rental Assistance, extend 5-yr)	-	99,110	104,066	107,187	110,403	113,715	-
<b>Emergency Rental Assistance Contingency</b>	<b>720,496</b>	<b>3,329,646</b>	<b>3,352,747</b>	<b>3,667,603</b>	<b>4,102,116</b>	<b>6,117,179</b>	<b>6,698,292</b>
Available / Released after November Revenue Estimate (~10%)*	720,496	3,329,646	3,352,747	3,667,603	4,102,116	6,117,179	6,698,292
Available / Released after February Revenue Estimate (~5-10%)	-	-	-	-	-	-	-

**NOTE: \* Of the anticipated \$5.07M in addition to FY22 Approved amount, DHCA plans to commit \$4.77M in FY22 for expansion of 125 MPDU units in Bethesda for additional 5 years**

\*DHCA plans to add \$100K in FY23 for Eviction Prevention to support expected high demand

# Affordable Housing Acquisition and Preservation (P760100)

Category	Community Development and Housing	Date Last Modified	05/21/21
SubCategory	Housing (MCG)	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Land	372,986	191,238	34,998	146,750	22,000	36,750	22,000	22,000	22,000	22,000	-
<b>TOTAL EXPENDITURES</b>	<b>372,986</b>	<b>191,238</b>	<b>34,998</b>	<b>146,750</b>	<b>22,000</b>	<b>36,750</b>	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>	<b>-</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: Montgomery Housing Initiative	4,775	2,500	2,275	-	-	-	-	-	-	-	-
HIF Revolving Program	259,425	128,767	32,723	97,935	13,293	8,751	19,053	18,981	18,857	19,000	-
Loan Repayment Proceeds	104,246	55,431	-	48,815	8,707	27,999	2,947	3,019	3,143	3,000	-
Recordation Tax Premium (MCG)	4,540	4,540	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>372,986</b>	<b>191,238</b>	<b>34,998</b>	<b>146,750</b>	<b>22,000</b>	<b>36,750</b>	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>	<b>22,000</b>	<b>-</b>

<b>APPROPRIATION AND EXPENDITURE DATA (\$000s)</b>					
Appropriation FY 22 Request			22,000	Year First Appropriation	FY01
Supplemental Appropriation Request			14,750	Last FY's Cost Estimate	358,236
Cumulative Appropriation			248,236		
Expenditure / Encumbrances			197,112		
Unencumbered Balance			51,124		

## PROJECT DESCRIPTION

This project provides funding for acquisition and/or renovation of properties for the purpose of preserving or increasing the County's affordable housing inventory. The County may purchase properties or assist not-for-profit, tenant, or for-profit entities, or Housing Opportunities Commission with bridge financing to purchase and renovate properties. The monies may be used to purchase properties that are offered to the County under the Right of First Refusal Law or otherwise available for purchase. A portion of the units in these properties must serve households with incomes that are at or below incomes eligible for the Moderately Priced Dwelling Unit (MPDU) program. A priority should be given to rental housing.

## PROJECT JUSTIFICATION

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement (Right of First Refusal), of the Montgomery County Code. Opportunities to purchase property utilizing the County's Right of First Refusal arise without advance notice and cannot be planned in advance. Properties may be acquired by the County, non-profit developers, HOC or other entities that agree to develop or redevelop property for affordable housing.

## OTHER

Resale or control period restrictions to ensure long term affordability should be a part of projects funded with these monies.

## FISCAL NOTE

Debt service will be financed by the Montgomery Housing Initiative (MHI) Fund. In addition to the appropriation shown above, future loan repayments are expected and will be used to finance future housing activities in this project. FY22 supplemental in Loan Repayment Proceeds for the amount of \$14,749,992.

## DISCLOSURES

Expenditures will continue indefinitely.

## COORDINATION

Housing Opportunities Commission, non-profit housing providers, and private sector developers.

Resolution: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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

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SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #22-57 to the FY22 Capital Budget Montgomery County Government  
Department of Housing and Community Development  
Affordable Housing Acquisition and Preservation (No. 760100),  
\$14,749,992 (Source of Funds: Loan Repayment Proceeds)

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>
Affordable Housing Acquisition and Preservation	760100	Land	\$14,749,992	Loan Repayment Proceeds



- 4. This increase is needed to appropriate loan repayment funds for the acquisition and/or renovation of properties for the purpose of preserving or increasing the County's affordable housing inventory. Properties may be acquired by the County, non-profit developers, the Housing Opportunities Commission, or other entities that agree to develop or redevelop property for affordable housing. This recommended amendment is consistent with the criteria for amending the Capital Improvement Program because the project must be amended for technical reason.
- 5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$14,749,992 for Affordable Housing Acquisition and Preservation (No. 760100 and specifies the source of funds as Loan Repayment Proceeds.)
- 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>
Affordable Housing Acquisition and Preservation	760100	Land	\$14,749,992	Loan Repayment Proceeds

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council





# Preservation of Naturally Occurring Affordable Housing Fund (P762201)

Category	Community Development and Housing	Date Last Modified	03/14/22
SubCategory	Housing (MCG)	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Ongoing

	Total	Thru FY21	Est FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Land	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>40,000</b>	<b>-</b>	<b>5,000</b>	<b>35,000</b>	<b>20,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
Current Revenue: General	40,000	-	5,000	35,000	20,000	15,000	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>40,000</b>	<b>-</b>	<b>5,000</b>	<b>35,000</b>	<b>20,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>APPROPRIATION AND EXPENDITURE DATA (\$000s)</b>			
Appropriation FY 23 Approp. Request	-	Year First Appropriation	FY22
Appropriation FY 24 Approp. Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	40,000		
Expenditure / Encumbrances	-		
Unencumbered Balance	40,000		

## PROJECT DESCRIPTION

This project provides funding to preserve current naturally occurring affordable housing (NOAH) in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors. The Fund will be used to provide capital to support acquisitions and preservation to ensure continued affordability of currently naturally occurring affordable housing. Price pressures in housing, particularly housing near transit corridors, have increased and will likely continue to increase due to housing demand.

The dedication of funding will increase the capacity of the County to assist affordable housing developers in acquisition of naturally occurring affordable housing. By focusing on the NOAH property market, this project will complement the County's existing funds for affordable housing.

## PROJECT JUSTIFICATION

The County has over 25,000 unrestricted housing units affordable to households earning under 65% of area median income; however, the 2000 Planning Department Preservation Study identified the risk of losing between 7,000 to 11,000 affordable housing units due to expected rent increases. As an example, the Purple Line Corridor Coalition analysis identified 6,500 affordable housing units within one mile of a Purple Line station where rents are expected to increase due to transit proximity. The dedication of County resources in the NOAH fund will support a focused effort to preserve these at-risk properties and will provide much needed additional capital to preserve and create affordable housing units.

## OTHER

Resale or control period restrictions to ensure long-term affordability should be a part of projects funded with these monies.

## FISCAL NOTE

Future loan repayments are expected and will be used to finance future housing activities in this project. FY22 supplemental in Current Revenue: General for the amount of \$40,000,000.

## COORDINATION

Housing Opportunities Commission, non-profit housing providers, and private sector developers.

Resolution: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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By: Council President at the Request of the County Executive

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SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #22-74 to the FY22 Capital Budget  
Montgomery County Government  
Department of Housing and Community Affairs  
Preservation of Naturally Occurring Affordable Housing Fund  
(No. 762201), \$40,000,000

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>
Preservation of Naturally Occurring Affordable Housing Fund	762201	Land	\$40,000,000	Current Revenue

4. This increase is needed to provide funding to preserve current Naturally Occurring Affordable Housing (NOAH) in areas at risk of rent escalation to higher market rents, including the Purple Line Corridor and other County transit corridors. The recommended amendment is consistent with the criteria for amending the CIP because the project offers a significant opportunity which will be lost if not taken at this time.
5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$40,000,000 for Preservation of Naturally Occurring Affordable Housing Fund (No. 762201) and specifies that the source of funds will be Current Revenue.
6. Notice of a 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>
Preservation of Naturally Occurring Affordable Housing Fund	762201	Land	\$40,000,000	Current Revenue

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
 Clerk of the Council

<b>Housing and Community Affairs-administered Non-Profit Contracts</b>						
<u>Entity</u>	<u>Purpose</u>	<u>FY22 Approved Amount (with a 3% inflationary adjustment)</u>	<u>FY23 CE Recommended (6% inflationary adjustment)</u>	<u>Change (FY22 vs. FY23)</u>	<u>1st Year on list</u>	<u>Funding Source</u>
A Wider Circle, Inc.	Provides support for the Neighborhoods to Call Home program within the HIF	\$ 231,750	\$ 245,655	\$ 13,905	FY18	HIF
CASA, Inc.	Provide tenant outreach and education, legal services, and community-building activities to improve housing conditions, landlord-tenant relations and public safety.	\$ 15,450	\$ 16,377	\$ 927	FY21	GF
CASA, Inc.	Provides for Housing Initiative Funds (HIF) for tenant counseling and housing initiatives	\$ 257,500	\$ 272,950	\$ 15,450	FY04	HIF
CASA, Inc.	Provides for Housing Initiative Funds (HIF) for the Pine Ridge Community Center	\$ 150,730	\$ 159,774	\$ 9,044	FY06	HIF
Community Reach of Montgomery County, Inc.	Provide financial assistance to residents facing eviction/utility termination, prescription cost assistance, and referrals for dental/vision services, clothing, and food.	\$ 20,600	\$ 21,836	\$ 1,236	FY21	GF
Eastern Montgomery Emergency Assistance Network	Provide emergency housing, utility or prescription assistance to referred customers in Eastern Montgomery County.	\$ 25,750	\$ 27,295	\$ 1,545	FY21	GF
Habitat for Humanity Metro Maryland, Inc.	Provide improvements and critical repairs of residences of low-income, non-senior households.	\$ 41,200	\$ 43,672	\$ 2,472	FY21	GF
Housing Unlimited, Inc.	Provide funding to expand the organization's permanent affordable housing for persons who are homeless and have psychiatric disabilities.	\$ 82,400	\$ 87,344	\$ 4,944	FY21	GF
Montgomery County Historical Society, Inc.	Provides for education and outreach programs	\$ 150,000	\$ 159,000	\$ 9,000	FY02 or before	Historical Activities NDA
Montgomery Housing Partnership, Inc.	Provide funding for the Great Achievers Toward Outstanding Results (GATOR) program for children in grades K-5.	\$ 25,750	\$ 27,295	\$ 1,545	FY19	GF
Montgomery Housing Partnership, Inc.	Provides for the Focused Neighborhood Revitalization Program	\$ 123,600	\$ 131,016	\$ 7,416	FY06	HIF
Montgomery Housing Partnership, Inc.	Provides supportive services for owners and managers of multifamily rental properties with 50 or fewer units in Montgomery County.	\$ 144,200	\$ 152,852	\$ 8,652	FY05	HIF
Rebuilding Together Montgomery County, Inc.	Provide critical home repairs and accessibility modifications to low-income qualified homeowners throughout Montgomery County	\$ 66,950	\$ 70,967	\$ 4,017	FY21	GF
Rebuilding Together Montgomery County, Inc.	Provides for assistance to low-income homeowners including home repairs, accessibility modifications, and referrals to other community resources	\$ 309,000	\$ 327,540	\$ 18,540	FY02 or before	HIF

Homeless Persons Representation Project, Inc.	Provide tenant legal support services, including on-site legal assistance at the District Court of Maryland	\$ -	\$ 29,680	\$ 1,680	FY20	GF
Housing Initiative Partnership, Inc.	Provide tenant education services and educates tenants on their rights under current laws and regulations and available avenues of assistance	\$ 108,000	\$ 42,400	\$ 2,400	FY20	GF
Latino Economic Development Corporation	Provide tenant education services and educates tenants on their rights under current laws and regulations and available avenues of assistance	\$ -	\$ 63,600	\$ 3,600	FY20	GF
Legal Aid Bureau, Inc.	Provide tenant legal support services, including on-site legal assistance at the District Court of Maryland	\$ 110,000	\$ 21,200	\$ 1,200	FY20	GF
Montgomery County Renters Alliance, Inc.	Provide tenant education services and educates tenants on their rights under current laws and regulations and available avenues of assistance	\$ -	\$ 74,200	\$ 4,200	FY20	GF
<b>Totals:</b>		<b>\$ 1,712,880</b>	<b>\$ 1,815,653</b>	<b>\$ 102,773</b>		