



**Staff:** Linda McMillan, Senior Legislative Analyst  
**Purpose:** Review – straw vote expected  
**Keywords:** FY21 Budget, HOC

AGENDA ITEM #3  
 May 7, 2020  
**Worksession**

**SUBJECT**

Housing Opportunities Non-Departmental Account

**EXPECTED ATTENDEES**

Stacy Spann, Executive Director, Housing Opportunities Commission  
 Pofen Salem, Office of Management and Budget

**EXECUTIVE RECOMMENDATION**

FY21 Executive Recommendation	\$6,962,075	0.00 FTE
Increase (Decrease) from FY20	\$174,026 2.6%	0.00 FTE 0.0%

**COUNCIL STAFF RECOMMENDATION – CONTINUITY OF SERVICES BUDGET**

FY21 Council Staff Recommendation	<b>\$6,788,049</b>	<b>0.00 FTE</b>
Increase (Decrease) from FY20	\$0 0%	0.0 FTE 0%
Increase (Decrease) from CE FY21 Rec	(\$174,026) (2.6%)	0.0 FTE 0%

**EXECUTIVE RECOMMENDED ITEMS NOT INCLUDED IN CONTINUITY OF SERVICES**

- Funding in this NDA is used to support resident services, client service centers, homeowner’s association fees, rental license fees, the Holy Cross Center at Elizabeth House, and electricity in deeply subsidized buildings. HOC finalizes its budget in June and July and makes a final allocation of these funds as a part of their process.
- The Executive listed two items as the basis for his recommended increase: annualization of personnel costs (\$137,382) and reimbursement for rental license fees (\$36,644); however, these are not required allocations and Council staff is not recommending including them.

**CONTINUITY OF SERVICES FROM FY20**

- Council staff is recommending \$6,788,049 for the Continuity of Services budget. This is the same funding as approved for FY20.

**POTENTIAL REDUCTIONS**

- None

## POTENTIAL ITEMS RELATED TO COVID-19

- As the County's Housing Authority and a major provider of mixed income rental housing, HOC will have many ongoing issues related to COVID-19, a primary issue will be the ability of HOC to maintain an adequate income stream if tenants are not able to pay all or part of their rent. There are additional costs for building management, such as additional cleaning of common areas.
- Rental assistance is not a part of the funding within this NDA. HOC is expected to receive \$2.9 million for rental assistance programs (Rent Supplement Program, Move Up Initiative, Community Choice Homes, and Youth Bridge Initiative.)
- Additional rental assistance funds are expected through the Community Development Block Grant. This will be scheduled for action once transmitted by the Executive.
- The HOC website provides information to clients on steps to take if they have lost their employment and how to access services including food and medical assistance.
- To avoid unnecessary contact, HUD required inspections are now limited to new move-in, relocation, and emergencies. HOC is addressing maintenance requests that are for items that are life and safety items or may cause extreme property damage.

The following is a link to April 2020 HOC Academy that includes information on COVID-19 resources as well as information on the importance of completing the Census.

<https://myemail.constantcontact.com/HOC-Academy-Newsletter---April-2020.html?soid=1109719966880&aid=oQubmxn3-FU>

The following is a link to the HOC home page that also contains COVID-19 FAQs including information about wearing face covering.

<https://hocmc.org/>

### **This report contains:**

Executive Recommended Budget excerpt

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This NDA provides a partial reimbursement to homeowners' associations (HOAs) for their maintenance of certain privately-owned roadways. The payment is currently restricted to through roadways, accessible to the public, which are one-quarter mile or longer and which provide vehicular access to more than four dwelling units. In FY97, an Executive Regulation was enacted allowing homeowners' associations to request that their roadways be deemed "private maintenance roads." This designation qualifies the HOAs for State reimbursement of their roadway maintenance costs. The County annually submits to the State its estimate of reimbursable miles, including those accepted as private maintenance roads. The State then reimburses the County and, subsequently, the County forwards the funds to HOAs.

FY21 Recommended Changes	Expenditures	FTEs
FY20 Approved	62,089	0.00
FY21 Recommended	62,089	0.00

## **Housing Opportunities Commission**

The Housing Opportunities Commission of Montgomery County (HOC) is a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, commonly known as the Housing Authorities Law. The Commission acts as a builder, developer, financier, owner, and manager of housing for people of low- and moderate- (eligible) income. The Commission also provides eligible families and individuals with affordable housing and supportive services.

FY21 Recommended Changes	Expenditures	FTEs
FY20 Approved	6,788,049	0.00
Increase Cost: Annualization of Personnel Costs	137,382	0.00
Increase Cost: Reimbursement of Rental License Fees	36,644	0.00
FY21 Recommended	6,962,075	0.00

## **Inauguration and Transition**

The Montgomery County Charter provides for the quadrennial election of a County Executive and County Council. This NDA provides for a ceremony and smooth transition of the County Executive and County Council every four years.

FY21 Recommended Changes	Expenditures	FTEs
FY20 Approved	0	0.00
FY21 Recommended	0	0.00

## **Incubator Programs - Economic Development Partnership**

This NDA provides for facility lease payments, program and portfolio management services for the County's Business Innovation Network (BIN) facilities, and program funding for the Business Incubator Without Walls Program (for the Down County area). The BIN consists of three physical locations: the Silver Spring Innovation Center (SSIC) on Georgia Avenue, the Rockville Innovation Center (RIC) in Rockville Town Square, (both owned by the County), and the Germantown Innovation Center (GIC, on the campus of Montgomery College under lease from the College Foundation until 2036). This NDA also supports the National Cybersecurity Center of Excellence (NCCoE), located at 9700 Great Seneca Highway in Rockville, as a partnership between the National Institute of Standards and Technology (NIST), the State of Maryland, and Montgomery County. The NDA also provides support for non-profit incubator organizations' operations, equipment, and training.