



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE

Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity

MEMORANDUM

April 17, 2024

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice

A handwritten signature in cursive script that reads "Tiffany Ward".

Re: Racial Equity Impact Assessment (REIA) for Supplemental Appropriation (SA) #24-72 Amendment to the FY24 Operating Budget and Amendment to Fiscal Year 2024 Operating Budget Resolution 20-184 Section G, FY24 Designation of Entities for Non-Competitive Contract Award Status: The Montgomery County Government, Department of Health and Human Services, Services to End and Prevent Homelessness, Shelter Services, Overflow and Security expansion. (Source of Funds: General Funds)

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #24-72 will positively impact racial equity and social justice in Montgomery County. By expanding the County's shelter services and access to case management, particularly during hypothermia season, this funding will improve the well-being of those most likely to experience homelessness and economic instability in the County.
- II. **BACKGROUND:** Special Appropriation #24-72 proposes a \$1,739,394 increase in funding to enhance shelter services within Montgomery County.¹ This increase would bolster shelter capacity, especially during hypothermia season, and augment security and

¹ Funding would increase the Department of Health and Human Services operating budget. See [Department of Health and Human Services memo](#), sent from James C. Bridgers to Jennifer Bryant, February 28, 2024.

Racial Equity Impact Assessment (REIA) for Supplemental Appropriation (SA) #24-72 Racial Equity Impact Assessment (REIA) for Supplemental Appropriation (SA) #24-72 Amendment to the FY24 Operating Budget and Amendment to Fiscal Year 2024 Operating Budget Resolution 20-184 Section G, FY24 Designation of Entities for Non-Competitive Contract Award Status: The Montgomery County Government, Department of Health and Human Services, Services to End and Prevent Homelessness, Shelter Services, Overflow and Security expansion. (Source of Funds: General Funds)

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Case management services are provided at critical shelters, including the Nebel Street Men's Shelter, and across Interfaith Works (IW) facilities.²

Breakdown of proposed funding

Supplemental Appropriation #24-72 proposes additional funding to the Montgomery County Coalition for the Homeless (MCCH) and IW. Through the supplemental, Interfaith Works would receive \$879,637 in new funding.³ The latest funding proposed in the supplemental would increase the value of their existing contracts, which was previously \$2,901,888. This includes:

- \$174,500 to Non-Competitive Contract 1144503 to support the New Leaf Shelter.
- \$325,043 to Non-Competitive Contract 1034944 to increase shelter capacity at Progress Place.
- \$197,000 to Non-Competitive Contract 1076647 for additional capacity at the Progress Place Empowerment Center.
- \$183,094 to Competitive Contract (RFP) 1084651 for the Taft Court and Crabbs Branch Women's Center.

The Montgomery County Coalition for the Homeless would receive \$859,757 in new funding.⁴ This adds new funding to their contract, which was previously \$4,324,437. This includes:

- \$563,617 for Overflow services to increase shelter capacity at the Nebel Street Men's Shelter.
- \$296,140 for Security services to provide 24/7 security coverage at the Nebel Street Men's Shelter for up to 260 clients.

Montgomery County Coalition for the Homeless

MCCH is a nonprofit organization that provides solutions to prevent and end homelessness in Montgomery County. Founded in 1990, MCCH has grown from a team of three to an organization employing over 160 staff members, serving approximately 1,600 individuals.

² According to the [IW website](#), IW facilities include the IW Shelter at Progress Place, the IW Women's Center at Taft, the IW Women's Center at Crabbs Branch, and New Leaf Shelter.

³ See Bridgers February 28, 2024 memo.

⁴ Ibid.

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Annually across various programs. MCCH offers emergency shelters, permanent supportive housing, advocacy for systemic change, and initiatives to increase affordable housing availability. MCCH uses a Housing First model, prioritizes harm reduction, and trauma-informed care principles to provide immediate support and foster long-term stability for clients.⁵

Interfaith Works (IW)

Interfaith Works, established in 1972 by a coalition of faith communities, is a nonprofit organization focused on helping individuals experiencing poverty and homelessness in the County. IW collaborates with over 165 affiliated congregations and the wider community to support more than 35,000 county residents annually. IW offers vocational services to assist underemployed or unemployed individuals and rapid rehousing and emergency housing services. It also manages several programs across several centers in the county, including the

Homelessness Overview in Montgomery County

While many high-income earners live in Montgomery County, many residents experience persistent homelessness.⁶ The 2023 Point-in-Time survey identified 894 individuals as experiencing homelessness, 83 percent of whom are persons of color.⁷

Each individual experiencing homelessness has their own story. The reasons for experiencing homelessness are many and diverse. They are influenced by socioeconomic factors, housing burden, mental and behavioral health factors, and structural economic and racial inequities, to name a few.⁸

Despite Montgomery County being one of the most affluent counties in the state, many residents face unstable employment, low wages, and a lack of financial safety nets, leading to unaffordable housing for a significant portion of the population. The high cost of living and limited affordable housing in Montgomery County exacerbates this issue. Health concerns, often connected with or intensified by economic insecurity and the cycle of

⁵ See [Montgomery County Coalition for the Homeless](#).

⁶ Ben Kraft, "[Repositioning Montgomery County for Prosperity, Part 2: Montgomery County's Income Shifts in Regional and National Contexts](#)", March 13, 2024; also see Ginny Bixby, "[Homelessness up 53% in Montgomery County, survey finds](#)". May 12, 2023.

⁷ According to the [Racial Equity and Social Justice tool](#) submitted to ORESJ, 83 percent of individuals experiencing homelessness are people of color.

⁸ National Law Center on Homelessness & Poverty, [Homelessness in America: Overview of Data and Causes](#); Alex Horowitz, Chase Hatchett & Adam Staveski, "[How Housing Costs Drive Levels of Homelessness](#)", August 22, 2023. Pew.

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poverty, further endanger housing stability, putting the most economically vulnerable populations at greater risk of homelessness.⁹ In Montgomery County, this disproportionately impacts Black residents.

In November 2021, ORESJ conducted a Racial Equity Impact Assessment (REIA) related to increasing funding levels for homeless services ([Supplemental Appropriation #22-31 Nebel Street Shelter](#)). This assessment provided insights into systemic issues that push individuals and families to experience homelessness, the impact of economic instability, and gaps in behavioral healthcare services, examined how exposure to individual and community-level violence can lead to individuals and families experiencing homelessness, and explored how housing insecurity on groups disproportionately affected by these inequitable outcomes.

III. **ANALYSIS:** Adding 24/7 security to homeless shelters can provide immediate benefits, such as increased safety for residents and staff.¹⁰ However, adding additional 24/7 security also presents concerns that the county should be mindful of such over-surveillance and the potential for intrusion of personal privacy for residents, making the environment feel less welcoming and more institutionalized.¹¹ As this supplemental progresses, the county should carefully balance security measures with maintaining a supportive and respectful atmosphere for those seeking safety and shelter.

The proposal to add funding through a non-competitive grant raises concerns about fairness and opportunity in County procurement. By bypassing competitive bidding, the County may overlook more cost-effective or innovative solutions and disproportionately reduce opportunities for small, local businesses, particularly those owned by residents of color, to compete. Such practices can inadvertently maintain an uneven playing field, limiting these businesses' growth and contributions to the local economy. To alleviate this concern, the County can track, monitor, and publicly make available annual spending with nonprofits, annual spending with nonprofits where a noncompetitive grant was issued, who received that funding, and the racial breakdown of recipients.

⁹ Mark Saldua, [“Addressing Social Determinants of Health Among Individuals Experiencing Homelessness”](#), Center for Behavioral Health Statistics and Quality, November 15, 2023.

¹⁰ Street Sense Media, [“One of the truths:” Security Concerns at DC Women’s Shelters](#)”, September 18, 2019.

¹¹ Alan Blinder, [“DC Homeless Shelter Filled with Risks”](#), August 2012, Washington Examiner; Tara Bahrapour, [“DC General shelter residents say security rules are often flouted.”](#) Washington Post, March 27, 2014; and [one reference](#) summarized the issue by stating, “Public agencies are funding private security guards in homeless shelters and on the street, opening a new front in the state’s housing crisis—one ripe for violence and civil rights issues, but thin on oversight.”

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cc: Dr. James Bridgers, Director, Department of Health and Human Services
David Dise, Director, Department of General Services
Ken Hartman, Assistant Chief Administrative Officer, Office of the County Executive