



## OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich  
County Executive

Tiffany Ward  
Director and Chief Equity Officer

### MEMORANDUM

July 23, 2025

To: Jennifer Bryant, Director  
Office of Management and Budget

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

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #25-88  
FY26 Capital Budget, Montgomery Connects (\$6,171,823)

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #25-88 for the Digital Equity-Montgomery Connects capital budget is likely to advance racial equity and social justice in the County. Funding would expand the broadband infrastructure to additional affordable housing developments within the County, targeting resources to disadvantaged households most burdened by the digital divide and increasing connectivity.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation 25-88 is to authorize additional expenditures for the Montgomery Connects-Digital Equity project, which has an expenditure deadline of August 31, 2026. The project received additional American Rescue Plan Act of 2021 funds, which passed through the Maryland Department of Housing and Community Development (DHCD) Home Stretch-Public Housing Grant, as well as grant matching funds from Affordable Homes and Communities (AHC). The resources will extend free 300/300 Mbps MoCoNet residential broadband service to residents living in three affordable housing developments.
- III. **ANALYSIS:** In the following REIAs, ORESJ has previously reviewed digital equity, including computer access, broadband connectivity, the digital divide, and the homework gap, in its evaluation of supplemental appropriations to the Montgomery Connects program, the County's digital equity and inclusion program.

- REIA #25-57 FY25 Capital Budget Montgomery Connects and #25-59- Digital Equity-Montgomery Connects  
<https://www.montgomerycountymd.gov/ore/Resources/Files/25-57-59.pdf>
- REIA #22-94 Montgomery Connects-Computer Grant Funding  
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-94.pdf>
- REIA #23-105 Digital Equity Grant Funding  
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-105.pdf>

Additionally, TEBS provided the following information on the Home Stretch-Public Housing Grant program's ability to reduce racial disparities and inequities in the County.

*Residents living in affordable housing developments owned by the Affordable Homes and Communities (AHC) and Housing Opportunities Commission (HOC) will benefit by amending the Montgomery Connects CIP to add \$6,171,823 to an existing \$1,370,792 federal aid appropriation implement a \$7,498,959 million State grant funded by federal aid and a private grant match to extend free 300/300 Mbps broadband service to these housing developments. The source of funds is Federal Aid.*

*In an analysis of 2019 U.S. Census American Community Survey data, within Montgomery County, among households without home wireline internet, Latino and African American households are twice as likely (25% and 22%) as White and Asian households (13% and 13%) to not have home wireline internet. Almost half (48%) of the households that do not have home wireless internet earn less than \$50,000 per year. Moreover, while 16% of all County households do not have home wireline internet, the likelihood that a household does not have home internet is more than twice as high, 36%, if the household has an income of less \$50,000 per year. U.S. Census shows that older people lag further behind younger people in internet usage.*

*According to data provided by AHC and HOC and submitted with our grant application, the residents living in the 1,491 apartments will have free broadband service funded by the grant, 43% of units are reserved for residents earning less than the area median income, 196 households are below 150% of the federal poverty guidelines, and 36% of residents are older people. Note: AHC is a non-profit housing developer who did not have racial data available for tenants, and the HOC project is a new development that is not yet occupied, so demographics are not yet available. Economic data is available because a specific number of units are reserved for families at various percentages of the area's median income.*

*The population is 53% Black and Latinx/Hispanic in the four Census Block Groups in which the four properties are located. In addition, 83% of the apartments served by the grant are in Disadvantaged-Moderately Disproportionate areas, 3% are in Disadvantaged-Slightly Disproportionate areas, and 14% are in Proportionate areas. (Montgomery Planning, Community Equity Index). The non-income restricted apartments serviced by the project have rental rates that are 64% to 70% below the median rent in Montgomery County and are considered naturally affordable housing. In this way, free MoCoNet broadband service is made*

*available to low-income families who statistically do not qualify for rental subsidy programs but for whom free broadband service can make a significant impact in their monthly budget.*

*The project will also provide free broadband at Hillandale, the largest affordable housing development ever built in the East County, which has had less economic development than other areas of the County. Residents living at Hillandale could also attend Montgomery College's new East County Education Center, which is located 2 miles away and accessible by bus.*

cc: Gail Roper, Director, Technology & Enterprise Business Solutions  
Tricia Swanson, Director, Strategic Partnerships, Office of the County Executive