

HOC MPDU/Property Acq Fund -- No. 768047

Category
Agency
Planning Area
Relocation Impact

Housing Opportunities Commission
Housing Opportunities Commission
Countywide
None

Date Last Modified
Required Adequate Public Facility

January 4, 2006
NO

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY05	Est. FY06	Total 6 Years	FY07	FY08	FY09	FY10	FY11	FY12	Beyond 6 Years
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	10,607	7,618	2,989	0	0	0	0	0	0	0	0
Site Improvements and Utilities											
Construction	1,900	1,263	637	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	12,507	8,881	3,626	0	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Revolving Fund - G.O. Bonds	12,400	8,881	3,519	0	0	0	0	0	0	0	0
G.O. Bonds	0	0	0	0	0	0	0	0	0	0	0
Revolving Fund - Current Revenue	107	0	107	0	0	0	0	0	0	0	0

ANNUAL OPERATING BUDGET IMPACT (\$000)

DESCRIPTION

This is a revolving loan fund from which HOC is authorized to use up to \$10.5 million at any one time for: (a) the interim financing, including cost of acquisition and finishing by HOC, of MPDUs as permitted in Chapter 25A of the Montgomery County Code, provided that the unit is used in tandem with a Federal, State, or local subsidy program and is developed to provide housing to low- and-moderate-income households; and (b) planning, acquisition, and improvement of sites and/or existing properties for low- and-moderate-income, single, or multifamily housing facilities, which are to be owned and operated by HOC or its designees. Sites may be land-banked in anticipation of future development when adequate public facilities become available. Upon receipt of permanent financing, monies are returned to the fund for reuse. No MPDU may be held by the fund for more than 24 months, the 24-month maximum holding period may be extended in unusual situations for a limited time upon determination by the Director of the Department of Housing and Community Affairs that such an extension would best support purposes of this program. HOC may determine that a County lump sum subsidy is required to secure independent financing or meet Federal, State, or local program guidelines for itself or its designees. Such write-downs from County funds shall be made only for projects serving households whose incomes do not exceed the following limits: 1/3 units - 80 percent of Washington Metropolitan Area Median income; 1/3 units - 80 percent of County Median income; and 1/3 units uncontrolled. In the event that a subsidy is undertaken, then in its next CIP submission, HOC shall include a PDF describing the subsidized program and shall request an appropriation sufficient to fully repay this fund.

Service Area

Countywide

JUSTIFICATION

Availability of the fund helps assure that HOC has the resources to respond promptly to acquisition opportunities for MPDUs, sites, and properties in suitable locations consistent with County housing policy. The ability to make write-downs from this fund permits HOC to increase public purpose in its developments during times of scarce outside subsidies.

STATUS

Outstanding draws as of June 30, 2005, totaled \$8.8 million. Repayments of \$4.3million are expected in fiscal year 2006 for the repayment of the remaining balance of the HOC/HOP loan (\$1.2 million), the econolodge (\$2.6 million), Wheaton Metro (\$294,900) and the repayment of the funds deposited for the acquisition of Oakwood apartments (\$250,000). In remaining months of FY06, HOC also anticipates needing up to \$6.1 million of revolving funds. These proceeds will be used to purchase MPDUs for the current MPDU program known as MPDU 2004 (\$2.2 million) and for the HOC/HOP program (\$1.4 million). Bridge funds of approximately \$1.9 million may be needed in connection with the rehabilitation of the Barclay apartments, Chevy Chase Lake apartments, and Spring Garden apartments.

On June 14, 2005, the County Council appropriated an additional \$2 million to this revolving fund. The current balance in the revolving fund as of July 31, 2005 is \$5.8 million. The balance of uncommitted funds at the end of fiscal year 2006 will be \$2.8 million which is planned to be used for project acquisition and planning.

OTHER

The County General Plan Refinement stands in compliance with the General Plan requirement of the Maryland Economic Growth, Resource Protection, and Planning Act. County Master Plans must be in compliance with the General Plan.

Beginning in FY01, as a contribution to affordable housing, HOC was given relief on past due interest payments and is no longer required to pay interest on funding for this project.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP																				
<table border="1"> <tr> <td>Date First Appropriation</td> <td>FY80</td> <td>(\$000)</td> </tr> <tr> <td>Initial Cost Estimate</td> <td></td> <td>10,900</td> </tr> <tr> <td>First Cost Estimate</td> <td></td> <td></td> </tr> <tr> <td>Current Scope</td> <td>FY07</td> <td>12,507</td> </tr> <tr> <td>Last FY's Cost Estimate</td> <td></td> <td>10,507</td> </tr> <tr> <td>Present Cost Estimate</td> <td></td> <td>12,507</td> </tr> </table>	Date First Appropriation	FY80	(\$000)	Initial Cost Estimate		10,900	First Cost Estimate			Current Scope	FY07	12,507	Last FY's Cost Estimate		10,507	Present Cost Estimate		12,507	<table border="1"> <tr> <td>Department of Finance</td> </tr> <tr> <td>Department of Housing and Community Affairs</td> </tr> </table>	Department of Finance	Department of Housing and Community Affairs	<p style="text-align: center;">MONTGOMERY COUNTY, MD</p>
Date First Appropriation	FY80	(\$000)																				
Initial Cost Estimate		10,900																				
First Cost Estimate																						
Current Scope	FY07	12,507																				
Last FY's Cost Estimate		10,507																				
Present Cost Estimate		12,507																				
Department of Finance																						
Department of Housing and Community Affairs																						
<table border="1"> <tr> <td>Appropriation Request</td> <td>FY07</td> <td>0</td> </tr> <tr> <td>Appropriation Request Est.</td> <td>FY08</td> <td>0</td> </tr> <tr> <td>Supplemental Appropriation Request</td> <td>FY06</td> <td>0</td> </tr> <tr> <td>Transfer</td> <td></td> <td>0</td> </tr> </table>	Appropriation Request	FY07	0	Appropriation Request Est.	FY08	0	Supplemental Appropriation Request	FY06	0	Transfer		0										
Appropriation Request	FY07	0																				
Appropriation Request Est.	FY08	0																				
Supplemental Appropriation Request	FY06	0																				
Transfer		0																				
<table border="1"> <tr> <td>Cumulative Appropriation</td> <td></td> <td>12,507</td> </tr> <tr> <td>Expenditures/Encumbrances</td> <td></td> <td>6,701</td> </tr> <tr> <td>Unencumbered Balance</td> <td></td> <td>5,806</td> </tr> </table>	Cumulative Appropriation		12,507	Expenditures/Encumbrances		6,701	Unencumbered Balance		5,806													
Cumulative Appropriation		12,507																				
Expenditures/Encumbrances		6,701																				
Unencumbered Balance		5,806																				
<table border="1"> <tr> <td>Partial Closeout Thru</td> <td>FY04</td> <td>0</td> </tr> <tr> <td>New Partial Closeout</td> <td>FY05</td> <td>0</td> </tr> <tr> <td>Total Partial Closeout</td> <td></td> <td>0</td> </tr> </table>	Partial Closeout Thru	FY04	0	New Partial Closeout	FY05	0	Total Partial Closeout		0													
Partial Closeout Thru	FY04	0																				
New Partial Closeout	FY05	0																				
Total Partial Closeout		0																				