

# Affordable Housing Acquisition and Preservation -- No. 760100

Category  
Subcategory  
Administering Agency  
Planning Area

Community Development and Housing  
Housing  
Housing & Community Affairs  
Countywide

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

May 02, 2011  
No  
None.  
On-going

### EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY10	Rem. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	92,500	25,320	27,180	40,000	15,000	25,000	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>92,500</b>	<b>25,320</b>	<b>27,180</b>	<b>40,000</b>	<b>15,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

HIF Revolving Program	90,000	22,820	27,180	40,000	15,000	25,000	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>92,500</b>	<b>25,320</b>	<b>27,180</b>	<b>40,000</b>	<b>15,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**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 HOC 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.

**COST CHANGE**

The issuance of \$15 million of debt in FY11 and \$25 million in FY12 provides continued high level of support for the Housing Initiative Fund (HIF) Property Acquisition Revolving Program created in FY09.

**JUSTIFICATION**

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement, of the Montgomery County Code.

Opportunities to purchase property come up with little notice and cannot be planned in advance. Once the properties are acquired by the County, the properties may be transferred to a nonprofit housing organization or other entity that will agree to renovate and keep rents affordable.

**OTHER**

Resale or control period restriction 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 Fund. In addition to the appropriation show below, this PDF assumes that any actual revolving loan repayments received from the prior year will be appropriated in the following year. Current estimates are \$2.2 million in repayment revenues in FY10 and \$3.6 million in repayment revenues in FY11.

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY01	(\$000)
First Cost Estimate	FY11	92,500
Current Scope		92,500
Last FY's Cost Estimate		92,500
Appropriation Request	FY12	15,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		67,500
Expenditures / Encumbrances		25,320
Unencumbered Balance		42,180
Partial Closeout Thru	FY09	0
New Partial Closeout	FY10	0
Total Partial Closeout		0

**COORDINATION**  
Housing Opportunities Commission (HOC)  
Nonprofit housing providers  
Tenant Associations

