

# Supplemental Funds for Public Housing Improvements (P017601)

Category Housing Opportunities Commission  
 Sub Category Housing  
 Administering Agency Housing Opportunities Commission (AAGE12)  
 Planning Area Countywide

Date Last Modified 12/23/13  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Ongoing

| Total | Thru<br>FY13 | Est FY14 | Total<br>6 Years | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | FY 20 | Beyond 6<br>Yrs |
|-------|--------------|----------|------------------|-------|-------|-------|-------|-------|-------|-----------------|
|-------|--------------|----------|------------------|-------|-------|-------|-------|-------|-------|-----------------|

## EXPENDITURE SCHEDULE (\$000s)

|                                  |              |              |              |          |          |          |          |          |          |          |
|----------------------------------|--------------|--------------|--------------|----------|----------|----------|----------|----------|----------|----------|
| Planning, Design and Supervision | 0            | 0            | 0            | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Land                             | 0            | 0            | 0            | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Site Improvements and Utilities  | 0            | 0            | 0            | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Construction                     | 0            | 0            | 0            | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| Other                            | 9,841        | 7,894        | 1,947        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Total</b>                     | <b>9,841</b> | <b>7,894</b> | <b>1,947</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

## FUNDING SCHEDULE (\$000s)

|                          |              |              |              |          |          |          |          |          |          |          |
|--------------------------|--------------|--------------|--------------|----------|----------|----------|----------|----------|----------|----------|
| Current Revenue: General | 9,841        | 7,894        | 1,947        | 0        | 0        | 0        | 0        | 0        | 0        | 0        |
| <b>Total</b>             | <b>9,841</b> | <b>7,894</b> | <b>1,947</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

## APPROPRIATION AND EXPENDITURE DATA (000s)

|                                    |       |       |
|------------------------------------|-------|-------|
| Appropriation Request              | FY 15 | 0     |
| Appropriation Request Est.         | FY 16 | 0     |
| Supplemental Appropriation Request |       | 0     |
| Transfer                           |       | 0     |
| Cumulative Appropriation           |       | 9,841 |
| Expenditure / Encumbrances         |       | 7,894 |
| Unencumbered Balance               |       | 1,947 |

|                          |             |
|--------------------------|-------------|
| Date First Appropriation | FY 01       |
| First Cost Estimate      |             |
| Current Scope            | FY 15 9,841 |
| Last FY's Cost Estimate  | 14,841      |

## Description

Due to projected Federal funding cuts, there is insufficient funding available to address the basic ongoing capital improvements needed each year. Typical improvements include, but are not limited to, replacement of roofs, windows and doors; improvements to unit interiors such as kitchen and bathroom modernization; replacement of major mechanical, electrical, plumbing systems and equipment; appliance replacement; life-safety improvements; site improvements such as fencing, site lighting, landscaping, and sidewalk and parking lot replacement.

Starting in FY14, HOC will begin transition of many of its Public Housing units. This transfer in ownership will allow for greater preservation and financial stability of the housing through the use of the Section 8 subsidy. Since the conversion of the Public Housing units may take up to 36 months and the units will still be highly subsidized, the project formerly known as Supplemental Funds for Public Housing number P017601 will be changed to Supplemental Funds for Deeply Subsidized HOC Owned Units (project number P091501) to allow for continued funding in FY15-20 to support these units.

## Location

Countywide

## Capacity

1,546 units for low and very low-income Public Housing residents.

## Cost Change

Expenditures in FY15 - 18 have been allocated to the Supplemental Funds for Deeply Subsidized HOC Units (project number P091501).

## Justification

Current and projected Federal Capital Fund Program (CFP) funds are not adequate for maintaining HOC public housing units at community norms throughout Montgomery County. Federal funding for public housing will be cut. At the same time, the public housing stock in the County is aging and will need additional repairs. Montgomery County has a higher property standard than the Federal government. In addition, neighbors in the communities with the public housing units expect the properties to be well maintained. Almost half of the public housing units (700+ units) are MPDUs scattered throughout the County in many communities governed by Home Owner Associations (HOAs), and some have higher standards than the County code. As Federal funding levels for public housing are declining, additional funding is necessary if HOC units are to be maintained at levels consistent with community norms and standards.

In an effort to stay true to its mandate to provide decent, safe and sanitary housing to low and moderate income residents in Montgomery County and to ensure that its properties and communities are maintained at a level consistent with community norms, HOC will use a combination of CFP and County funds to make capital improvements to its public housing stock.

Relevant studies include: Comprehensive Grant Program 5-year Action Plan from U.S. Department of Housing and Urban Development (HUD) 52834; HOC Resident Surveys; HOC Engineering Studies.

## Fiscal Note

## Supplemental Funds for Public Housing Improvements (P017601)

Federal funding for public housing capital improvements is based on an annual multi-year plan. County Funds are used concurrently with non-County funds as deemed appropriate to complete work. Also, County funds should be allocated across all HOC properties first to code compliance and second to renovations that extend the useful life of the facility.

Beginning in FY15, funds from this project will be allocated across HOC's Deeply Subsidized Owned elderly, multifamily and scattered sites properties under project number P091501, Supplemental Funds for Deeply Subsidized HOC Owned Units Improvements.

### **Disclosures**

A pedestrian impact analysis will be performed during design or is in progress.

### **Coordination**

U.S. Department of Housing and Urban Development, Maryland Department of Housing and Community Development, Department of Housing and Community Affairs