
Housing and Community Development

PROGRAM DESCRIPTION AND OBJECTIVES

The County's Housing and Community Development Program involves the design and implementation of intergovernmental strategies that address problems contributing to the physical decline of residential and commercial areas, and that support improvements to the quantity and quality of housing for low- and moderate-income families.

The mission of the Department of Housing and Community Affairs (DHCA) is:

- To plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas;
- Ensure fair and equitable relations between landlords and tenants;
- Increase the supply of new affordable housing; and
- Maintain existing housing stock in safe condition.

The activities carried out within the Capital Program of DHCA includes: land and building acquisition; design and construction of street improvements, sidewalks, and other infrastructure improvements; public facilities and amenities to assure the compatibility of assisted housing and small retail centers with surrounding areas; and Central Business District (CBD) revitalization.

Housing activities in this program are designed to allow for acquisition of affordable rental properties that are in need of rehabilitation or are at risk of having significant rent increases that would result in displacement of lower-income working families.

The Community Development Block Grant (CDBG) program provides the County with the opportunity to develop sustainable communities by funding activities that provide decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The Community Development Advisory Committee assists DHCA in recommending the distribution of Community Development Block Grant program funds and in making recommendations on other Federally-assisted housing programs. The members of this Committee are appointed by the County Executive to serve three-year terms. Starting in FY15, Community Development Block Grant funds previously budgeted in the CIP will be shifted to the Operating budget.

The Department's commercial revitalization activities are designed to encourage renewal of older shopping areas to meet

contemporary commercial demands as well as revitalization of smaller commercial centers as focal points for the local community.

HIGHLIGHTS

- Provide an additional \$24.4 million for the Affordable Housing Acquisition and Preservation program, exceeding the County's goal of providing \$100 million in funding for public/private partnerships to maintain and grow the stock of affordable housing. In addition to \$7.3 million in taxable bonds, \$9.1 in loan repayments and \$8.0 million in general obligation bonds will be used to continue the County's commitment to the creation and preservation of affordable housing units for low income residents, including the senior population.
- Complete streetscaping, façade easements, and pedestrian linkages in the Fenton Street Village area in FY14.
- Continue funding for façade easements in the Burtonsville area.
- Beginning in FY15, support for the Focused Neighborhood Assistance program which provides a comprehensive approach to neighborhood preservation and enhancement in residential areas will continue through the Operating budget.

PROGRAM CONTACTS

Contact Tim Goetzinger, of DHCA at 240.777.3728 or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's capital budget.

CAPITAL PROGRAM REVIEW

Three ongoing projects comprise the recommended FY15-20 Capital Improvements Program for DHCA, for a total six-year cost of \$27.5 million, which is a \$8.2 million, or 23.0 percent decrease from the Amended FY13-18 total six-year cost of \$35.7 million. The decrease is due to the fact that most of the planned bonds for the Affordable Housing Acquisition and Preservation project were already programmed prior to FY15, the Fenton Street Village Pedestrian Linkages project is pending completion, and project expenditures previously supported by Community Development Block grant funding are substantially complete or CDBG funding previously budgeted in the CIP will be shifted to the Operating budget in FY15 (Focused Neighborhood Assistance) to support community development activities and allow for more cohesive accounting of CDBG expenditures.

All the funds provided to Montgomery County through the Community Development Block Grant (CDBG) Program are awarded on the basis of an annual statement submitted to the Federal Department of Housing and Urban Development (HUD). The amount of the award is determined by a formula based on population size and other characteristics, including poverty rate and overcrowded housing.

For FY15, the County anticipates receiving approximately \$4.3 million for community development activities through the CDBG program. Starting in FY15, all CDBG funds will be budgeted in the Operating budget. DHCA will continue to monitor Federal program activity which would impact the amount of CDBG funds allocated to Montgomery County.

Affordable Housing Acquisition and Preservation (P760100)

Category Community Development and Housing
 Sub Category Housing
 Administering Agency Housing & Community Affairs (AAGE11)
 Planning Area Countywide

Date Last Modified 1/6/14
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0
Land	136,611	85,511	26,690	24,410	15,950	8,460	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	0	0	0	0	0	0	0	0	0	0
Total	136,611	85,511	26,690	24,410	15,950	8,460	0	0	0	0

FUNDING SCHEDULE (\$000s)

G.O. Bonds	8,000	0	0	8,000	2,000	6,000	0	0	0	0
HIF Revolving Program	100,000	73,310	19,410	7,280	7,280	0	0	0	0	0
Loan Repayment Proceeds	26,111	9,701	7,280	9,130	6,670	2,460	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	0	0	0	0	0	0	0	0
Total	136,611	85,511	26,690	24,410	15,950	8,460	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	15,950
Appropriation Request Est.	FY 16	8,460
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		112,201
Expenditure / Encumbrances		85,511
Unencumbered Balance		26,690

Date First Appropriation	FY 01
First Cost Estimate	
Current Scope	FY 15 136,611
Last FY's Cost Estimate	108,320

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 \$7.28 million of taxable debt and \$8.0 million in non-taxable debt along with the use of loan repayments provides continued support for this project.

Justification

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement (Right of First Refusal), of the Montgomery County Code. Opportunities to purchase property utilizing the County's Right of First Refusal arise without advance notice and cannot be planned in advance. Properties may be acquired by the County, non-profit developers, HOC or other entities that agree to develop or redevelop property for affordable housing.

Other

Resale or control period restrictions 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 shown above, this PDF assumes that any actual revolving loan repayments received will be appropriated in the subsequent year as displayed above. Future loan repayments are expected and will be used to finance future housing activities in this project. General Obligation bonds will be used for Housing Opportunities Commission and other projects that bond counsel determines are eligible for tax-exempt bond funding.

Coordination

Housing Opportunities Commission (HOC), Nonprofit housing providers, Private sector developers

Facility Planning: HCD (P769375)

Category Community Development and Housing
 Sub Category Community Development
 Administering Agency Housing & Community Affairs (AAGE11)
 Planning Area Countywide

Date Last Modified 1/6/14
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	4,295	2,457	963	750	125	125	125	125	125	125
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	0	0	0	0	0	0	0	0	0	0
Total	4,295	2,457	963	750	125	125	125	125	125	125

FUNDING SCHEDULE (\$000s)

Community Development Block Grant	893	334	559	0	0	0	0	0	0	0
Current Revenue: General	3,102	1,823	404	750	125	125	125	125	125	125
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0
Total	4,295	2,457	963	750	125	125	125	125	125	125

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	125
Appropriation Request Est.	FY 16	125
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		3,420
Expenditure / Encumbrances		2,457
Unencumbered Balance		963

Date First Appropriation FY 96		
First Cost Estimate		
Current Scope	FY 15	4,295
Last FY's Cost Estimate		3,970
Partial Closeout Thru		0
New Partial Closeout		0
Total Partial Closeout		0

Description

This project provides funds for Department of Housing and Community Affairs (DHCA) facility planning studies for a variety of projects for possible inclusion in the CIP. In addition, facility planning serves as a transition stage for a project between the master plan or conceptual stage and its inclusion as a stand-alone project in the CIP. Prior to the establishment of a stand-alone project, DHCA will develop a Program of Requirements (POR) that outlines the general and specific features required in the project. Selected projects range in type including: land and building acquisition; conversion of surplus schools/ school sites or County-owned land into housing resources; design and construction of street improvements, sidewalks, and other infrastructure improvements in neighborhoods and small commercial area revitalization including streetscaping and circulation along with Central Business District (CBD) revitalization. Facility planning is a decision-making process to determine the purpose and need of a candidate project through a rigorous investigation of the following critical project elements: community revitalization needs analysis; economic, social, environmental, and historic impact analyses; public participation; investigation of non-County sources of funding; and detailed project cost estimates. Depending upon the results of a facility planning determination of purpose and need, a project may or may not proceed to construction. For a full description of the facility planning process, see the CIP Planning Section.

Cost Change

Increase due to the addition of FY19 and FY20.

Justification

There is a continuing need for development of accurate cost estimates and an exploration of alternatives for proposed projects. Facility planning costs for all projects which ultimately become stand-alone PDFs are included here. These costs will not be reflected in the resulting individual project. Future individual CIP projects, which result from facility planning, will each reflect reduced planning and design costs.

Other

The proposals studied under this program will involve the Office of Management and Budget staff, consultants, community groups, and related program area staff, to ensure that completed studies show full costs, program requirements, and have community support.

Fiscal Note

This project includes \$75,000 in FY13 to develop a program of requirements for a potential Colesville New Hampshire Avenue corridor improvement project between Midland Road and Hollywood Boulevard.

Disclosures

Expenditures will continue indefinitely.

Coordination

Office of Management and Budget, M-NCPPC, Department of Transportation, Department of General Services, Regional Services Centers

CDBG Capital Appropriation (P767820)

Category Community Development and Housing
 Sub Category Community Development
 Administering Agency Housing & Community Affairs (AAGE11)
 Planning Area Countywide

Date Last Modified 1/6/14
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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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	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15
Appropriation Request Est.	FY 16
Supplemental Appropriation Request	
Transfer	
Cumulative Appropriation	
Expenditure / Encumbrances	0
Unencumbered Balance	0

Date First Appropriation	
First Cost Estimate	
Current Scope	FY 15
Last FY's Cost Estimate	0

Description

This project consolidates the appropriation authority for all Community Development Block Grant (CDBG) funds allocated to capital projects since FY78. The following list of CIP projects has been determined necessary to carry out Montgomery County's Community Development Block Grant Program to aid low- and moderate-income residents in upgrading their neighborhoods and in eliminating blight in the County. Projects listed below show the allocation of CDBG funds proposed for FY15 and FY16. For information on previous fiscal years, refer to the approved CIP for that year.

Cost Change

This project was previously used to appropriate CDBG in the CIP.

Fiscal Note

The shift of CDBG expenditures to the Operating budget allows for more cohesive accounting of CDBG expenditures. Federal expenditures from the County's prior financial system are not included in CDBG funded projects.

Coordination

See individual project PDFs, U.S. Department of Housing and Urban Development

Focused Neighborhood Assistance (P761100)

Category Community Development and Housing
 Sub Category Community Development
 Administering Agency Housing & Community Affairs (AAGE11)
 Planning Area Countywide

Date Last Modified 1/6/14
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	815	488	327	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	607	5	602	0	0	0	0	0	0	0
Construction	879	416	463	0	0	0	0	0	0	0
Other	554	237	317	0	0	0	0	0	0	0
Total	2,855	1,146	1,709	0	0	0	0	0	0	0

FUNDING SCHEDULE (\$000s)

Community Development Block Grant	2,855	1,146	1,709	0	0	0	0	0	0	0
Total	2,855	1,146	1,709	0	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		2,855
Expenditure / Encumbrances		1,469
Unencumbered Balance		1,386

Date First Appropriation	FY 11	
First Cost Estimate		
Current Scope	FY 14	2,855
Last FY's Cost Estimate		8,080

Description

This project provides for focused neighborhood assistance in selected neighborhoods throughout the County with a primary focus on residential areas. Project elements will comprehensively address community needs for neighborhood preservation and enhancement.

Cost Change

Starting in FY15, Community Development Block Grant funds previously programmed in the CIP will be shifted to the Operating Budget. Activities previously budgeted in this project will continue in the Operating budget.

Justification

Strong, well-maintained neighborhoods are a critical component of overall community well-being and quality of life. Based on the Focused Neighborhood Assistance Program Mid-County Focus Area and the Focused Neighborhood Assistance Program UpCounty Focus Area studies conducted in June and August, 2009, these communities are in need of pedestrian linkages, appropriate lighting, youth activities, mitigation of foreclosed properties, overcrowding, home maintenance, and overall safety of the neighborhoods.

Fiscal Note

The shift of CDBG to the Operating budget allows for more cohesive accounting of CDBG expenditures.

Coordination

Mid-County Regional Services Center, UpCounty Regional Services Center, , Department of Transportation , Maryland State Highway Administration, M-NCPPC, Department of Environmental Protection, Department of Permitting Services, Department of Police, Department of Recreation

Burtonsville Community Revitalization (P760900)

Category Community Development and Housing
 Sub Category Community Development
 Administering Agency Housing & Community Affairs (AAGE11)
 Planning Area Fairland-Beltsville

Date Last Modified 1/6/14
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	885	538	147	200	200	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,800	0	400	1,400	200	1,200	0	0	0	0
Construction	1,255	300	254	701	100	601	0	0	0	0
Other	100	3	97	0	0	0	0	0	0	0
Total	4,040	841	898	2,301	500	1,801	0	0	0	0

FUNDING SCHEDULE (\$000s)

Current Revenue: General	460	460	0	0	0	0	0	0	0	0
G.O. Bonds	3,199	0	898	2,301	500	1,801	0	0	0	0
PAYGO	381	381	0	0	0	0	0	0	0	0
Total	4,040	841	898	2,301	500	1,801	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,040
Expenditure / Encumbrances		841
Unencumbered Balance		3,199

Date First Appropriation	FY 09
First Cost Estimate	
Current Scope	FY 13 4,040
Last FY's Cost Estimate	4,040

Description

This project provides for community revitalization in the Burtonsville area with primary focus on the commercial core. Project elements will mitigate the impact of transportation improvement projects to businesses in the Burtonsville commercial area. The objective is to support the existing small businesses and create new opportunities for private investment, as well as, create a "village center" by improving the visual appearance of the area. Project elements include Gateway Signage, pedestrian lighting, streetface elements, acquisition of long-term façade easements and center signage.

Justification

The project responds to concerns relating to changes in the community resulting from population increases and the road realignment of US Rte 29 and MD Rte 198.

Other

Plans and Studies: M-NCPPC Fairland Master Plan in 1997; Burtonsville Market Study (2007); the Burtonsville Legacy Plan.

Disclosures

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

Coordination

Department of Transportation, Maryland State Highway Administration, M-NCPPC, Maryland Department of the Environment, Department of Permitting Services