



# HOC Opportunity Housing Development Fund (P767511)

Category	Housing Opportunities Commission	Date Last Modified	09/08/24
SubCategory	Housing (HOC)	Administering Agency	Housing Opportunities Commission
Planning Area	Countywide	Status	Ongoing

## EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY24	Rem FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Land	1,059	1,059	-	-	-	-	-	-	-	-	-
Construction	3,441	-	3,441	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>4,500</b>	<b>1,059</b>	<b>3,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY24	Rem FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Revolving Fund: Current Revenue	4,500	1,059	3,441	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>4,500</b>	<b>1,059</b>	<b>3,441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 26 Request	-	Year First Appropriation	FY75
Cumulative Appropriation	4,500	Last FY's Cost Estimate	4,500
Expenditure / Encumbrances	-		
Unencumbered Balance	4,500		

## PROJECT DESCRIPTION

The Opportunity Housing Development Fund ("OHDF") is a revolving loan fund from which Housing Opportunities Commission ("HOC") is authorized to use up to \$4.5 million at any one time. The project provides funds to temporarily cover project planning, site improvements, building construction loan guarantees, construction financing, short-term financing (including second trusts), insurance for permanent financing, notes and bonds, and associated professional and financing fees for housing developments undertaken by HOC or its designees. Since a separate fund is established for site acquisition and Moderately Priced Dwelling Units (MPDU) acquisition, land, and MPDUs shall not be acquired from the OHDF (with the exception of MPDUs acquired under the last resort provision of the MPDU Ordinance). This fund is to be repaid when permanent financing is obtained or when other sources of financing are made available from HOC housing developments. If sufficient funds are not available in the MPDU/Property Acquisition Fund, this fund can also be used, upon County approval, for the acquisition of sites and/or existing properties for low and moderate-income, single, or multi-family housing facilities, which are to be owned and operated by HOC or its designees.

## LOCATION

Throughout Montgomery County

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## PROJECT JUSTIFICATION

This project assures availability of short-term financing and front-end costs at favorable interest rates for projects determined by HOC and the County to be in support of the County Housing Assistance Plan and housing policy. The fund permits existing and new properties to be reviewed and insured and, in other ways, secures prompt decisions when time demands require them.

## 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 FY 2001, 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.

## FISCAL NOTE

The available balance at the beginning of FY 2024 was \$3,441,058. No repayment was made in FY 2024 on the outstanding balance of \$1,058,942 (the draw made for Avondale in FY 2022). Therefore, the available balance as of June 30, 2024 totaled \$3,441,058. Repayments totaling \$1,058,942 are projected in FY 2025, representing the repayment for Avondale. HOC anticipates continued utilization of the balance of the OHDF revolving fund for the continued pre-development and acquisition for expanding affordable housing in the County.

## COORDINATION

Department of Finance and Department of Housing and Community Affairs.