



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich
County Executive

Tiffany Ward
Director and Chief Equity Officer

MEMORANDUM

October 2, 2024

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice 

Re: Racial Equity Impact Assessment (REIA) Supplemental Appropriation (SA) #25-14
FY25 Operating Budget-Energy Efficiency and Conservation Block Grant (\$764,010)

- I. **FINDING:** *The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #25-14-FY25 Operating Budget-Energy Efficiency and Conservation Block Grant will advance racial equity and social justice in the County. This funding will appropriate funds to continue and pilot two programs to serve homeless and/or low-income individuals in the County. The first program will fund an Edible Food Recovery pilot and the second program will continue funding the County's Efficient Electric Appliance program. The populations these appropriations serve are more likely, because of structural inequities, to be Black, Indigenous, and People of Color (BIPOC) and low-income residents. Therefore, this supplemental appropriation could reduce racial disparities and barriers to food security and housing affordability.*
- II. **BACKGROUND:** The purpose of SA #25-14 is to appropriate federal Energy Efficiency and Conservation Block Grant (EECBG) funds to the Department of Environmental Protection (DEP) and the Department of Housing and Community Affairs (DHCA). A portion of the funding, \$150,000, will fund a DEP pilot for an Edible Food Recovery program to purchase refrigeration vehicles to support the program. The vehicles will collect leftover food from various restaurants to deliver to housing shelters in the County. DHCA received \$614,000 to continue its Weatherization and Energy Efficiency program, which has been renamed the Efficient Electric Appliance program to provide low-income homeowners with energy-efficient appliance upgrades. DHCA's EECBG funds will replace

PEPCO-Exelon and Washington Gas-AltaGas Merger funds, which have all been expended to provide for program continuity.

- III. **ANALYSIS:** As noted earlier, the EECBG funding is being split between two programs: the Edible Food Recovery pilot and the Efficient Electric Appliance program. Both initiatives will address needs in the County, and also advance racial equity and social justice by reducing barriers to food security and improving housing affordability for low-income and homeless communities, which are disproportionately comprised of BIPOC residents.

Edible Food Recovery Pilot Program

The Edible Food Recovery pilot will allow DEP to purchase refrigeration vehicles to support the program. The vehicles will collect leftover food from various restaurants to deliver to housing shelters in the County to address food insecurity for those experiencing homelessness or housing instability. DEP provided the following information in support of this program's ability to reduce racial disparities and provide environmental benefits.

According to "Housing for All" data, the majority are members of the BIPOC population. Almost 60% of all homeless are Black or African American. Another nearly 9% are American Indian or Indigenous.¹ Both of those groups far exceed the overall percentage of the County that those races make up, with Black [residents] making up only 18% of the total County population and American Indian and Indigenous representing less than 1% of the population.²

According to the National Restaurant Association, restaurants in the United States account for over 50% of all food waste, which amounts to between 22 and 33 billion pounds of food waste a year.³ Uneaten food is generally disposed of in the county's landfill and the rest of the county's trash. The entire process generates harmful greenhouse gas emissions from both the transportation chain to get the food to the landfill and the decomposition of the waste once it is there.⁴ This pilot program is meant to create a win-win situation by directing food to those who need it (the homeless and housing unstable) and minimizing decomposition emissions (a win for everyone).

The Montgomery County Food Council reports that over 100,000 County residents are experiencing food insecurity, including over 76,000 children living below the self-

¹ Housing for All, <https://www.montgomerycountymd.gov/Homelessness/Numbers.html>

² Data USA: Montgomery County, MD [https://datausa.io/profile/geo/montgomery-county-md#:~:text=The%205%20largest%20ethnic%20groups,\(Hispanic\)%20\(5.23%25\).](https://datausa.io/profile/geo/montgomery-county-md#:~:text=The%205%20largest%20ethnic%20groups,(Hispanic)%20(5.23%25).)

³ Move for Hunger.org "How Much Food is Actually Wasted in Restaurants?" April 12, 2023. <https://moveforhunger.org/blog/beyond-menu-food-waste-americas-restaurant-industry#:~:text=How%20much%20food%20is%20actually,annually%20in%20the%20United%20States.>

⁴ ReFed "Food Waste" https://refed.org/food-waste/the-problem?gad_source=1&gclid=EAlaIqobChMh-el7cT3hwMVda1aBR0UWRYJEAAYAiAAEgKjovD_BwE

sufficiency standard.”⁵ The County aims to reduce food insecurity by diverting food to those most in need. This pilot program also supports the County Climate Action Plan's Equity-Enhancing Measure by coordinating with local partners to implement the Food Security Plan, diverting food that can be consumed and used by food-insecure residents.⁶

Efficient Electric Appliance Program

The DHCA's Weatherization and Energy Efficiency program, now called the Efficient Electric Appliance program, aims to assist low-income homeowners with energy-efficient appliance upgrades. The program will continue to assist low-income homeowners, who are making less than 70% of AMI, in replacing ten-year-old or older appliances with less efficient energy use. DHCA provided the following information in support of this program's ability to reduce racial disparities in housing affordability.

For the Electric Energy program, low-income homeowners will be supported by this program. National Equity Atlas reports that most housing-burdened homeowners in Montgomery County are Black, Latino, and other homeowners who identify as people of color. Thirty percent or more of all three groups are housing burdened versus less than 20% of white households.⁷

This Efficient Electric Appliance part of the funding will help repair and replace inefficient appliances and systems by providing grants for upgrade installation. Such a grant reduces the homeowner's cost to replace non-working or less energy-efficient appliances. Such a reduction in the cost of the appliance and the utility bill it generates helps maintain housing affordability for lower-income households, which in Montgomery County are predominantly households of color. The lower-income households that the energy efficiency program will address will have incomes below 70% of the Area Median Income. The February 2023 “Prosperity Now Scorecard” Local Outcome Report states that Montgomery County minority races have disproportionately lower incomes than white households. Median house income levels for people of color are approximately 60% of the median compared to White households. Annual median household income levels for blacks are approximately 59% or \$82,835 of the \$139,371 household income of the White population. Hispanic/Latinx median household income was approximately 62% or \$85,910 of the White population.

According to DHCA, the program has served over 400 families since 2018, with many projects occurring in Silver Spring (20906) and Montgomery Village (20886). The program has provided improvements averaging \$10,000 per household. Approximately half of the homeowners served were seniors aged 62 or older. Going forward, DHCA should

⁵ 2023 Annual Report Montgomery County Food Council, Executive Director note https://www.canva.com/design/DAF8-Lebp0M/DKsHq7OJWkE7Gg8FITAPSA/view?utm_content=DAF8-Lebp0M&utm_campaign=designshare&utm_medium=link&utm_source=editor#3

⁶ Montgomery County Climate Action Plan. <https://www.montgomerycountymd.gov/climate/Resources/Files/climate/climate-action-plan.pdf>

⁷ National Equity Atlas, Montgomery County MD https://nationalequityatlas.org/indicators/Housing_burden?geo=0400000000024031&rentown01=2

disaggregate data by race. Tracking participation by race could be useful in helping the County identify if the program is reducing or maintaining existing inequities in program participation.

ORESJ has previously documented national and local racial disparities related to homelessness, food security, and sustainability and efficiency programs in numerous REIAs. For additional research, please see our complete analysis in the following REIAs.

Homelessness

- #22-31 Nebel Street Shelter
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-31.pdf>
- #23-86 FY23 Operating Budget American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund – Homeless Children and Youth Grant
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-86.pdf>
- #24-60 United States Department of Housing and Urban Development Continuum of Care Program Grant
<https://www.montgomerycountymd.gov/ore/Resources/Files/24-60.pdf>
- #24-72 Amendment to the FY24 Operating Budget - The Montgomery County Government, Department of Health and Human Services, Services to End and Prevent Homelessness, Shelter Services, Overflow and Security expansion
<https://www.montgomerycountymd.gov/ore/Resources/Files/24-72.pdf>

Sustainability & Efficiency Improvement Programs

- #24-43 Implementation of Bill 18-22 – Noise Control – Leaf Removal Equipment – Amendments
<https://www.montgomerycountymd.gov/ore/Resources/Files/24-43.pdf>

Food Security

- #22-17 Senior Nutrition Program Supplemental Appropriation
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-17.pdf>
- #22-27: Food Security Bridge Funding Proposal Updated REIA
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-27.pdf>
- #22-79 Bridge Funding for the Food Security Task Force
<https://www.montgomerycountymd.gov/ore/Resources/Files/22-79.pdf>
- #23-27 FY23 Montgomery County Government, Department of Health and Human Services (DHHS) Food Staples Program
<https://www.montgomerycountymd.gov/ore/Resources/Files/23-27.pdf>
- #24-37 Food Security Initiatives
<https://www.montgomerycountymd.gov/ore/Resources/Files/24-37.pdf>

cc: Jon Monger, Director, Department of Environmental Protection
Scott Bruton, Director, Department of Housing and Community Affairs
Tricia Swanson, Director, Strategic Partnerships, Office of the County Executive