

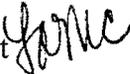
AGENDA ITEM #12
March 18, 2014

CIP WORKSESSION

MEMORANDUM

March 14, 2014

TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Worksession** – FY15-20 Recommended Capital Improvements Program
Department of Housing and Community Affairs
(Recommended CIP is attached at © 1-8)

Those expected for this worksession:

Richard Nelson, Director, Department of Housing and Community Affairs (DHCA)
LuAnn Korona, Chief, Division of Community Development
Jay Greene, Chief, Division of Housing
Chris Anderson, Chief, Neighborhood Revitalization
Tim Goetzinger, DHCA Management and Budget
Dennis Hetman, Office of Management and Budget

Summary of PHED Committee Recommendations

The PHED Committee met on February 24th to review DHCA Community Development Projects and on March 6th to review the CIP project for Affordable Housing Acquisition and Preservation. **The PHED Committee recommends (3-0) approval of the Burtonsville Community Revitalization, CDBG Capital Appropriation, Facility Planning:HCD, and Focused Neighborhood Assistance projects as recommended by the County Executive.** The Committee discussed the reductions in Community Development Block Grant (CDBG) funding and that the Executive is now recommending appropriating CDBG funds for the Focused Neighborhood Assistance program in the Operating Budget. The Committee also received updates on the Fenton Street Village and Long Branch Pedestrian Linkages project which are recommended for Pending Close-out.

The PHED Committee is deferring a recommendation on the Affordable Housing Acquisition and Preservation project until it can be considered with the Operating Budget recommendations for the Housing Initiative Fund.

The PHED Committee discussed the proposal from Councilmembers Riemer, Navarro, and Branson to create a new CIP project for streetscaping improvements for the older urban areas of the County (© 10). The PHED Committee asked for additional information on how this project would be coordinated with Department of Transportation and Urban District efforts and whether the areas of the County could be more defined. The PHED Committee agreed to return to this proposal during Operating Budget worksessions. This proposal was also discussed by the Transportation and Environment Committee. A majority of the T&E Committee also agreed that additional information should be provided and brought back to the PHED Committee or joint PHED and T&E Committee.

Background

The County Executive is recommending four community development projects in his FY15-20 CIP for the Department of Housing and Community Affairs. In addition, the Executive is recommending continuation of the Affordable Housing Acquisition and Preservation project which is also a part of the Housing Initiative Fund.

1. Burtonsville Community Revitalization
(FY15-20 Recommended PDF ©3-4)

	TOTAL	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
FY13 Approved	4,040	4,040	0	0	0	0	0	NA	NA
FY 15 Recommended	4,040	1,739	2,301	500	1,801	0	0	0	0
Difference	0	(2,301)	2,301	500	1,801	0	0	0	0

Source of Funds FY15-20: Current Revenue \$460,000; G.O. Bonds \$3,199,000; PAYGO \$381,000

In response to questions from Council staff, DHCA has provided the following summary of the project, update on expenditures to date, and plans for FY15 and FY16 expenditures. The DHCA website includes examples of the improvements that have been completed. They can be found at

<http://www.montgomerycountymd.gov/DHCA/community/neighborhood/Burtonsville.html>

From DHCA:

There are six targeted façade improvements and five targeted retail center signage improvements on the north side of the project area along MD Route 198 in Burtonsville. To date, four facades have been completed, one façade is under construction, and DHCA’s recent offer to renovate one other façade (for the “lift” building) was accepted by a property owner at the end of January 2014. This specific project will include the removal of the lift/canopy structure in the front. Once permitted, construction is estimated to be completed within six months. DHCA continues to reach out to the one remaining property owner on the north side.

Three retail center signs with parking lot lighting will be completed by the end of February 2014. At the end of January 2014, one other property owner accepted DHCA's offer for replacement of his parking lot lighting and sign. Outreach and negotiations will continue for the one remaining sign; DHCA hopes to make an offer in the spring of 2014. Updated figures since the CIP was produced show that \$1,107,111 of CIP funds have been spent on this project, with signed agreements for facades and signs totaling an additional \$325,000. DHCA has been very successful in leveraging private funds for these efforts. In no case has the County contributed the full 50 percent of the cost, as permitted under the program's guidelines. To date, every \$1.00 invested by the County has resulted in an investment of \$1.33 from the private property owner.

FY 15 and 16 CIP funds will be used for similar activities on the south side of MD Route 198. As outlined in the Burtonsville Community Legacy Plan, these activities may include signage/lighting improvements and façade improvements for four targeted businesses. Staff will reach out to the East County Advisory Committee to assess the community's satisfaction with completed activities and to identify community priorities moving forward. DHCA will also explore the implementation of walkability and pedestrian safety improvements along the northside commercial strip that are required to implement the village concept outlined in the Community Legacy Plan, the Burtonsville Streetface Analysis and Recommendations and the Burtonsville Crossroads Neighborhood Plan (prepared by the Planning Department in December 2012).

Delays in Burtonsville are due to the fact that it has taken more time than anticipated to negotiate and secure agreements with the individual property owners in the targeted area. Due to the economic downturn, property owners were reluctant to invest, and unsure if they could secure funds. Because of the public/private structure of this program, a large part of the implementation depends on the property owner's ability to secure financing and to present acceptable design plans for the façade improvements. The program also has encountered unexpected challenges, such as a need to re-design approved plans to incorporate BG&E's new requirements for electrical connections. Additionally, there was significant reluctance to improve two of the properties which had not been through record plat; the owners did not want to go through the platting process due to required easement set asides for future road improvements. The County Council addressed this issue by passage of a narrowly tailored bill that exempted these properties from these set aside requirements. As a result both property owners are now in discussions with the DHCA concerning potential improvements to their properties.

The PHED Committee recommends approval.

2. CDBG Capital Appropriation

(FY15-20 Recommended PDF © 5)

	TOTAL	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
FY13 Approved	0	0	0	0	0	0	0	NA	NA
FY 15 Recommended	0	0	0	0	0	0	0	0	0
Difference	0	0	0	0	0	0	0	0	0

This project was previously used to show the consolidated appropriation of Community Development Block Grant (CDBG) funds in the CIP although expenditures were shown in specific PDFs. In the FY13-18 CIP this PDF showed appropriations of \$1,420,000 in FY13 and \$1,145,000 in FY14 and the narrative explained the appropriations would be spent on Facility Planning, Fenton Street Linkages, and Focused Neighborhood Assistance. The information at © 1-2 says that the County is expecting to receive about \$4.3 million in CDBG funding in FY15 and that the Executive is recommending that all new CDBG funding be appropriated in the operating budget. A portion of these funds will be used for the Focused Neighborhood Assistance Program.

The PHED Committee recommends approval.

3. Facility Planning:HCD
(FY15-20 Recommended PDF © 6)

	TOTAL	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
FY13 Approved	3,970	3,345	625	125	125	125	125	125	NA
FY 15 Recommended	4,295	3,420	750	125	125	125	125	125	125*
Difference	325	75	125	0	0	0	0	0	125

*Totals for both FY13 Approved and FY15 Recommended include \$125,000 in the “Beyond 6 Years” column
Source of Funds: Current Revenue

This project provides funding for facility planning studies that are not eligible for CDBG funding. It is included in the CIP because the efforts generally take more than one year.

The PHED Committee recommends approval.

4. Focused Neighborhood Assistance
(FY15-20 Recommended PDF © 7)

	TOTAL	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
FY13 Approved	8,080	3,355	4,725	945	945	945	945	945	NA
FY 15 Recommended	2,855	2,855	0	0	0	0	0	0	0
Difference	(5,225)	(500)	(4,725)	(945)	(945)	(945)	(945)	(945)	0

Source of Funds FY13-18: CDBG

As previously noted in the discussion of the CDBG Capital Appropriation project, the Executive is recommending that new CDBG funds be appropriated in the operating budget. While this project shows no funding in the six-years, it is expected to continue with funds appropriated through the operating budget.

In the FY13 CIP, DHCA said it was beginning work in the McKendree neighborhood of Montgomery Village. The PHED Committee was also told that an evaluation plan would be a part of the McKendree effort. DHCA has provided the following update on the work completed in

Cinnamon Woods (now Germantown Park) and underway in McKendree. DHCA has provided the following update.

From DHCA:

As of the end of January 2013, DHCA completed all exterior rehabilitation activities in the Cinnamon Woods focus area (Cinnamon Woods was recently renamed Germantown Park). Through its Focus Neighborhood Assistance Program, DHCA established a partnership with the homeowners association in 2010 in which the Division of Community Development extended the department's Exterior Home Improvement Program to homeowners who were eligible for Community Development Block Grant (CDBG) funds. DHCA's Exterior Home Improvement Program at Cinnamon Woods includes painting of exterior home trim, installation of vinyl siding, replacement of rotted wood elements with low maintenance cladding, and the repair or replacement of rotted wood fences and sheds. Since the inception of the DHCA program in 2010, the homeowners association has completed 356 exterior home improvements under the terms of their program, and DHCA has 122 CDBG eligible homes completed. The average cost of each home improvement was roughly \$8,200.00. In addition to the exterior home improvements, DHCA worked with the community to upgrade 70 parking lot lights throughout the community by replacing them with energy efficient luminaries.

Activities are now underway in the McKendree focus area in Montgomery Village. To date, 13 households (out of 52) in McKendree II have been identified to participate in the housing rehabilitation program. Rehabilitation work on the first of these homes is set to begin in February 2014 (the contractor has been issued the Notice to Proceed). Outreach to the 56 households for the rehabilitation program in McKendree I is underway and the rehabilitation work in this area is expected to begin in the late-Spring of 2014. The design work for the interior courtyard drainage improvements in McKendree I has been completed and DHCA will present the design to the HOA and the community at the next HOA meeting. In order to evaluate the effectiveness of DHCA's efforts in this neighborhood, staff will focus on measuring the financial savings to the households served in terms of increased energy efficiency. DHCA will collect energy costs for the households before and after the rehabilitation to measure the reduced cost to each household.

Proposed new focused areas have not been prioritized. Analysis and selection of residential neighborhoods is ongoing, with staff continuing to conduct neighborhood inspections and assessments to identify other possible Focused Neighborhood Assistance target areas. Staff is analyzing census and foreclosure data, conducting visual inspections, consulting with other agencies (Police, Planning, DOT, and the Regional Service Centers) to assist in this effort. For example, we are considering neighborhoods selected for infrastructure enhancements under DOT's Renew Montgomery program that might benefit from additional enhancements through Focused Neighborhood Assistance. We are working with the Planning Department to coordinate DHCA's analysis and activities with ongoing small area and neighborhood plans. We are reaching out to real estate agents to help identify HOAs that have a high number of HOA fee delinquencies, especially those that have major special assessments that are causing difficulties for the lower income homeowners.

The PHED Committee recommends approval as recommended by the County Executive and will review the Focused Neighborhood Assistance again as a part of the Operating Budget.

5. Affordable Housing Acquisition and Preservation

(FY15-20 Recommended PDF © 8)

For FY15-20, the County Executive is recommending a total of \$136.611 million in expenditures for this project, which is a revolving account that must be used for acquisition and/or renovation of properties for the purpose of preserving or increasing the county's stock of affordable housing. The following two tables show the recommended expenditures and revenues.

Affordable Housing Acquisition and Preservation – EXPENDITURE SCHEDULE

	Total	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
FY13 Approved	112,201	112,201	0	0	0	0	0	NA	NA
Recommend	136,611	112,201	24,410	15,950	8,460	0	0	0	0
Difference	28,291	0	24,410	15,950	8,460	0	0	0	0

Affordable Housing Acquisition and Preservation – FUNDING SOURCES for FY15-20 Recommended

	Total	Thru FY14	6 Years	FY15	FY16	FY17	FY18	FY19	FY20
GO Bonds	8,000	0	8,000	2,000	6,000				
HIF Revolving Program	100,000	92,720	7,280	7,280	0	0	0	0	0
Loan Repayments	26,111	16,981	9,130	6,670	2,460	0	0	0	0
HIF – Current Revenue	2,500	2,500	0	0	0	0	0	0	0
TOTAL	136,611	112,201	24,410	15,950	8,460	0	0	0	0

This project originated in FY09 when the Council approved the County Executive's recommendation to issue \$25 million in taxable bonds in each of FY09 and FY10 to create a \$50 million revolving acquisition and preservation program within the Housing Initiative Fund. The creation of a short-term (up to 36 months) property acquisition fund and a long-term revolving equity fund were both recommendations included in the Affordable Housing Task Force Report. The debt service for these bonds is backed by the general revenues appropriated to the cash side of the HIF. The Committee has previously discussed funds are used for both short-term and long-term debt and on occasion funds acquisitions where a repayment will not be received because the housing will support programs for very low income people and the cash flow will not be sufficient to repay the debt. The Executive recommended and the Council authorized \$100 million in taxable debt to fund the revolving account.

The Executive is recommending expending the remaining \$7.280 million in proceeds from taxable debt in FY15. In addition, the Executive is recommending that \$8 million in GO Bonds fund efforts over FY15 and FY16. The GO Bonds in FY15 will be used to fund the Personal Living

Quarters at Progress Place. Council staff agrees this is a good use of GO Bonds as the County will retain ownership of this building.

Attached at © 9 is a table showing the commitments that have been made from this fund. The funding has helped to acquire or preserve 2,146 affordable units; this is 67% of the total units included in the developments. From FY10 to FY13 there were \$18.068 million in repayments from these projects and between FY14 and FY20 another \$31.75 million is expected.

In addition to the commitments shown, DHCA is discussing 6 additional projects: the Rockville/White Flint Fire Station, housing at the Conference Center, housing on University Boulevard (Mt. Jezereel), an artist live/work development at the current Silver Spring District Police Station site, Churchill Senior Residential II, and housing at Glenmont Metro.

The PHED Committee agreed to defer a recommendation on this project and consider it again during Operating Budget worksessions so that it may be considered with the other recommendations for the Housing Initiative Fund.

Pending Close-out Projects

The following are updates on two projects that no longer have active PDFs in the Executive's Recommended CIP.

Fenton Street Village Pedestrian Linkages/Georgia Avenue: The Georgia Avenue streetscaping project is complete, with the exception of punch list items, which include repairs to one building exterior and some cross-slope modifications required to conform to ADA standards. PEPCO has re-energized the lights along this stretch of Georgia Avenue and once all work is performed and sign-offs are received, DHCA will release the retainage. Additional information on the scope of this project is available on the DHCA website.

<http://www.montgomerycountymd.gov/DHCA/community/neighborhood/FentonStreetVillage.html>

Long Branch Pedestrian Linkages: The construction bid for the Long Branch Bridge and Trail was awarded in September, 2013. The Notice to Proceed for the project was issued on November 12, 2013 and construction began. Construction was initially estimated to take nine months (completed by the end of August 2014); however the poor winter weather to date has pushed the completion date back by at least one month (to the end of September 2014). So far, approximately \$300,000 has been spent to date on construction activities, including mobilization, clearing, grubbing environmental protection measures, removal of the existing bridge and trail, signage, and grading/earthwork. Additional information on the scope of this project is available on the DHCA website.

<http://www.montgomerycountymd.gov/DHCA/community/neighborhood/LongBranchWalkwayBridge.html>

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 million 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.

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
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	885	538	147	200	200	0	0	0	0	0	0
Land	0	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	0
Construction	1,255	300	254	701	100	601	0	0	0	0	0
Other	100	3	97	0	0	0	0	0	0	0	0
Total	4,040	841	898	2,301	500	1,801	0	0	0	0	0

	Total	FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Current Revenue: General	460	460	0	0	0	0	0	0	0	0	0
G.O. Bonds	3,199	0	898	2,301	500	1,801	0	0	0	0	0
PAYGO	381	381	0	0	0	0	0	0	0	0	0
Total	4,040	841	898	2,301	500	1,801	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		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

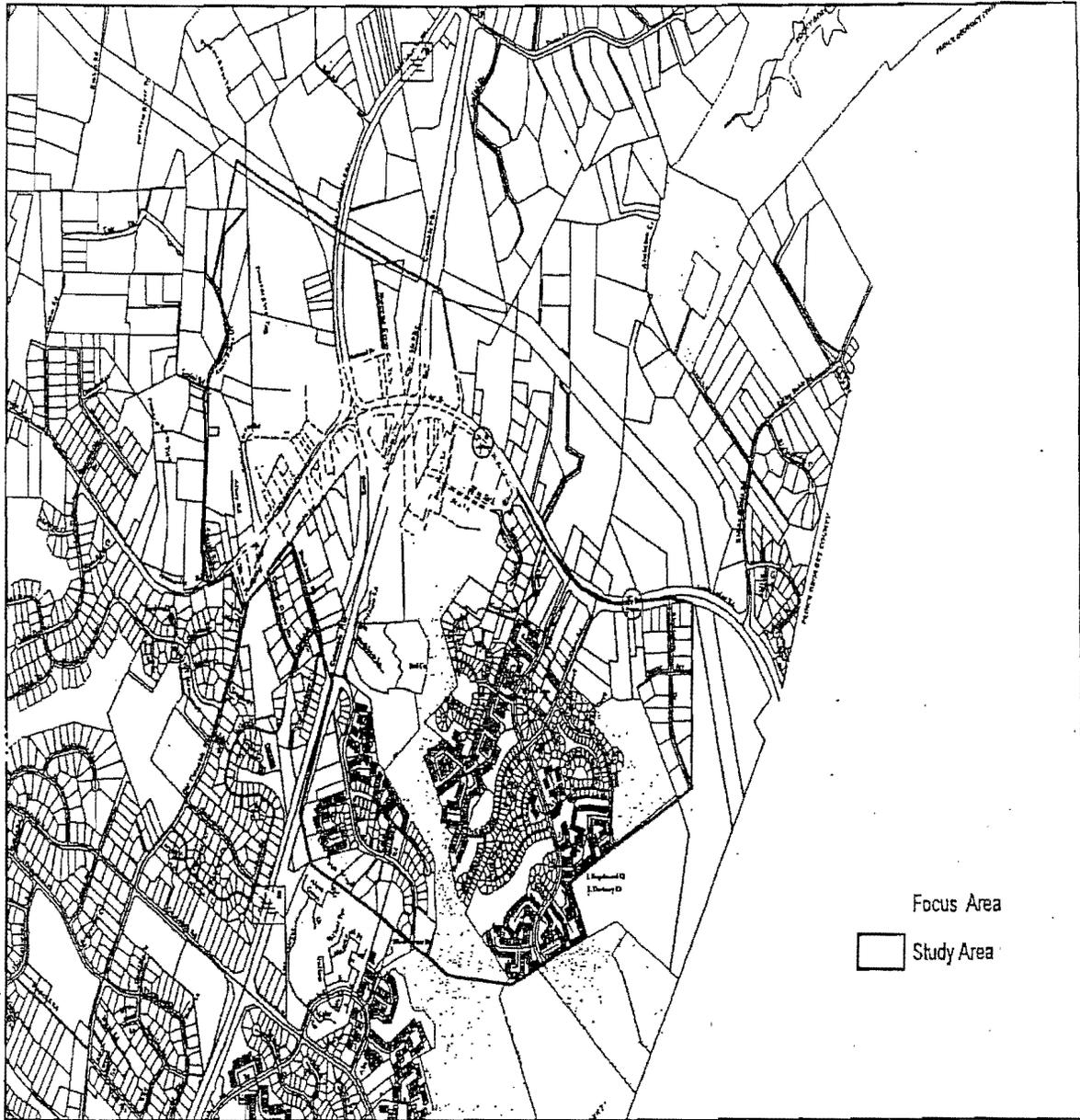
Plans and Studies: M-NCPPC Fairland Master Plan in 1997; Burtonsville Market Study (2007); the Burtonsville Legacy Plan.

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

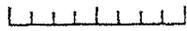


Focus Area
 Study Area


 Map Designed by Trivens Kargbo
 DHCA- Community Development Division
 Montgomery County

Burtonsville CIP Project Area

0 625 1,250 2,500 Feet




SOURCE: DTS-GIS AND DHCA

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
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	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
Total	0	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 0
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

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
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	4,295	2,457	963	750	125	125	125	125	125	125	125
Land	0	0	0	0	0	0	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
Total	4,295	2,457	963	750	125						

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Community Development Block Grant	893	334	559	0	0	0	0	0	0	0	0
Current Revenue: General	3,102	1,823	404	750	125	125	125	125	125	125	125
Current Revenue: Parking - Montgomery Hill	100	100	0	0	0	0	0	0	0	0	0
Federal Aid	200	200	0	0	0	0	0	0	0	0	0
Total	4,295	2,457	963	750	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

Focused Neighborhood Assistance (P761100)

Category	Community Development and Housing	Date Last Modified	1/6/14
Sub Category	Community Development	Required Adequate Public Facility	No
Administering Agency	Housing & Community Affairs (AAGE11)	Relocation Impact	None
Planning Area	Countywide	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
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	815	488	327	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	607	5	602	0	0	0	0	0	0	0	0
Construction	879	416	463	0	0	0	0	0	0	0	0
Other	554	237	317	0	0	0	0	0	0	0	0
Total	2,855	1,146	1,709	0	0	0	0	0	0	0	0

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Community Development Block Grant	2,855	1,146	1,709	0	0	0	0	0	0	0	0
Total	2,855	1,146	1,709	0	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

Affordable Housing Acquisition and Preservation (P760100)

Category
Sub Category
Administering Agency
Planning Area

Community Development and Housing
Housing
Housing & Community Affairs (AAGE11)
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

1/6/14
No
None
Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	0	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	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
Total	136,611	85,511	26,690	24,410	15,950	8,460	0	0	0	0	0

FUNDING SCHEDULE (\$000s)											
G.O. Bonds	8,000	0	0	8,000	2,000	6,000	0	0	0	0	0
HIF Revolving Program	100,000	73,310	19,410	7,280	7,280	0	0	0	0	0	0
Loan Repayment Proceeds	26,111	9,701	7,280	9,130	6,670	2,460	0	0	0	0	0
Montgomery Housing Initiative Fund	2,500	2,500	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	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

112,201

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

→ Funding from this project will be used to support the development and construction of Personal Living Quarters (PLQs) at the new Progress Place.

Housing Acquisition and Rehabilitation Fund (CIP 760100)

Project Name	Total Units	Afford Units	FY	Loan Amount	Expenditures	Balance	Actual Repayments (FY10 - FY13)	Proj. Repayments (FY14-FY20)
Pre FY09	n/a	n/a	2008	1,095,482	1,095,482	-	-	-
Ashmore at Germantown	29	29	2009	4,712,481	4,712,481	-	1,200,000	-
4715 Cordell	32	32	2009	4,652,541	4,652,541	-	-	-
Maple Towers	36	26	2009	3,635,000	3,635,000	-	-	-
814 Thayer Avenue	52	26	2009	2,900,000	2,900,000	-	3,209,935	-
AHC Foreclosure	17	17	2009	1,982,070	1,982,070	-	1,712,720	-
Southbridge Permanent Loan (Aspen Court)	39	20	2009	3,004,000	2,882,811	121,189	-	-
Leaman Farms/Gateway	8	8	2009	1,060,305	1,060,305	-	349,187	385,000
7901 Lockney	4	4	2009	665,544	665,544	-	-	-
N Potomac MPDUs (Procera Dr)	2	2	2009	268,466	268,466	-	268,466	-
The Solaire (Ripley)	318	48	2010	5,000,000	5,000,000	-	5,558,954	-
The Argent	96	96	2010	5,089,000	5,089,000	-	-	744,000
Maple Towers	n/a	n/a	2010	3,203,057	3,203,057	-	1,000,000	-
Rocklin Park	29	29	2010	1,167,525	1,167,525	-	1,320,134	-
National Park Seminary	32	32	2010	599,018	599,018	-	-	-
Halpine Hamlet	47	47	2010	636,000	636,000	-	636,000	-
8316 Flower Avenue	6	6	2010	745,638	745,638	-	544,923	-
8807 Glenville	4	4	2010	473,766	473,766	-	-	-
MD DHCD Acquisition Fund	125	125	2010	320,000	320,000	-	-	320,000
MCCH MPDU (S.811)	1	1	2010	228,800	228,800	-	228,800	-
Wheaton Safeway	486	61	2011	5,000,000	5,000,000	-	269,549	1,400,000
Southbridge Interim Loan (Aspen Court)	n/a	n/a	2011	3,388,290	3,388,290	-	-	3,300,000
Silver Spring Library	149	139	2012	5,700,000	-	5,700,000	-	350,000
Hamptons at Town Center	768	768	2012	14,800,000	14,800,000	-	1,030,497	4,662,000
814 Thayer Avenue	n/a	n/a	2012	4,495,000	3,125,808	1,369,192	-	-
Victory Court	86	65	2012	2,192,000	2,087,000	105,000	-	-
610-614 Silver Spring	15	15	2012	2,175,000	1,185,075	989,925	-	1,045,000
13 Beall Avenue	14	14	2012	1,500,000	1,483,857	16,143	-	-
St. Johns House	3	3	2012	483,922	483,922	-	241,961	-
HUI Revolving Fund	12	12	2012	442,400	442,400	-	-	442,400
Gables at Waters Landing	33	33	2012	97,723	97,723	-	-	-
MCCH Gallery at White Flint	1	1	2012	73,700	73,700	-	-	-
The Solair at Wheaton	44	44	2013	5,000,000	5,000,000	-	174,962	6,176,000
Fireside Park	236	94	2013	3,370,000	2,649,965	720,035	322,450	3,190,000
Fireside Park (Rockville)	n/a	n/a	2013	1,500,000	1,500,000	-	-	1,500,000
HOC - Glenmont Crossing (Westerly)	199	101	2013	3,650,000	3,650,000	-	-	7,962,500
Parkview at Aspen Hill	120	108	2013	3,800,000	-	3,800,000	-	-
Rosaria Homes - St. Peters	3	2	2013	275,000	275,000	-	-	275,000
Victory Housing - Victory Crossing 3D	105	95	2014	5,000,000	400,000	4,600,000	-	-
6301 MacArthur Blvd.	18	18	2014	5,000,000	4,005,402	994,598	-	-
Progress Place	21	21	2014	2,937,580	-	2,937,580	-	-
Total	3190	2146		112,319,309	90,965,647	21,353,662	18,068,538	31,751,900



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

February 25, 2014

TO: PHED committee members
FR: Councilmembers Riemer, Navarro & Branson
CC: Councilmembers
RE: DHCA Streetscapes

We are writing to respectfully request your support to create a CIP item for Streetscape Improvements in the amount of \$187,500 per year for FY15-16, for a two-year total of \$375,000.

Per my discussions with council staff and DHCA, this money would be used for facility planning with construction projects to be determined and funded separately. It would initially be focused in the Silver Spring, Wheaton and Veirs Mill/Randolph Road areas. The appropriation amount would cover planning for those three areas; if the council were to add additional areas, the PDF would need additional funding.

This project is broadly intended to provide funds for renovating infrastructure in our older urban districts. Examples of improvements include the replacement and widening sidewalks, new vehicular and pedestrian lighting, street furniture, and so on. Silver Spring and Wheaton are aging portions of the county that are seeing large scale development, but do not currently have long term streetscape plans. The Randolph Rd-Veirs Mill Rd area is a high foot traffic area and in need of streetscaping to create better pedestrian access to the surrounding shopping centers.

The CIP has an existing streetscaping PDF for Bethesda, which was required by the CBD Master Plan.