



# FY22 Operating Budget: Committee Consent Calendar

T&E Committee #2D

April 15, 2021

**Department/Office:** Homeowners Association (HOA) Road Maintenance  
Reimbursement Nondepartmental Account  
**Staff:** Glenn Orlin, Senior Analyst

## 1. Staff Recommendation

Council staff recommends approval of the FY22 HOA Road Maintenance Reimbursement NDA Budget as submitted by the County Executive.

## 2. Summary of FY22 Recommended Budget

The County Executive's FY22 Recommended Operating Budget for this NDA is attached at ©1.

| HOA Road Maintenance Reimbursement NDA | FY21 Approved   | FY22 CE Recommended | Change from FY21 Approved |
|--|-----------------|---------------------|---------------------------|
| General Fund                           | \$62,089        | \$62,089            | 0.0%                      |
| Personnel Costs                        | \$0<br>0.0 FTEs | \$0<br>0.0 FTEs     | 0.0%<br>0.0 FTEs          |
| Operating Costs                        | \$62,089        | \$62,089            | 0.0%                      |

## 3. Summary of FY22 Recommended Changes/Adjustments: Not applicable.

## 4. Suggested Discussion Item After Budget

This NDA consists of two reimbursement programs. The "State" program reimburses HOAs for roads eligible to be counted for State Highway User Revenue; the funds associated with these roads are sent to the County and then passed through to the HOAs.

The "County" program was intended to reimburse HOAs for eligible roads at roughly the cost that the County spends to maintain its own roads, subject to the availability of appropriations. However, from FY90 to FY09 the Council limited the reimbursement to around \$1,000 per eligible mile, a fraction of the cost of maintaining a County road. For the FY10 budget, the Council reduced the appropriation to only about \$250 per eligible mile, and for FY11 through FY21 the Council suspended funding for this program altogether. The Executive recommends extending this suspension through FY22, the 12<sup>th</sup> successive year this program will not have been funded. The Council should once again consider a bill that would eliminate this program, since neither the Executive nor the Council has elected to fund it either in flush or challenging budget years.

| FY22 Recommended Changes | Expenditures   | FTEs        |
|--------------------------|----------------|-------------|
| <b>FY21 Approved</b>     | <b>150,000</b> | <b>0.00</b> |
| <b>FY22 Recommended</b>  | <b>150,000</b> | <b>0.00</b> |

### **Homeowners' Association Road Maintenance Reimburse**

This NDA provides a partial reimbursement to homeowners' associations (HOAs) for their maintenance of certain privately-owned roadways. The payment is currently restricted to through roadways, accessible to the public, which are one-quarter mile or longer and which provide vehicular access to more than four dwelling units. In FY97, an Executive Regulation was enacted allowing homeowners' associations to request that their roadways be deemed "private maintenance roads." This designation qualifies the HOAs for State reimbursement of their roadway maintenance costs. The County annually submits to the State its estimate of reimbursable miles, including those accepted as private maintenance roads. The State then reimburses the County and, subsequently, the County forwards the funds to HOAs.

| FY22 Recommended Changes | Expenditures  | FTEs        |
|--------------------------|---------------|-------------|
| <b>FY21 Approved</b>     | <b>62,089</b> | <b>0.00</b> |
| <b>FY22 Recommended</b>  | <b>62,089</b> | <b>0.00</b> |

### **Housing Opportunities Commission**

The Housing Opportunities Commission of Montgomery County (HOC) is a public body corporate and politic duly organized under Division II of the Housing and Community Development Article of the Annotated Code of Maryland, commonly known as the Housing Authorities Law. The Commission acts as a builder, developer, financier, owner, and manager of housing for people of low- and moderate- (eligible) income. The Commission also provides eligible families and individuals with affordable housing and supportive services.

| FY22 Recommended Changes                        | Expenditures     | FTEs        |
|---|------------------|-------------|
| <b>FY21 Approved</b>                            | <b>6,824,693</b> | <b>0.00</b> |
| Increase Cost: Annualization of Personnel Costs | 71,000           | 0.00        |
| <b>FY22 Recommended</b>                         | <b>6,895,693</b> | <b>0.00</b> |

### **Inauguration and Transition**

The Montgomery County Charter provides for the quadrennial election of a County Executive and County Council. This NDA provides for a ceremony and smooth transition of the County Executive and County Council every four years.

| FY22 Recommended Changes | Expenditures | FTEs        |
|--------------------------|--------------|-------------|
| <b>FY21 Approved</b>     | <b>0</b>     | <b>0.00</b> |
| <b>FY22 Recommended</b>  | <b>0</b>     | <b>0.00</b> |

### **Incubator Programs - Economic Development Partnership**

This NDA provides for facility lease payments, program and portfolio management services for the County's Business Innovation Network (BIN) facilities, and program funding for the Business Incubator Without Walls Program (for the Down County area). The BIN consists of three physical locations: the Silver Spring Innovation Center (SSIC) on Georgia Avenue, the