



Committee: PHED
Committee Review: Completed
Staff: Linda McMillan, Senior Legislative Analyst
Purpose: To receive testimony/final action - vote expected
Keywords: Housing Initiative Fund; HIF

AGENDA ITEM #13
June 15, 2021
Public Hearing/Action

SUBJECT

Special Appropriation to the Fiscal Year 2021 Operating Budget; Montgomery County Government; Department of Housing and Community Affairs; Montgomery Housing Initiative (Housing Initiative Fund); \$2,900,000 (Source of Funds: General Fund Designated Reserve for Affordable Housing); Lead Sponsor: County Council

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- This special appropriation was introduced on May 18, 2021.
- On May 10, 2021, the Council reviewed the Planning, Housing, and Economic Development (PHED) Committee's recommendations for the Housing Initiative Fund and agreed with the recommendation to introduce a \$2.9 million special appropriation to move the remaining funds from the Designated Reserve for Affordable Housing to the HIF.

DESCRIPTION/ISSUE

As a part of its FY 2021 budget actions, the Council put \$6.8 million in a Designated Reserve for Affordable Housing to allow for further consideration of financing tools for affordable housing production and preservation. On March 23, the Council approved a \$500,000 FY 2021 special appropriation using the Designated Reserve to authorize the Housing Opportunities Commission Housing Production Fund. On May 10, the Council in its straw votes agreed with the recommendations of the PHED Committee to use \$3.4 million of the Designated Reserve to support the HOC Housing Production Fund in FY22. This leaves \$2.9 million in the Designated Reserve. It was agreed this should be appropriated to the HIF as a FY21 Special Appropriation.

Attached:

Special Appropriation Resolution

1-2

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Resolution No.: _____
Introduced: May 18, 2021
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead sponsor: County Council

SUBJECT: Special Appropriation to the Fiscal Year 2021 Operating Budget
Montgomery County Government
Department of Housing and Community Affairs
Montgomery Housing Initiative (Housing Initiative Fund)
\$2,900,000 (Source of Funds: Designated Reserve for Affordable Housing)

Background

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. The Housing Initiative Fund provides funding for loans and grants to support the production and preservation of affordable housing, certain rental assistance programs, support for homeownership, and acquisition and renovation of special needs housing. The County continually looks for new tools and additional resources to increase affordable housing supply and options.
3. As a part of its FY 2021 Operating Budget actions, the County Council placed \$6.8 million in a Designated Reserve for Affordable Housing to be able to consider new options for housing production and preservation. On March 23, 2021, the Council adopted Resolution 19-774, a \$500,000 special appropriation to authorize the Housing Opportunities Commission (HOC) Housing Production Fund using the Designated Reserve for Affordable Housing as the source of funds. The Executive has recommended, and the Council has agreed to use an additional \$3.4 million of this Designated Reserve for the FY 2022 funding for the HOC Housing Production Fund.
4. On May 10, 2021, the Council reviewed the recommendations of the Planning, Housing, and Economic Development for the Housing Initiative Fund and agreed that a FY 2021 special appropriation should be introduced to direct the remaining \$2.9 million in this

Designated Reserve to the Housing Initiative Fund.

5. Notice of a public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY 2021 Operating Budget of the Montgomery County Government, in the amount of \$2,900,000 is approved as follows:

	<u>Personnel Expense</u>	<u>Operating Expense</u>	<u>TOTAL</u>
Montgomery Housing Initiative Department of Housing and Community Affairs	\$0	\$2,900,000	\$2,900,000

This appropriation is needed to respond to a public health emergency and to act without delay in the public interest.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council