



**Committee:** HHS  
**Committee Review:** At a future date  
**Staff:** Vivian Yao, Legislative Analyst  
Linda McMillan, Senior Legislative Analyst  
**Purpose:** To receive testimony – no vote expected  
**Keywords:** Living Quarters

AGENDA ITEM #8  
February 8, 2022  
**Public Hearing**

## SUBJECT

Supplemental Appropriation to the County Government's FY22 Capital Budget and Amendment to the FY21-26 Capital Improvements Program (CIP), Department of Health and Human Services; \$100,000 for Affordable Living Quarters; (Source of Funds: Federal Funds)

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- None. Public hearing only.

## DESCRIPTION/ISSUE

Montgomery County has a shortage of housing that is affordable to people who have low and very-low incomes. The Executive recommends using \$100,000 in Federal funds for the Department of Health and Human Services, Department of General Services, and Department of Housing and Community Affairs to explore how acquisition and renovation of an existing building could help meet this housing need.

## SUMMARY OF KEY DISCUSSION POINTS

- There is a significant shortage of housing available to people with very low incomes. The Montgomery County Housing Needs Assessment completed by HR&A Advisors estimated that in 2018 there was a shortage of 23,030 units affordable to households earning up to 30% area median income (AMI). These people may enter the homeless system and have difficulty exiting homelessness because of lack of affordable housing.
- These funds will be used to explore this option. There is no request for funding for acquisition or renovation at this time.

### Attached:

CE Memo and Supplemental Resolution/PDF

1-4

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OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich  
*County Executive*

MEMORANDUM

January 18, 2022

TO: Gabe Albornoz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #22-60 to the FY22 Capital Budget  
Montgomery County Government  
Department of Health and Human Services  
Affordable Living Quarters (No. P602201), \$100,000

I am recommending a supplemental appropriation to the FY22 Capital Budget and amendment to the FY21-26 Capital Improvements Program in the amount of \$100,000 for the Affordable Living Quarters (No. P602201). Appropriation for this project will fund planning and design of a facility that would provide deeply affordable living quarters.

This increase is needed to support those who are experiencing homelessness. A major obstacle to ending homelessness is the lack of affordable housing. This project would utilize Federal funding to support the planning and design a facility that would provide housing at a deeply affordable rate. The facility would consist of individual, furnished units with private bathrooms and limited kitchen facilities. The recommended amendment is consistent with the criteria for amending the Capital Improvement Program because the project leverages significant non-County sources of funds.

I recommend that the County Council approve this supplemental appropriation and amendment to the FY21-26 Capital Improvements Program in the amount of \$100,000 and specify the source of funds as Federal Funds.

I appreciate your prompt consideration of this action.

ME:ll

Enclosure: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation #22-60

cc: Dr. Raymond L. Crowel, Director, Department of Health and Human Services  
David Dise, Director, Department of General Services  
Jennifer Bryant, Director, Office of Management and Budget

Resolution: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Council President at the Request of the County Executive

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SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Supplemental Appropriation # 22-60 to the FY22 Capital Budget  
Montgomery County Government  
Department of Health and Human Services  
Affordable Living Quarters (No. P602201)  
\$100,000 (Source of Funds: Federal Funds)

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Affordable Living Quarters	602201	Planning Design, and Supervision	\$100,000	Federal Funds

4. This increase is needed to support those who are experiencing homelessness. A major obstacle to ending homelessness is the lack of affordable housing. This project would utilize Federal funding to support the planning and design a facility that would provide housing at a deeply affordable rate. The facility would consist of individual, furnished units with private bathrooms and limited kitchen facilities. The recommended amendment is consistent with the criteria for amending the Capital Improvement Program because the project leverages significant non-County sources of funds.
5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$100,000 for Affordable Living Quarters (No. P602103) and specifies that the source of funds will be Federal Funds.
6. Notice of public hearing was given and a public hearing was held.

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Affordable Living Quarters	602201	Planning, Design, and Supervision	\$100,000	Federal Funds

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq., Clerk of the Council



# Affordable Living Quarters (P602201)

<b>Category</b>	Health and Human Services	<b>Date Last Modified</b>	01/07/22
<b>SubCategory</b>	Health and Human Services	<b>Administering Agency</b>	General Services
<b>Planning Area</b>	Rockville	<b>Status</b>	

Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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### EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	100	-	-	100	-	100	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### FUNDING SCHEDULE (\$000s)

Federal Aid	100	-	-	100	-	100	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Appropriation FY 22 Request	-	Year First Appropriation	-
Supplemental Appropriation Request	100	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

### PROJECT DESCRIPTION

This project provides for the planning and design of a facility that would provide deeply affordable living quarters. The facility would include individual, furnished units with private bathrooms and limited kitchen facilities. The units would be rented at an extremely affordable rate so that individuals would be able to self-resolve and end their experience with homelessness.

### ESTIMATED SCHEDULE

Planning and design to take place Summer of 2022.

### PROJECT JUSTIFICATION

A major obstacle to ending homelessness is the lack of affordable housing. Many individuals that are experiencing homelessness have regular income but are unable to find housing that is affordable. This project would acquire an existing building and retrofit the facility to include individual, furnished units with private bathrooms and limited kitchen facilities.

### FISCAL NOTE

This projects provides initial funding to locate a facility and additional funds will be requested for acquisition and renovation once a site has been identified. This project will utilize Federal funding to support planning and acquisition of the facility and additional funds are expected to be available to assist with costs. FY22 supplemental in Federal Aid for the amount of \$100,000.

### COORDINATION

Department of Health and Human Services, Department of General Services, and Department of Housing and Community Affairs