



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FY 2027 BUDGET OVERVIEW

Budget & Policy Analysis Division
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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Construction and
rehabilitation of
affordable housing

Homeownership
assistance

Preservation of
naturally occurring
affordable housing

Jonathan Butler, Executive Director

Community
development

Expand
homeownership
opportunities

Mission
The Department of Housing and Community Development (DHCD) provides rental assistance, homeownership assistance and community development services in order to improve the quality of life for low and moderate-income County residents

Strategic Focus FY 2027

Support the County's affordable housing production goals by supporting new affordable multi-family rental projects through the issuance of a notice of funding availability for the Home Investment Partnership Program, HOME American Rescue Plan program, Housing Investment Trust Fund (HITF) and the payment in lieu of taxes

Preserve naturally occurring affordable housing through covenants by expanding the implementation of the Right of First Refusal (ROFR) program, through the new ROFR Preservation Fund and through an expanded ROFR developer roster

Strengthen support of and enhance affordable homeownership through the down payment closing cost assistance and rehabilitation programs, as well as the creation of affordable homes for sale

Strengthen the impact of the CDBG program and advance the implementation of the U.S. Department Housing and Urban Development (HUD) Section 108 loan program to pursue physical and economic revitalization projects

Increase and strengthen programs and policies that support the creation and preservation of affordable housing opportunities

FY 2027 General Fund Summary

General Fund

\$3,787,600 proposed for FY 2027

Increase of \$126,300 or 3.4%

Operating expenses \$262,400

Compensation \$2,672,000

Fringe Benefits \$853,200

Expenditures by Category - General Fund

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change FY26-FY27	
					Amount (\$)	Percent (%)
Compensation	\$3,465,274	\$2,636,200	\$2,607,000	\$2,672,000	\$35,800	1.4%
Fringe Benefits	1,051,625	817,200	799,600	853,200	36,000	4.4%
Operating	947,581	207,900	218,100	262,400	54,500	26.2%
Capital Outlay	—	—	—	—	—	—
SubTotal	\$5,464,480	\$3,661,300	\$3,624,700	\$3,787,600	\$126,300	3.4%
Recoveries	—	—	—	—	—	—
Total	\$5,464,480	\$3,661,300	\$3,624,700	\$3,787,600	\$126,300	3.4%

FY 2027 HITF

Housing Investment Trust Fund (HITF)

\$21,218,100 proposed for FY 2027

Increase of 1,050,100 or - 5.2%

Operating expenses \$20,196,600

Compensation \$710,700

Fringe Benefits \$310,800

Expenditures by Category

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change FY26-FY27	
					Amount (\$)	Percent (%)
Compensation	\$379,044	\$560,500	\$575,900	\$710,700	\$150,200	26.8%
Fringe Benefits	159,833	238,700	245,400	310,800	72,100	30.2%
Operating	10,755,703	19,368,800	10,929,300	20,196,600	827,800	4.3%
Total	\$11,294,580	\$20,168,000	\$11,750,600	\$21,218,100	\$1,050,100	5.2%
Total	\$11,294,580	\$20,168,000	\$11,750,600	\$21,218,100	\$1,050,100	5.2%

FY 2027 Budget Summary Continued

Grants

**\$10,270,500 proposed for
FY 2027**

**Decrease of \$481,700
or -4.5%**

**Operating expenses
\$8,991,100**

Compensation \$947,700

Fringe Benefits \$331,700

Expenditures by Category - Grant Funds

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimate	FY 2027 Proposed	Change FY26-FY27	
					Amount (\$)	Percent (%)
Compensation	\$1,423,430	\$1,087,100	\$895,500	\$947,700	\$(139,400)	-12.8%
Fringe Benefits	360,661	360,800	313,400	331,700	(29,100)	-8.1%
Operating	17,633,445	9,304,300	9,024,900	8,991,100	(313,200)	-3.4%
Capital Outlay	—	—	—	—	—	—
SubTotal	\$19,417,536	\$10,752,200	\$10,233,800	\$10,270,500	\$(481,700)	-4.5%
Recoveries	—	—	—	—	—	—
Total	\$19,417,536	\$10,752,200	\$10,233,800	\$10,270,500	\$(481,700)	-4.5%

STAFFING

Staffing Count Proposed FY 2027:

- **Full Time – Civilian – 32**
 - ❖ **18 – General Fund**
 - ❖ **8 – Grant Funds**
 - ❖ **6 – HITF**

Staffing Changes:

- **3 vacant limited-term grant-funded positions unfunded in FY 2027**
- **(2 Community Developer 1G, 1 Community Developer 3G) 1 Community Developer position shifted from General Fund to HITF**

Position Reduction:

- **Net reduction of 76 positions due to planned transfer to Housing Authority (pending legislative approval)**



FY 2026 Highlights

Program Income Reinvestment

\$808K from CDBG & HRAP; ~\$996K HOME

TOD Feasibility Findings

Multifamily affordable housing near Metro largely infeasible (high costs, low returns)

For-sale townhomes near transit more financially viable

HOFA Strategy Expansion Focus:

Expand housing options, preserve affordability, link to economic development

New programs:

Homeownership Equity Program (moderate-income buyers, inside Beltway)

Critical Workforce Housing Assistance (education & public safety workers)

Emergency Rental Assistance:

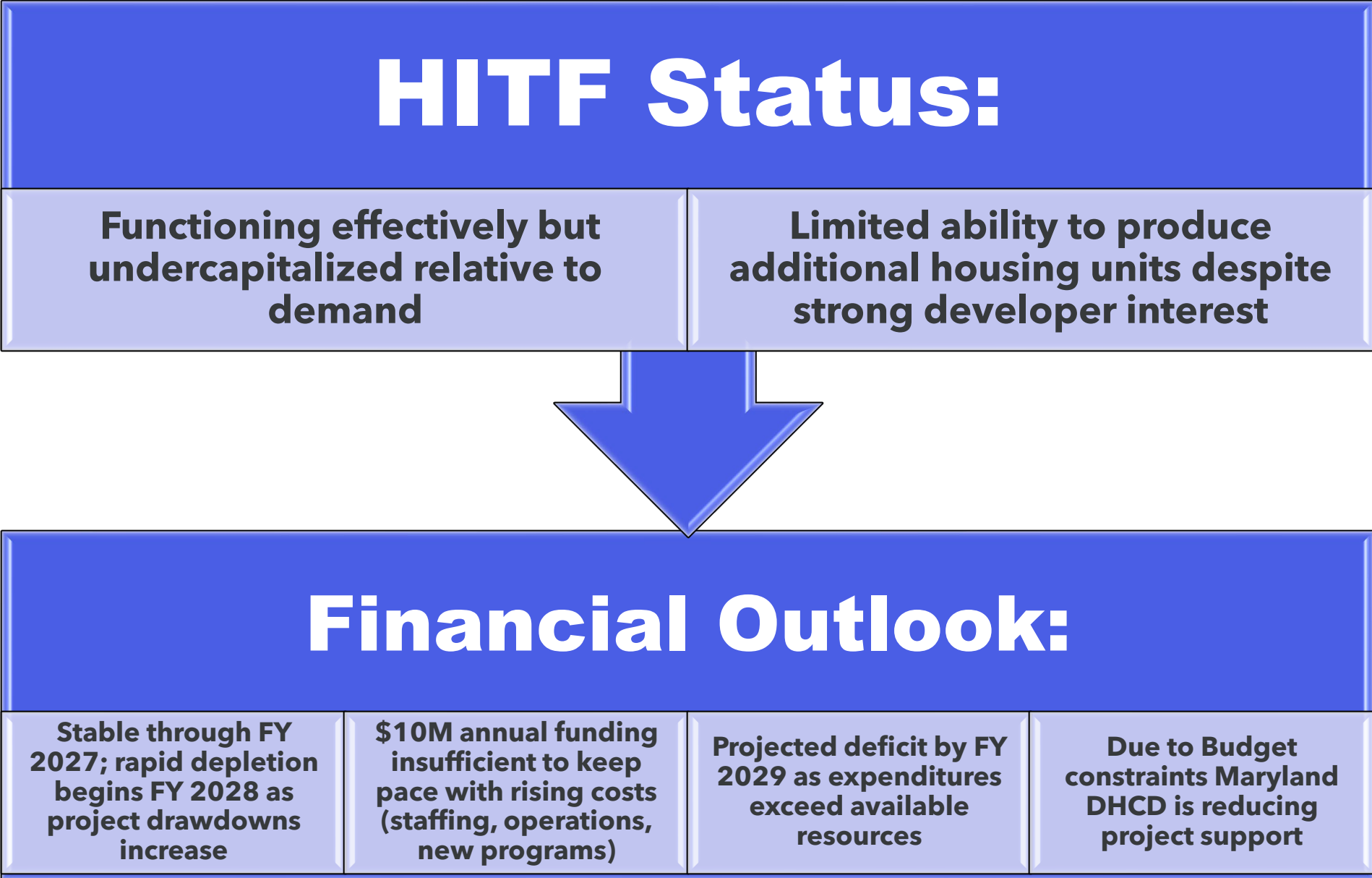
\$123M provided to 12,475+ households

Foreclosure Prevention Efforts:

CDBG-funded housing counseling for ~1,050 residents

Expected outcomes: 71 foreclosures avoided, 315 positive outcomes (modifications/refinances)


CHALLENGES & CONCERNS





THANK YOU

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