





May 23, 2024

FISCAL AND POLICY NOTE

TO: Jennifer A. Jenkins
Council Administrator

Colette R. Gresham, Esq.
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Shalene Miller-Whye 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CR-035-2024 FY 2020 Annual Action Plan for Housing and Community
Development

CR-035-2024 (*Proposed by:* The Chair of the Council at the request of the County Executive)

Introduced by Council Members Harrison, Ivey, Watson, Dernoga, Franklin and Hawkins

Assigned to the Committee of the Whole

A RESOLUTION CONCERNING Fiscal Year (“FY”) 2020 Annual Action Plan for Housing and Community Development For the purpose of amending the Prince George’s County Fiscal Year (“FY”) 2020 Annual Action Plan for Housing and Community Development by adding eligible Community Development Block Grant COVID-19 Round 1 (“CDBG-CV1”) and Community Development Block Grant COVID-19 Round 3 (“CDBG-CV3”) Program activities not originally funded or described in the FY 2020 Annual Action Plan, and the reprogramming and reallocation of one million, three hundred seventy-nine thousand, seven hundred thirty-four dollars (\$1,379,734) in combined CDBG-CV1 and CDBG-CV3 Program funds from the County FY 2020 Annual Action Plan funds to support the activities.

Fiscal Summary

Direct Impact

Expenditures: The reprogramming and reallocation of \$1,379,734 of CDBG-CV1 and CDBG-CV3 federal grant funds.

Revenue: No revenue impact.

Indirect Impact

Potentially favorable.

Legislative Summary:

CR-035-2024¹, proposed by the Council Chair at the request of the County Executive, was introduced on April 23, 2024, by Council Members Harrison, Ivey, Watson, Dernoga, Franklin and Hawkins and referred to the Committee of the Whole. CR-035-2024 would amend the Prince George's County Fiscal Year ("FY") 2020 Annual Action Plan for Housing and Community Development by adding eligible Community Development Block Grant COVID-19 Round 1 ("CDBG-CV1") and Community Development Block Grant COVID-19 Round 3 ("CDBG-CV3") Program activities not originally funded or described in the FY 2020 Annual Action Plan, and the reprogramming and reallocation of one million, three hundred seventy-nine thousand, seven hundred thirty-four dollars (\$1,379,734) in combined CDBG-CV1 and CDBG-CV3 Program funds from the County FY 2020 Annual.

Current Law/Background

The County's FY 2016-2020 Consolidated Plan was adopted through CR-015-2015² through citizen participation, assessment of housing and community development needs, and the incorporation of housing market analysis. According to the Department of Housing and Community Development (HUD), The Consolidated Plan is put in place to help states and local jurisdictions assess their affordable housing needs and market conditions by making investment decisions that are based on research and data. The planning process is created to be a framework for future housing and community development priorities that align and focus funding on the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) Program, Housing Trust Fund (HTF), Emergency Solutions Grants (ESG) Program and Housing Opportunities for Persons with AIDS (HOPWA) Program.

¹ [CR-035-2024](#)

² [CR-015-2016](#)

The Consolidated Plan is carried out through Annual Actions Plans, which provide summaries of the actions, activities, and federal and non-federal resources to be used to address priorities and goals identified in the Consolidated Plan. Grantees use the Consolidated Annual Performance and Evaluation Report (CAPER) to report accomplishments towards their Consolidated Plan goals. According to Sec. 15A-105 of the County Code, the Annual Housing and Community Development Action Plan shall be generally consistent with the Strategic Plans contained in the Five-Year Consolidated Housing and Community Development Plan and the Annual Statement of Community Development Objectives and shall include:

1. A detailed description of recommended housing and community development activities proposed for implementation during the succeeding program year;
2. The estimated cost of each project proposed in the subject program year, and the total cost to bring the project to completion if it is a multiyear project, together with an identification of the sources of such funds;
3. The geographical boundaries, locations, and targeting where applicable;
4. Identification of the agency or combination of agencies responsible for administering and/or implementing the recommended activities;
5. Identification of priority housing activities and federal resources to address the needs of low and moderate income households, as well as special needs populations;
6. Identification of priority activities in areas that address underserved housing needs which include, but are not limited to: maintaining adequate housing; removing barriers to adequate housing; evaluating and reducing lead-based paint hazards; reducing the number of poverty level families; developing institutional structures; enhancing coordination between public and private housing, and social services agencies; and fostering public housing improvements and resident initiatives; and
7. Submission of a combined application for use of federal entitlement funds for programs such as Community Development Block Grant, HOME Investment Partnerships, and Emergency Shelter Grant, Neighborhood Stabilization Grant Program, and HUD Section 108 Loan Guarantee Program.

Sec. 15A-106. of the County Code requires the review and approval of the five-year Consolidated Housing and Community Development Plan and Annual Action Plan. Sec. 15-A-106 states that the County Executive shall forward each proposed Five-Year Consolidated Housing and Community Development Plan and each Annual Action Plan; after public hearings(s), the County Council may amend any part of the Consolidated Housing and Community Development Plan or Annual Action Plan.

CR-024-2019³ established the FY 2020 Annual Action Plan for the Department of Housing and Community Development. It was amended to add CDBG-CV1 with CR-086-2021⁴ and CDBG-CV3 with CR-024-2021⁵.

³ [CR-024-2019](#)

⁴ [CR-086-2021](#)

⁵ [CR-024-2021](#)

Resource Personnel:

- Aspasia Xypolia, Director, Department of Housing and Community Development, DHCD
 - Adedamola George Esq., Chief Compliance and Program Manager, DHCD
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Discussion/Policy Analysis

The Community Development Block Grant Program provides annual grants to develop urban communities by providing housing and expanding economic opportunities for those with moderate to low incomes.⁶ Activities must meet at least one of the set objectives, such as benefiting low—and moderate-income persons, preventing or eliminating slums or blight, or addressing community development needs that pose a serious or immediate threat to the health or welfare of the community.⁷

Eligible activities include:

1. Acquisition of real property
2. Relocation and demolition
3. Rehabilitation of residential and non-residential structures
4. Construction of public facilities
5. Public services, within certain limits
6. Energy conservation and renewable energy resources
7. Provisions of assistance to profit-motivated businesses to carry out economic development and job creation/retention.

Through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the CDBG was provided to urban counties to respond to counties. 70% of every grant was required to be expended for activities that benefit low and moderate-income persons by providing housing, jobs, public service, and access to improved fractures. 30% of all grants were able to be used to eliminate blight or address urgent needs.⁸

The County was awarded an estimate of \$1,750,000⁹ Community Development Block Grant COVID-19 Round 1 and an estimate of \$4,086,220¹⁰ for Community Development Block Grant Round 3.

⁶ [Community Development Block Grant Program | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)

⁷ [Community Development Block Grant Program | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#)

⁸ [CDBG-CV: CDBG CARES Act - HUD Exchange](#)

⁹ [CR-086-2021](#)

¹⁰ [CR-024-2021](#)

\$1,379,734 is to be reprogrammed and reallocated. As stated in the Resolution, this is a combination of CDBG-CV1 and CDBG-CV2 Program funds. Reprogramming and funding recommendations in Attachment A include funding for the following:

Focus Area	Recommended Funding Amount
Affordable Housing	\$850,000
Economic Development	\$324,669.25
Public Facilities	\$50,000
Public Service	\$1,792,379.74

Additional information related to the details of funding recommendation activities for agencies, and their requested amounts can be found in Attachment A.

Attachment B includes a financial summary of funds to be reprogrammed and allocated. Included in the summary are activities funds to be reprogrammed and reallocated that focus on activities that include affordable housing preservation, economic development through small businesses, ADA construction, health care for the uninsured, financial literacy, eviction prevention, labor force recovery, foreclosure prevention, utility stabilization, and a community food hub. Additional details on what portion of funds from these activities will be reallocated is listed in Attachment B.

Fiscal Impact:

- *Direct Impact*

Adoption of CR-035-2024 would have offsetting impacts on revenues and expenditures, reflecting the reprogramming and reallocation of \$1,379,734 to be expended in federal grant funds, CDBG-CV1 and CDBG-CV3.

- *Indirect Impact*

Adoption of CR-035-2024 aligns with County Plan 2035¹¹ goals and will focus on the initial goals set in place by the FY 2016-2020 Consolidated Plan to prioritize affordable housing, economic development, improving public facilities and infrastructure, and providing support and services to the homeless and those at risk of homelessness.

- *Appropriated in the Current Fiscal Year*

Yes.

¹¹ [Plan 2035](#)

Effective Date of Proposed Legislation:

The proposed Resolution shall be effective upon its adoption.

If you require additional information or have questions about this fiscal impact statement, please email me.