

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2019 Legislative Session

Reference No.: CR-024-2019

Draft No.: 2

Committee: PLANNING, HOUSING, AND ECONOMIC DEVELOPMENT

Date: 04/24/2019

Action: FAV (A)

REPORT:

Committee Vote: Favorable as amended, 4-0 (In favor: Council Members Glaros, Dernoga, Hawkins and Ivey)

The Planning, Housing, and Economic Development Committee met on April 24, 2019 to discuss CR-24-2019, the FY2020 Annual Action Plan. A public hearing was held on CR-24-2019 on April 16, 2019. Staff explained the purpose of CR-24-2019 indicating that the Annual Action Plan allocates the federal funding in Community Development Block Grant (CDBG) of \$5.33 million, CDBG Program Income - \$83,392 and Affordable Housing Funds including entitlement funds plus estimated Program Income - \$298,420. The HOME Investment Partnership was funded in the amount of \$4.5 million and the Emergency Shelter Grants in the amount of \$819,000. Under CDBG, there are maximum amounts allowed for Public Services Projects (15%), Program Planning and Administration (20%) and the remaining balance is allocated among the eligible activities, including economic development, affordable housing and public facilities infrastructure improvements, according to the 5-Year Consolidated Plan, adopted by CR-8-2015 and amended by CR-15-2016.

Ms. Estella Alexander, Acting Director, of the Department of Housing and Community Development (DHCD) provided a PowerPoint presentation summarizing the "Housing and Community Development Annual Action Plan – Fiscal Year (FY) 2020." Ms. Patricia Isaac, CDBG Program Director at DHCD, and Ms. Pam Wilson, Housing Development Program Manager at DHCD also presented information in the PowerPoint concerning the CDBG and Home Investment Partnership (HOME) Programs.

Committee Chair Glaros discussed the decrease in this year's funding from the U.S. Department of Housing and Urban Development (HUD) for the Emergency Solutions Grant and the need to address the County match as part of the County's Department of Social Services budget and general funds to ensure homeless prevention needs in the County are adequately addressed. Chair Glaros also commented on suggested amendments to CR-24-2019 based on testimony received during the public hearing and follow up conversations with Committee Vice-Chair Hawkins, Ms. Alexander, as well as County Council and County Executive staff. The conversations included how changes in the County Department of Social Services Community Services allocation can be addressed through the County budgeting process.

The Office of Audits and Investigations found that adoption of CR-24-2019 will have a direct positive economic impact for the County as a result of providing grant funding for housing and community development activities that may not otherwise occur should the funding not be provided. However, the legislation will have a negative fiscal impact in the amount of \$932,576 resulting from the requirement to provide \$409,657 in County match funds for the Hearth Act Emergency Solutions Grant, and the \$522,919 reduction of HOME funds required under the voluntary grant reduction. The adoption of CR-24-2019 will have an indirect impact in that it may promote growth and economic development within the County which may thereby have a positive fiscal impact upon various sources of County revenue.

The Committee reviewed the Annual Action Plan, focusing on each of the above-mentioned categories and discussed amendments highlighted by the Committee Director during presentation of a Proposed Draft-2 (DR-2). The Committee accepted the amendments in Proposed DR-2 and recommended the following changes as reflected in CR-24-2019 (Draft-2) Attachment A.

Public Services

CASA de Maryland, Inc. - Prince George's Welcome Center - \$20,000

CASA de Maryland, Inc. - SOMOS Langley Park Housing Program - \$40,000

Korean Community Service Center of Greater Washington - \$19,302

Laurel Advocacy and Referral Services, Inc. (LARS) - \$42,619

Prince George's County Department of Social Services – Community Services - \$0