

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2017 Legislative Session

Reference No.: CR-11-2018

Draft No.: 2

Committee: TRANSPORTATION, HOUSING AND ENVIRONMENT COMMITTEE

Date: April 12, 2018

Action: FAV (A)

REPORT: April 12, 2018

Committee Vote: Favorable with amendments, 5-0 (In favor: Council Members Turner, Toles, Franklin, Lehman, and Taveras)

CR-11-2018 amends the Prince George's County Annual Action Plan for Housing and Community Development for Fiscal Year 2018, to reprogram and reallocate \$1,976,665.66 in Community Development Block Grant Funds ("CDBG") from Fiscal Years 2009, 2010, 2011, 2012, 2013, 2014, and 2015 Annual Action Plan. The reprogramming and reallocation supports an existing eligible activity; the Housing Rehabilitation Assistance Program to be administered by the Redevelopment Authority of Prince George's County.

The County's Housing Rehabilitation Assistance Program provides financial assistance to qualified homeowners in an amount not exceed sixty thousand dollars (\$60,000). This program will support approximately twenty-six (26) loans to eligible applicants whose income does not exceed eighty (80%) of the area median income (\$87,200.00). The County will enter into a contract with the Redevelopment Authority of Prince George's County and Housing Initiative Partnership, Inc. to administer this Program.

The Public Hearing on CR-11-2018 was held on Tuesday, April 10, 2018 prior to the scheduled committee work session. During public testimony, the Executive Director from Ivy Communities Charities expressed concerns with the reprogramming of funding in the amount of \$59,000. The Executive Director further explained that she was not informed that funds were being reprogrammed and that contracts had been awarded on said funding. The Executive Director indicated that she has since met with a representative from the Department of Housing and Community Development (DHCD) and is awaiting a follow up response.

Council Members Toles and Lehman shared concerns regarding reprogramming of funds and raised the question if the reallocation was for a single year or multiple years. They also expressed concerns with the operating organization not being made aware in advance of the reprogramming of funds.

The DHCD Director, Eric Brown, acknowledged an oversight in their process; that will be corrected moving forward in informing all impacted operating organizations in reprogramming of funds. Mr. Brown further indicated that a Draft 2 will be submitted addressing concerns that were expressed at the public hearing. In addition, follow up information from meeting with individuals Council

Members will be provided. Mr. Brown further stated that the current legislation is requesting reallocation up to FY 2015 and in some cases FY 17 and FY 18. This will be further explained in the proposed Draft 2.

Staff oriented the Committee on CR-11-2018 Draft 2 as presented including referral comments. Eric Brown and Estella Alexander of the Prince George's County Department of Housing and Community Development provided information in an effort to address concerns expressed at the public hearing and answered questions by members of the Committee regarding the reprogramming and reallocation process and the project as a whole. The reallocation and designation of these funds were necessary in order to meet the timeliness guidelines for spending these funds. Draft 2 contains revisions to the reprogramming and reallocation of Community Development Block Grant fund Fiscal Years and Program Years adding 2016, 2017 and 2018. The removal of Ivy Communities Charities from Attachment B reduces the total funding amount for the Housing Rehabilitation Assistance Program.

A motion was made to move favorable, minus the one designation "Ivy Communities Charities" from Attachment B (Summary of Funds to be Reprogrammed and Reallocated – Housing Rehabilitation Assistance Program). The motion passed with the sponsor of the motion indicating that if Mr. Brown meets with Ivy Communities Charities to address their concerns and provide a written statement of such; that consideration will be given to adding Ivy Communities Charities back to Attachment B.

The Office of Law finds CR-11-2019 Draft 2 to be in proper legislative form and saw no legal impediments to its adoption.

The Office of Audits and Investigations found that enactment of CR-11-2019 Draft 2 will not have a negative or adverse fiscal impact on the County since it deals with federal funds.