



Affordable Housing Acquisition and Preservation

(P760100)

Category	Community Development and Housing	Date Last Modified	05/06/26
SubCategory	Housing (MCG)	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Land	814,614	416,631	152,123	245,860	91,900	22,406	27,638	30,241	35,099	38,576	-
TOTAL EXPENDITURES	814,614	416,631	152,123	245,860	91,900	22,406	27,638	30,241	35,099	38,576	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Current Revenue: General	93,272	65,000	-	28,272	-	-	3,152	5,076	8,721	11,323	-
Current Revenue: Montgomery Housing Initiative	4,775	4,775	-	-	-	-	-	-	-	-	-
HIF Revolving Program	519,589	198,199	128,194	193,196	90,523	20,181	20,623	20,623	20,623	20,623	-
Loan Repayment Proceeds	151,750	124,117	18,929	8,704	1,377	1,819	1,377	1,377	1,377	1,377	-
Recordation Tax Premium (MCG)	45,228	24,540	5,000	15,688	-	406	2,486	3,165	4,378	5,253	-
TOTAL FUNDING SOURCES	814,614	416,631	152,123	245,860	91,900	22,406	27,638	30,241	35,099	38,576	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 27 Request	91,900	Year First Appropriation	FY01
Appropriation FY 28 Request	22,406	Last FY's Cost Estimate	646,654
Cumulative Appropriation	568,754		
Expenditure / Encumbrances	424,876		
Unencumbered Balance	143,878		

PROJECT DESCRIPTION

This project provides funding for acquisition and/or renovation of properties for the purpose of preserving or increasing the County's affordable housing inventory. The County may purchase properties or assist not-for-profit, tenant, or for-profit entities, or the Housing Opportunities Commission (HOC) with bridge financing to purchase and renovate properties. The monies may be used to purchase properties that are offered to the County under the Right of First Refusal Law or are otherwise available for purchase. A portion of the units in these properties must serve households with incomes that are at or below incomes eligible for the Moderately Priced Dwelling Unit (MPDU) program. A priority should be given to rental housing.

COST CHANGE

Increase programmed revenues to support the acquisition and preservation of additional affordable units.

PROJECT JUSTIFICATION

To implement Section 25B, Housing Policy, and Section 53A, Tenant Displacement (Right of First Refusal), of the Montgomery County Code. Opportunities to purchase property utilizing the County's Right of First Refusal arise without advance notice and cannot be planned in advance. Properties may be acquired by the County, non-profit developers, HOC, or other entities that agree to develop or redevelop property for affordable housing.

OTHER

Resale or control period restrictions should be incorporated into projects funded with these resources to ensure long-term affordability. Funding and expenditures programed in FY28 and beyond are subject to affordability.

FISCAL NOTE

Debt service will be financed by the Montgomery Housing Initiative (MHI) Fund. The HIF Revolving Program funding source represents Taxable Limited Obligation Certificate debt financing. In addition to the appropriation shown above, future loan repayments are expected and will be used to finance future housing activities in this project. FY22 supplemental appropriation in Loan Repayment Proceeds for the amount of \$14,749,992. In FY24, \$7.98 million in Loan Repayment Proceeds was transferred to the Nonprofit Preservation Fund. In FY25, \$5 million in Loan Repayment Proceeds was shifted to the Nonprofit Preservation Fund. Loan Repayment Proceeds for the amount of \$10,100,000 are reappropriated in FY26.

DISCLOSURES

Expenditures will continue indefinitely.

COORDINATION

Housing Opportunities Commission, non-profit housing providers, and private sector developers.