



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Linda McMillan, Senior Legislative Analyst  
**Purpose:** To introduce agenda item – no vote expected  
**Keywords:** COVID-19; ESG

AGENDA ITEM #2F  
July 7, 2020  
**Introduction**

## SUBJECT

Special Appropriation to the Fiscal Year 2021 Operating Budget; Montgomery County Government; Department of Housing and Community Affairs (DHCA); COVID-19 Response: \$4,847,976; ESG-CV HUD CPD Funding (Source of Funds: Grant Funds). Lead Sponsor: Council President at the Request of the County Executive

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction. Public hearing is scheduled for July 14, 2020 at 1:30 p.m.

## DESCRIPTION/ISSUE

The COVID-19 public health crisis has left many county residents with no or significantly reduced income and facing extreme financial hardship. In addition, costs have increased for housing people in the homeless continuum of care in order to ensure social distancing and maintain a healthy environment to prevent the spread of COVID-19. Moving people out of homelessness is a priority strategy to address COVID-19 as housing is healthcare. The Federal Government has awarded additional Emergency Solutions Grant (ESG) funding in response to the emergency as a part of the CARES Act.

## SUMMARY OF KEY DISCUSSION POINTS

- This ESG-CV funding will be used for temporary shelter, rapid rehousing, housing stabilization, and rental assistance to low-income residents in response to COVID-19. The County previously received ESG-CV funding of \$1,438,797.

### Attached:

CE memo and Special Appropriation Resolution

1-3

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**OFFICE OF THE COUNTY EXECUTIVE**

Marc Elrich  
*County Executive*

**MEMORANDUM**

July 2, 2020

TO: Sidney Katz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Special Appropriation #21-474 to the FY21 Operating Budget  
Montgomery County Government  
Department of Housing and Community Affairs  
COVID-19 Response: Additional ESG-CV HUD CPD Funding, \$4,847,976

The Department of Housing and Community Affairs administers three federal Community Planning and Development (CPD) grants funded by the Department of Housing and Urban Development (HUD). Through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, HUD is providing the County with additional funding through the Emergency Solution Grant COVID-19 (ESG-CV) at \$4,847,976. HUD previously provided the County with \$4,393,899 through two CPD grants, including the Community Development Block Grant COVID-19 (CDBG-CV) funded at \$2,955,102, and Emergency Solution Grant COVID-19 (ESG-CV) funded at \$1,438,797. HUD requires that this funding be utilized to reduce the negative impact of COVID-19.

This funding will be utilized to provide financial support for County residents facing hardships resulting from the COVID-19 crisis. Funds will be used to provide rental assistance to low-income county residents, temporary shelter, and rapid rehousing to reduce the growing numbers of people experiencing homelessness due to the effects of the COVID-19 emergency.

I recommend that the County Council approve this special appropriation in the amount of \$4,847,976 and specify the source of funds as Grant Fund. This special appropriation does not impact General Fund Reserves.

I appreciate your prompt consideration of this action.

ME:an

Attachment: Special Appropriation #21-474

c: Lisa Mandel-Trupp, Chief of Staff to the Council President  
Aseem K. Nigam, Director, Department of Housing and Community Affairs  
Richard S. Madaleno, Director, Office of Management and Budget

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: Council President at the Request of the County Executive

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**SUBJECT:** Special Appropriation #21-474 to the Fiscal Year 2021 Operating Budget  
Montgomery County Government  
Department of Housing and Community Affairs (DHCA)  
\$4,847,976 (Source of Funds: Grant Fund)

**Background**

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than six members of the Council.
2. The Department of Housing and Community Affairs administers three federal Community Planning and Development (CPD) grants funded through the Department of Housing and Urban Development (HUD). Through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, HUD is providing the County with additional funding through the Emergency Solution Grant COVID-19 (ESG-CV) at \$4,847,976. HUD previously provided the County with \$4,393,899 through two CPD grants, including the Community Development Block Grant COVID-19 (CDBG-CV) funded at \$2,955,102, and Emergency Solution Grant COVID-19 (ESG-CV) funded at \$1,438,797. HUD requires that this funding be utilized to reduce the negative impact of COVID-19.
3. This funding will be utilized to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.
4. Public notice of the special appropriation was provided by news release and specified the source of funds as Grant Fund.

**Action**

The County Council for Montgomery County, Maryland approves the following resolution:

A special appropriation to the FY21 Operating Budget of the Department of Housing and Community Affairs, in the amount of \$4,847,976 is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$4,847,976	\$4,847,976	Grant Fund

This special appropriation must be used to provide rental assistance to low-income county residents, temporary shelter, and rapid rehousing to reduce the growing numbers of people experiencing homelessness due to the effects of the COVID-19 emergency.

This appropriation is needed to in response to a public health emergency and to act without delay in the public interest.

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council