



Brandon M. Scott
Mayor

Fiscal 2024 Recommended Budget

Department of Housing and Community Development

Housing Commissioner Alice Kennedy

June 5, 2023

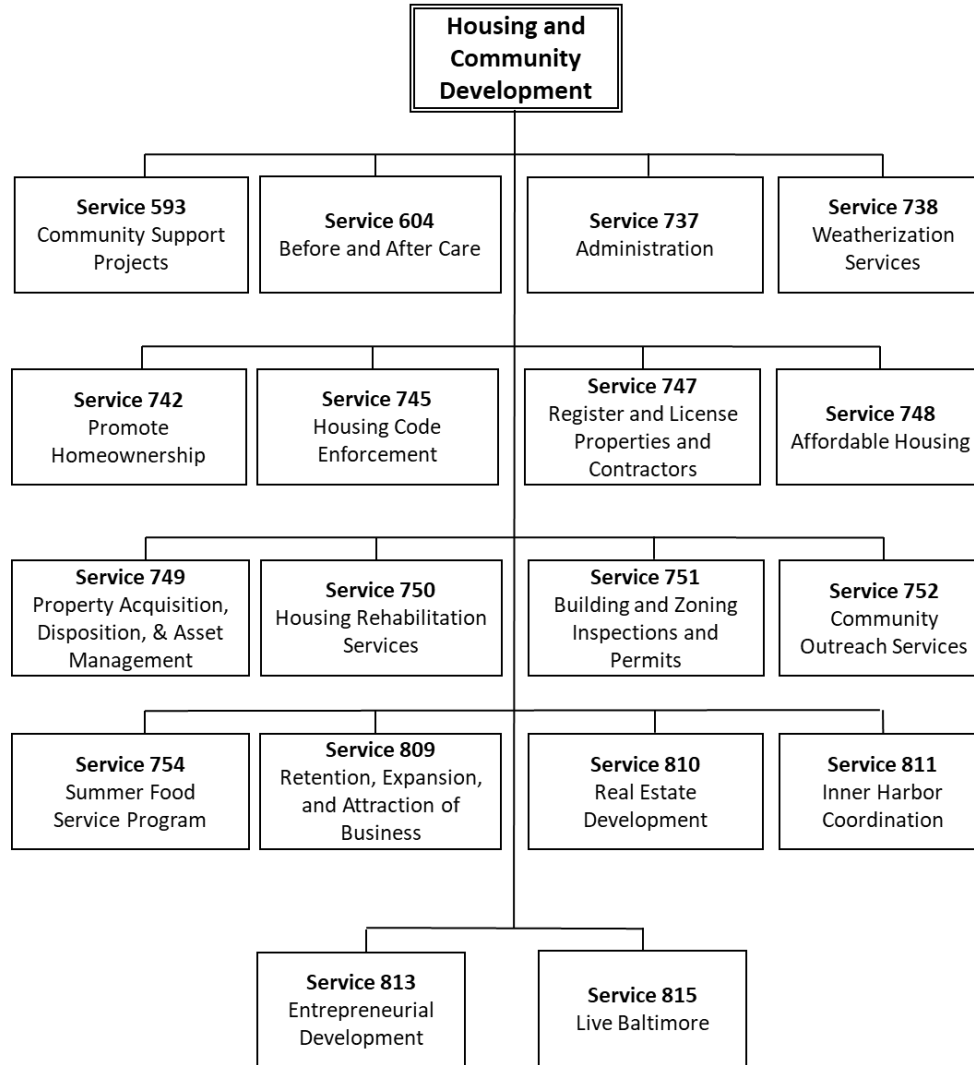
Fiscal 2024 Agency Overview

Agency Mission

- DHCD leads City efforts to promote thriving neighborhoods through community revitalization investments; supporting homeowners; funding critical programs and neighborhood stakeholders; creating and preserving affordable housing; and ensuring safe conditions through code enforcement.

Fiscal 2024 Goals

- **Goal 1:** Cohesively working across all divisions and in partnership with community, DHCD will reduce vacancy in Baltimore City through neighborhood-led block level planning development and revitalization efforts and providing existing residents with resources needed to stay in their homes and prevent the growth of blight.
- **Goal 2:** DHCD will implement a new permitting system, making it faster and easier to obtain a building permit.



Community Support Projects

Pillar: Equitable Neighborhood Development

Service Number: 593

FY24 Rec. Budget: \$14,182,710

Service Description: This service is responsible for the overall administration of the Community Development Block Grant (CDBG) program. The goal of this service is to connect residents with a variety of socio-economic programs by supporting local non-profits. Key activities include: overseeing the development and implementation of the CDBG grant, and administering the Community Catalyst program.

Major Budget Items

The recommended budget maintains the current service and funding level for the Community Catalyst Grant program, with \$1.9 million in support for local organizations. This program is fully supported by the General Fund. CDBG funding within this service will continue to support \$7 million in non-profit awards.

The budget also includes \$300,000 in pending personnel for additional compliance and monitoring staff for the CDBG Administration.

A new activity, HUD 108 Loan Debt Service, funded through CDBG funds, is transferred from the Capital Budget to the Operating Budget. This represents the first full year of debt service payments for the \$12.4 million Section 108 Loan received from HUD for the renovation and expansion of the Chick Webb Recreation Center in East Baltimore.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of households that receive housing related services (housing/foreclosure prevention counseling, lead paint remediation, housing rehab, etc.)	5,372	4,072	3,066	5,600	6,448	5,600	7,000
# of persons who receive socioeconomic services (health, economic development, senior services, education, employment and job training, literacy etc.)	26,831	19,284	20,021	24,300	34,136	25,000	34,500

Before and After Care

Pillar: Prioritizing Our Youth

Service Number: 604

FY24 Rec. Budget: \$240,646

Service Description: This service provides safe, convenient and flexible childcare to parents who work, attend school or participate in job training programs. The service administers two child care centers - Northwood and Waverly. The two centers provide services for up to 60 students.

Major Budget Items

The recommended funding maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Participant school attendance rate	100	100	60	60	60	60	100
% of capacity filled per year	N/A	60%	60%	90%	100%	60%	100%

Administration - HCD

Pillar: Equitable Neighborhood Development

Service Number: 737

FY24 Rec. Budget: \$6,084,382

Service Description: This service provides leadership and support to the Department's five operational Divisions. The goal of this service is to provide Divisions with the tools, resources, and direction to drive the Department's mission.

Major Budget Items

The recommended budget includes transferring 3 positions to MR-Information and Technology as part of the IT Optimization initiative to consolidate IT resources under the direction of BCIT. One other position has been eliminated.

One-time funding of \$100,000 for Dawson Center building maintenance projects is included in the budget. The center is currently owned by DHCD, but remains operated by BCRP in the Fiscal 2024 budget.

Based on vacancy trends throughout this service, \$150,000 in vacancy savings was added to the budget.

Funding for the Planning and Development activity has been moved under the Executive Direction and Control activity within this service.

Weatherization Services

Pillar: Equitable Neighborhood Development

Service Number: 738

FY24 Rec. Budget: \$4,651,868

Service Description: This service provides assistance to City residents to make weatherization improvements to their homes. The goal of this service is to help homeowners perform improvements making their homes healthier and cleaner while preserving the City's housing infrastructure. Improvements supported by this program help reduce utility bills for homeowners.

Major Budget Items

Funding of \$82,000 was increased to support office relocation costs as part of an HVAC renovation project at the Bank Street office.

The recommended budget reflects a 43% reduction in State funding to better reflect the actual anticipated grant amounts. In Fiscal 2024, the service anticipates receiving \$3.65 million in State funds from the Maryland Energy Assistance Program, U.S. Department of Energy's Weatherization Assistance Program, and the EmPOWER Maryland Program.

The budget also includes \$350,000 in unallocated grant funding to reflect unanticipated grants that may be awarded after the Fiscal 2024 budget is adopted. A Social Services Coordinator Supervisor has been eliminated in this service as part of a position reorganization in Fiscal 2023.

Based on vacancy trends throughout this service, \$50,000 in vacancy savings was added to the budget.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Average yearly energy savings for clients receiving weatherization services (kWh) [Note: this measure was reported incorrectly in FY19]	217,594	10,499	20,203	10,000	19,384	10,000	25,000
# of LIGHT applications processed	500	219	547	300	1,235	500	1,500

Promote Homeownership

Pillar: Equitable Neighborhood Development

Service Number: 742

FY24 Rec. Budget: \$1,912,675

Service Description: This service promotes neighborhood stability through grants to potential homebuyers with low or moderate incomes. Non-income restricted incentives, like the City Employee Homebuyer incentive program, is also administered through this service. This service also provides classes, seminars, counseling, and referrals to prevent foreclosure.

Major Budget Items

The recommended budget increases funding for the Right to Counsel program by \$220,000. This increase will expand outreach efforts to inform tenants of their rights to counsel for eviction proceedings. The recommended funding includes creating two new positions dedicated to this program.

\$500,000 from Casino Local Impact Funding for a Community Development Fund is included within this service. The intent of this fund is to support activities in South Baltimore that reduce vacancy and blight, support legacy homeowners with safety and aging-in-place upgrades, aid and incentivize new homeowners, and build capacity for affordable housing development.

An Operations Officer III has been created in this service as part of a position reorganization that occurred in Fiscal 2023.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
% of incentives provided to low & moderate income homebuyers	54%	55%	58%	55%	40%	55%	40%
% of incentive recipients who are new city residents	25%	25%	25%	23%	23%	25%	25%

Housing Code Enforcement

Pillar: Equitable Neighborhood Development

Service Number: 745

FY24 Rec. Budget: \$14,406,998

Service Description: This service is responsible for inspecting and enforcing the Building, Fire, Zoning, and related City codes. The goal of this service is to ensure the integrity of the permit process, safe buildings, adequate housing and decent neighborhoods for the residents and clients living and operating within Baltimore.

Major Budget Items

The Fiscal 2024 budget includes \$2 million in General Fund support for Code Enforcement officers. Since Fiscal 2021, prior year fund balances available through CDBG funding have supported these personnel costs.

One-time funding of \$45,000 will be used for camera replacements within the Special Investigations Unit and \$16,000 will be used to purchase additional software licenses within the Code Enforcement Legal division. Prior year one-time funding of \$67,867 for replacement tablets and sign posts has been eliminated.

Based on vacancy trends throughout this service, \$255,040 in vacancy savings was added to the budget.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of interior notices abated	2,913	1,410	1,125	1,000	1,228	1,000	1,000
# of property maintenance code enforcement inspections	271,658	211,192	228,307	204,000	190,593	190,000	190,000

Register and License Properties and Contractors

Pillar: Equitable Neighborhood Development

Service Number: 747

FY24 Rec. Budget: \$591,122

Service Description: This service oversees the licensing of rental dwellings; manages the registration of non-owner-occupied dwelling units and vacant properties; registers burglar alarm users, contractors and monitoring companies; and registers electricians, demolition contractors, plumbers and HVAC trades people, on-site utility contractors, and gas-fitters.

Major Budget Items

The Fiscal 2024 budget includes \$80,000 in funding for OpenGov registration software. This software replaces an internal system which is expected to improve customer service through an easier registration process and increase efficiency by reducing staff time related to troubleshooting.

The service reduces printing and postage costs by \$13,000.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
% of property registrations issued on time	75%	49%	70%	70%	0%	70%	70%
# of burglar alarm accounts created	12,090	5,142	6,940	5,000	5,701	6,500	5,930

Affordable Housing

Pillar: Equitable Neighborhood Development

Service Number: 748

FY24 Rec. Budget: \$9,702,501

Service Description: This service promotes the stabilization, preservation, and growth of neighborhoods through community-based initiatives, including creating mixed-income housing opportunities and direct financing to developers. Funds are available at below market rates on flexible terms to assist with the creation and rehabilitation of housing for low- to moderate-income individuals and families.

Major Budget Items

The Fiscal 2024 budget includes the creation of a new Program Compliance Officer I under the Federal HOME Program. The budget continues to provide support from the Affordable Housing Trust Fund, including \$7.6 million in support for new projects.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Ratio of total development cost to city dollars contributed	\$9	\$16	\$31	\$6	\$15	\$10	\$10
Total affordable housing units created	N/A	329	244	250	239	250	250

Property Acquisition: Disposition and Asset Management

Pillar: Equitable Neighborhood Development

Service Number: 749

FY24 Rec. Budget: \$7,161,061

Service Description: This service oversees the sale and acquisition of property used for revitalization. The goal of this service is to support neighborhood revitalization creating viable neighborhoods throughout the City. Key activities performed by the service include: maintaining, clearing and holding land for future use, acquiring properties, and providing relocation services for displaced residents.

Major Budget Items

The recommended budget creates three new positions as part of an enhancement request, including an Operations Manager I, Assistant Counsel, and Data Analyst to support efforts in addressing the City's vacant housing crisis through access and investment. Additionally, funding as part of a Fiscal 2023 enhancement creates four Assistant Counsel positions and four Paralegals to support the new In Rem Tax Lien Foreclosure process.

The recommended budget includes \$299,000 for software, printing, and postage costs associated with the 30-Day Vacants Memo process.

Casino support of \$40,000 for improvements to the Arlington Elementary/Middle School INSPIRE Garden are included as part of the annual Pimlico Community Development Authority spending plan.

Based on vacancy trends throughout this service, \$164,559 in vacancy savings was added to the budget.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of property acquisitions completed in FY	449	472	248	100	200	200	200
# of property dispositions completed in FY	90	224	139	80	168	100	100

Housing Rehabilitation Services

Pillar: Equitable Neighborhood Development

Service Number: 750

FY24 Rec. Budget: \$7,823,310

Service Description: This service provides a range of forgivable, deferred, and below-market interest rate housing rehabilitation loans to low and moderate-income households. These loans fund home improvements necessary to address serious health, safety, and code issues; energy saving measures; and disability accessibility modifications.

Major Budget Items

The Fiscal 2024 budget continues to provide \$202,500 in fund match requirements for the federal lead abatement grants and related administrative costs.

The Cool Roofs, Sleep, and Health in Baltimore City grant, provided in partnership with Johns Hopkins University through Fiscal 2025, continues to provide \$54,000 in funding during Fiscal 2024 to assist in installation costs for energy-efficient cool roofs for low-moderate income owner-occupied homes.

The Older Adults Home Modification Program and the Healthy Homes and Weatherization Cooperation Demonstration grants, administered by this service, continue as part of the Fiscal 2024 budget.

A Construction Building Inspector I position is eliminated under the Lead Abatement activity and a Construction Building Inspector II position is created.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
% of total rehab quality control inspections passed on first attempt	N/A	93%	99%	85%	100%	90%	95%
% of homeowners still occupying unit after 5 years	88%	84%	87%	80%	88%	80%	90%

Building and Zoning Inspections and Permits

Pillar: Equitable Neighborhood Development

Service Number: 751

FY24 Rec. Budget: \$7,091,177

Service Description: This service monitors construction activity to ensure the safety and integrity of new construction and alterations. This service is charged with reviewing permit applications and associated construction drawings and conducts inspections to ensure compliance with building, electrical, mechanical, zoning, green building, and other related codes.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of trade inspections per inspector per day	15	15	14	15	16	15	15
# of permits issued	35,353	39,630	36,398	37,000	40,793	37,000	38,940

Community Outreach Services

Pillar: Equitable Neighborhood Development

Service Number: 752

FY24 Rec. Budget: \$1,751,362

Service Description: This service coordinates emergency resources, temporary sheltering, and relocation assistance to trauma-impacted residents as a result of fire, weather, or other catastrophic events. This service also engages in mediation and conflict resolution services. Staff coordinate efforts with all relevant City agencies, including the Mayor’s Offices, Fire, Police, Public Works, and Health.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of families housed through emergency services	300	552	384	350	332	325	325
# of clients receiving assistance with sheltering	450	282	1,153	500	1,417	500	1,000

Summer Food Service Program

Pillar: Equitable Neighborhood Development

Service Number: 754

FY24 Rec. Budget: \$3,906,788

Service Description: This service provides summer meals five days a week for children 18 years and under at eligible feeding sites. The program is funded by the Maryland State Department of Education (MSDE). The goal of the service is to build stronger, healthier, and more educated children. The sites serve nutritious meals to the children while they participate in enrichment activities.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of meals served	587,779	2,536,656	420,580	650,000	400,000	650,000	600,000
# of sites	319	139	196	300	189	300	300