

M E M O R A N D U M

March 26, 2009

TO: Planning, Housing, and Economic Development Committee

FROM: Craig Howard, Legislative Analyst ^{CH}
Richard Romer, Legislative Analyst ^{AAR}
Office of Legislative Oversight

SUBJECT: **Follow-up on OLO Report 2009-7: *Organization of Recreation Programs across the Department of Parks and Department of Recreation***

On March 30th, the PHED Committee will continue its discussion of the management and structure of recreation programs within County Government and the Montgomery County portion of the Maryland-National Capital Park and Planning Commission (M-NCPPC).

Background. On February 9th, the Committee held an initial worksession on OLO Report 2009-7. At a second worksession on March 9th, the Committee provided agency representatives from County Government and M-NCPPC the opportunity to present their responses to specific questions posed by the Committee. (Copies of the previous Committee packets are available on-line or from OLO's office.)

Committee Recommendation to the full Council. For Committee consideration on March 30, the PHED Committee Chair has developed a Committee recommendation on management of recreation programming. A draft memorandum to the full Council outlining the Chair's proposal is attached at ©1-3.

As stated in the attached memorandum, the proposed recommendation is based on the PHED Committee's ongoing review of activities within the Park's Department Enterprise Fund, OLO's recent report on the organization of recreation programs, the agencies' responses to Committee questions, and correspondence received from the public.

MEMORANDUM

March X, 2009

TO: County Council

FROM: Michael J. Knapp, Chair
Planning, Housing, and Economic Development Committee

SUBJECT: Committee Recommendation on Management of Recreation Programming

The question of whether it is in the public interest to have more than one County-funded agency – the M-NCPPC Parks Department and the County Government Recreation Department – managing and offering similar recreation programs has long been debated. The Committee believes it is time to stop discussing the potential efficiencies and budget savings that can be achieved with a single management structure and move ahead with achieving them.

The PHED Committee recommends the Council endorse a plan of action to consolidate the management of most recreation programming into the Montgomery County Department of Recreation, with the goal of completing the consolidation by June 30, 2010. This recommendation (outlined in more detail below) is based on the PHED Committee's ongoing review of activities within the Department of Parks and the Enterprise Fund, the Office of Legislative Oversight's recent report on recreation programs (OLO Report 2009-7), the agencies' responses to Committee questions, and correspondence received from the public.

PHED Committee Recommendation

In order to achieve the benefits of consolidation, the Committee recommends transferring the responsibility for managing the following recreation programs and related facilities from the Department of Parks to the Department of Recreation:

- **Summer camps** (excluding pure nature interpretive programs);
- **Classes and activities** (excluding pure nature interpretive programs);
- **Recreational trips and excursions;**
- **Recreational amenities**, including managing and operating the Mini-Golf park, Splash Park, boating facilities, and trains/carousel;
- **Event centers and park activity buildings;** and
- **Sports programs**, including the facility management and activities at the ice arenas and tennis facilities.



DRAFT FOR COMMITTEE DISCUSSION (3/26/09)

With respect to the facility management and recreation programming at the ice arenas and tennis facilities (currently contained within the Parks Department's Enterprise Fund), the Committee recommends that, as part of developing a transition plan, the Council ask the Chief Administrative Office to explore the role, if any, for the Revenue Authority to provide management assistance for these activities.

The Committee strongly believes this consolidation of recreation programming will deliver tangible benefits to the community, including:

- A streamlined and user-friendly system of recreation programs;
- Consistent pricing and cost recovery practices; and
- Administrative efficiencies through the consolidation of duplicative program registration, program evaluation, and marketing and outreach functions;
- Staffing efficiencies resulting in estimated annual cost saving of up to \$1 million. In written testimony to the PHED Committee, both departments stated that a consolidation would lead to cost savings through a reduction in senior level staff.
- One agency that will be accountable for all recreation programming, particularly youth programming.

The Committee wants to clarify that our recommended plan of action only affects recreational programs. Under our plan, the Department of Parks would maintain ownership of all 34,000 acres of park land and all of the agency's current responsibilities related to:

- Park stewardship and natural resources management;
- Park planning and development;
- Historic properties functions;
- Horticulture and arboriculture functions;
- Park Police functions; and
- Park facilities that allow for non-programmed, self-directed recreational opportunities (such as playgrounds, trails, etc.).

The proposal would keep intact all of M-NCPPC's existing Public-Private partnerships, such as the SoccerPlex; the five equestrian centers; the Red Wiggler Community Farm; as well as the adopt-a-field agreements with various organizations.

Recommendation on Athletic Field Permitting and Maintenance

As noted in comments submitted by the Department of Parks, a consolidated permitting, programming, and maintenance structure for athletic fields offers efficiencies over the status quo. However, because athletic field permitting and maintenance also involves Community-Use of Public Facilities (CUPF) and Montgomery County Public Schools (MCPS), the Committee plans to undertake further review of this issue with a final decision on the optimal consolidation structure to be determined in the coming months. At a minimum, the Committee recommends that a consolidated permitting structure should be operational by FY11.

Immediate Next Steps

The PHED Committee recommends the Council formally request the Chief Administrative Officer (CAO) to report back to the Council by October 1, 2009 with a specific plan for implementing the transition of recreation programming from the Department of Parks to the Department of Recreation.

In particular, the CAO's report back should:

- Identify all action items required to complete the consolidation;
- Determine strategy and methodology to complete each action item;
- Include a recommendation on the potential role of the Revenue Authority to provide management assistance for activities currently in the Enterprise Fund;
- Propose a specific timeline for completion of all action items; and
- Complete the assigned action items with the goal of consolidating the recreation programs by June 30, 2010.

The Committee further recommends the Council ask the CAO to adhere to the following guiding principles in developing the transition plan:

- The net cost of the transition should be cost neutral across the two agencies in FY10, with savings from administrative efficiencies to begin in FY11. During the budget worksessions, the Council should determine how much FY10 funding to reallocate between the two agencies; and
- The transition plan should place priority on not adversely affecting the pay and benefits of any employees affected by the restructuring of responsibilities between the two agencies.

The Committee recommends that the Council formally communicate its expectations to the Planning Board that the agency's staff will fully cooperate with the CAO in preparing the transition plan.

The Committee thanks the many individuals from M-NCPPC and the County Government who have already contributed to the substantial work that led up to this Committee decision. We look forward to working with staff from both agencies as we move through this process.