

HHS COMMITTEE # 2
April 13, 2011

Worksession

MEMORANDUM

April 11, 2011

TO: Health and Human Services Committee
FROM: Peggy Fitzgerald-Bare, Council Grants Manager *PFB*
SUBJECT: **CIP Amendment: Cost Sharing: Montgomery County Government
State Match Community Grants**

Those expected to attend this worksession include:

Office of Management and Budget Staff: Beryl Feinberg and Jennifer Bryant
In addition, representatives of the organizations requesting funds are expected to attend.

Overview

Today's Committee worksession will review three projects the County Executive has recommended to add to the CIP: Cost-Sharing project for FY2012. The Cost-Sharing CIP project is for the development of nongovernmental projects where County funding leverages private and other funds for the project. While these three projects are contained in the CIP, they are all recommended to be funded with Current Revenue which, as the Committee is aware, directly competes with resources for the Operating Budget. The PDF is attached on ©1-2. The three projects are:

CHI Centers	Assistance with renovation of MacDonald Knolls facility: roof rebuild	\$200,000
Catholic Charities of the Archdiocese of Washington	Assistance with renovation and build-out space for social services at Cardinal McCarrick Center	\$125,000
Ivymount School	Assistance with renovation and expansion of Annex Building	\$100,000

This memorandum briefly describes each project, Executive recommendation, and Staff recommendation.

1. CHI Centers

CE Recommendation: \$200,000 (Current Revenue¹)

Project Description: CHI Centers plans to renovate the MacDonald Knolls facility in Silver Spring. This facility was the first MCPS school to be surplus and is leased by CHI Centers. The facility houses several programs: CHI Centers' program for medically fragile adults with developmental disabilities, and three programs operated by The Arc of Montgomery County- the Karasik Child Care Center for children with and without disabilities, the Sligo Woods preschool program for children with cognitive, speech and language disabilities, and MPAC, a pre-kindergarten program for children with developmental disabilities and autism.

The renovations will bring the building, built in the 1950's, up to current building code, increase energy efficiency, better meet ADA standards, and allow more individuals to be served at the facility. The renovation also involves an older wing of the building, which has not been renovated in 45 years. The FY12 County request is for roof replacement. The entire project is estimated to cost approximately \$2.1 million with the bulk of the funds coming from committed State funds. Construction is anticipated to begin in early fall, 2011. The entire renovation is expected to take 12-18 months as it will need to be done in phases since the programs will need to remain in the building during its renovation.

The table below summarizes the funding for this project:

County Executive Recommended FY12 funding	\$ 200,000
Approved State Capital Funds	\$1,700,000
Private Funds raised to date	\$ 150,000
Total Project Cost	\$2,050,000

Staff Recommendation: Approve FY 12 request, with the understanding that at CIP Reconciliation, all or a portion of the FY12 funding may need to be deferred due to the County's fiscal situation.

2. Catholic Charities

CE Recommendation: \$125,000 (Current Revenue)

Project Description: Catholic Charities requests funds to match a State Bond bill for renovation and build out of space for social service programs at the Cardinal McCarrick Center in Wheaton. The McCarrick Center provides a wide range of social services at this location, including crisis intervention, food support, and immigration legal services. The Immigration Legal Services staff

¹ Last year, the County Executive recommended \$200,000 for the CHI project with the source of funds as General Obligation Bonds. The Council did not approve the request out of concerns regarding the use of County bond funds for a private nonprofit, albeit one in a County owned building. This year the Executive proposes to use Current Revenue, the County funding source typically used for support of private nonprofit capital projects.

also provide services in conjunction with the County’s Family Justice Center. The McCarrick Center also serves as a Neighborhood Service Center in partnership with the Dept. of Health and Human Services and IMPACT Silver Spring. Spanish Catholic Center’s dental and medical clinics are also relocating to the McCarrick Center. The space occupied by the Clinic has already undergone renovation (with funds from federal and private sources) and is not a part of this request.

The project’s primary purpose is to more effectively use the existing Center space, out of which staff serve over 10,000 people annually through the various programs. Improved traffic flow is also expected to increase the number of people able to be served. Addition of some private office spaces may also strengthen the range of services available, with greater confidentiality safeguards for sensitive services now conducted elsewhere.

The project has received a State Bond bill for \$125,000 for FY12. The total cost of the project is estimated at approximately \$250,000 with State and County funds comprising all of the project cost except for a limited amount of predevelopment and design funds. The organization indicates it does not have resources available to implement the planned project until State and County funds become available and so an estimated timetable for construction is sometime after July 1, 2011. The proposal also notes that Catholic Charities invests over \$1 million in nongovernmental funds each year into the programs located at the McCarrick Center. (County funds also pay for a portion of Center program staff costs as part of the base budget of the Dept. of Health and Human Services and through Community Grants)

The table below summarizes the funding for this project.

County Executive FY12 Recommended funding	\$125,000
Approved FY12 State Bond Bill	\$125,000
Total	\$250,000

Staff Recommendation: Staff recognizes the significant funding investment made by Catholic Charities to the programs at the McCarrick Center. However, given the very constrained County budget, staff believes it is reasonable to expect some contribution from Catholic Charities toward this project. Staff suggests that the Catholic Charities provide 25% of the funding for the project, or \$62,500, with the County funds reduced by that amount. While this may delay the project somewhat, the organization does have two years in which to provide evidence of matching funds for the State Bond bill.

3. Ivymount School

CE Recommendation: \$100,000 (Current Revenue)

Project Description: The Ivymount School is a non-profit, non-public special education school currently serving 215 students, ages 4-21. The building is a County-owned closed school. Students are sent to Ivymount by local school systems when it is determined that their needs cannot be met in the public schools. This project, a renovation and expansion of the school’s

Annex Building, is Phase I of a phased Master Plan/Capital project to expand the school to help meet the need for vocational training programs as older students transition from a school environment to the working world. The expansion will also permit more collaboration with the Beverly Farms Child Care Center on site, including inclusion of children with special needs and job training and potential employment for young adults with special needs at the Center.

The total cost of Phase I is estimated at \$1.2 million. The Annex project is currently under construction with anticipated completion in July, 2011 and final renovations and renovations to the current school building continuing through the summer.

This project received County funding in Fiscal Year 2011 and the table below summarizes the funding received or committed to date:

County Executive recommended FY12 funding	\$ 100,000
FY11 County funding	\$ 100,000
FY 12 State Bond Bill Funding	\$ 200,000
FY11 State Bond Bill Funding	\$ 175,000
Private donations secured and pledged	\$ 425,000
Other Funds to be raised for Phase I	\$ 200,000
Total	\$1,200,000

Staff Recommendation: Approve FY 12 CE-recommended request, with the understanding that at CIP Reconciliation, all or a portion of the FY12 funding may need to be deferred due to the County's fiscal situation.

Attachments:

©1-2 CIP Amendment Cost-Sharing Project Description Form

Cost Sharing: MCG -- No. 720601

Category
Subcategory
Administering Agency
Planning Area

Culture and Recreation
Recreation
Recreation
Countywide

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

March 11, 2011
No
None.
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY10	Rem. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	2,729	2,729	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	9	9	0	0	0	0	0	0	0	0	0
Construction	1,913	1,913	0	0	0	0	0	0	0	0	0
Other	11,038	0	3,552	7,486	7,061	425	0	0	0	0	0
Total	15,689	4,651	3,552	7,486	7,061	425	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Contributions	150	0	0	150	150	0	0	0	0	0	0
Current Revenue: General	5,028	4,353	0	675	250	425	0	0	0	0	0
Land Sale	2,661	0	0	2,661	2,661	0	0	0	0	0	0
Long-Term Financing	3,850	298	3,552	0	0	0	0	0	0	0	0
State Aid	4,000	0	0	4,000	4,000	0	0	0	0	0	0
Total	15,689	4,651	3,552	7,486	7,061	425	0	0	0	0	0

DESCRIPTION

This project provides funds for the development of non-government projects in conjunction with public agencies or the private sector. County participation leverages private and other public funds for these facilities. Prior to disbursing funds, the relevant County department or agency and the private organization will develop a Memorandum of Understanding, which specifies the requirements and responsibilities of each.

COST CHANGE

Increase due to the County's participation in Catholic Charities of the Archdiocese of Washington Inc., CHI Centers Inc, and Ivymount School, Inc.

JUSTIFICATION

The County has entered into or considered many public-private partnerships, which contribute to the excellence and diversity of facilities serving County residents.

OTHER

Economic Development:

The State approved \$4,000,000 in State Aid for the music venue in Silver Spring. The County's required match is \$4,000,000 and \$6,511,000 is currently programmed. The Venue Operator has agreed to purchase certain furniture, fixtures, and equipment for the project; \$150,000 of which will be used as the required County match. An agreement between the development partners and the County has been executed. The project is currently in the design phase. Necessary land-use approvals will be sought, after which time the project will move into the construction phase.

Grants:

For FY12, County participation is anticipated for the following projects:

Catholic Charities of the Archdiocese of Washington, Inc.: \$125,000
CHI Centers Inc.: \$200,000
Ivymount School, Inc.: \$100,000

For FY11, County participation is anticipated for the following projects:

Girl Scout Council of the Nation's Capital: \$100,000
Jewish Foundation for Group Homes, Inc.: \$50,000
Ivymount School, Inc.: \$100,000

For FY10, County participation was for the following projects:

Aunt Hattie's Place, Inc.: \$100,000. Disbursement of FY09 and FY10 County funds is conditioned on the owner of the property giving the County an appropriate covenant restricting the use of the leased property to a foster home for boys for a period of ten years from the time the facility commences to operate as a foster home.
Boys and Girls Club of Greater Washington: \$38,000
CASA de Maryland, Inc.: \$100,000

APPROPRIATION AND EXPENDITURE DATA			COORDINATION		MAP
Date First Appropriation	FY06	(\$000)	Private organizations		
First Cost Estimate			State of Maryland		
Current Scope	FY12	15,689	Municipalities		
Last FY's Cost Estimate		15,264	Montgomery County Public Schools		
			Community Use of Public Facilities		
			Department of General Services		
			Department of Economic Development		
Appropriation Request	FY12	425			
Supplemental Appropriation Request		0			
Transfer		0			
Cumulative Appropriation		15,264			
Expenditures / Encumbrances		8,203			
Unencumbered Balance		7,061			
Partial Closeout Thru	FY09	0			
New Partial Closeout	FY10	0			
Total Partial Closeout		0			



Cost Sharing: MCG -- No. 720601 (continued)

ewish Council for the Aging of Greater Washington, Inc.: \$50,000, and
varren Historic Site Committee, Inc.: \$150,000.

or FY09, County participation was for the following projects:

unt Hattie's Place, Inc.: \$250,000

oys and Girls Club of Greater Washington: \$250,000

ASA de Maryland, Inc.: \$150,000

HI Centers: \$50,000

stitute for Family Development Inc., doing business as Centro Familia: \$75,000. The organization must demonstrate to the County's satisfaction that it has
ommitments for the entire funding needed to construct the project before the \$75,000 in County funds can be spent.

ewish Council for the Aging of Greater Washington, Inc.: \$250,000

ontgomery General Hospital: \$500,000

onprofit Village, Inc.: \$200,000, and

MCA of Metropolitan Washington and Youth and Family Services Branch: \$200,000.

ISCAL NOTE

ld Blair Auditorium Project, Inc., in FY06-07 the County provided \$190,000 as a partial match for the State funds with \$50,000 in current revenue for DPWT to
evelop a program of requirements and cost estimate for the project, and bond funded expenditure of \$140,000 to pay for part of the construction. These
nds were budgeted in the MCG: Cost Sharing project (No. 720601). In FY11, the funds are transferred to new CIP project Old Blair Auditorium Reuse project
No. 361113).

OTHER DISCLOSURES

- A pedestrian impact analysis will be performed during design or is in progress.

- The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource
Protection and Planning Act.