

MEMORANDUM

May 13, 2010

TO: County Council *PJB*
FROM: Peggy Fitzgerald-Bare, Council Grants Manager
SUBJECT: **CIP Amendment: Cost Sharing: Montgomery County Government
State Match Community Grants**

Those expected to attend this worksession include:

Jennifer Barrett, Director of Finance
Office of Management and Budget Staff: Beryl Feinberg, Pooja Bharadwaja, and
Jacqueline Carter

Summary of HHS Committee Recommendations

The Committee held a worksession on April 21 on four of the County Executive's recommended additions to the Cost Sharing CIP project (a fifth project, Olney Theatre, and overall funding for arts facility financing in this CIP project will be considered in a separate Agenda #3 today.) The Committee recommends:

- Approval of two projects listed below (2:0; Councilmember Navarro absent):**

Girl Scout Council of the Nation's Capital	Assistance with capital projects at Camp Brighton Woods	\$100,000 (current revenue)
Jewish Foundation for Group Homes	Assistance with capital projects at main office, which also houses transitional day program, and accessibility modifications at group home	\$50,000 (current revenue)

- There is no Committee recommendation on the following two projects (1:1; Councilmember Leventhal: do not approve; Councilmember Trachtenberg: approve; Councilmember Navarro absent):**

CHI Centers	Assistance with renovation of MacDonald Knolls facility	\$200,000 (GO Bonds)
Ivymount School	Assistance with renovation and expansion of Annex Building	\$100,000 (GO Bonds)

Continued on next page

Recommendations continued

- Councilmember Leventhal, while noting the important work of both CHI and Ivymount in serving important community needs, expressed concern about the precedent of proposed use of General Obligation bonds to fund a nonprofit capital project. Councilmember Leventhal asked the County Executive to review whether he could identify a means to fund the CHI Centers and Ivymount School projects with Current Revenue.
- Councilmember Trachtenberg commented on the important services provided by the two organizations and that the County will need to rely on community nonprofit partners to provide essential services that the community needs. Councilmember Trachtenberg also requested information on State of Maryland criteria and practices for bond bills for nonprofit capital projects, and whether other jurisdictions use General Obligation Bonds to fund nonprofit capital projects. That information is provided on ©3-12.

- Subsequent to the Committee's worksession the Executive branch provided the following information:
 1. The Executive does not recommend Current Revenue to fund the Ivymount School and CHI Centers projects.
 2. The Finance Department has determined that a case by case evaluation needs to occur to determine whether General Obligation bonds can be a funding source for a nonprofit capital project. Both County law (Chapter 20) and federal tax law requirements regarding private uses and private payments must be evaluated. When there is County ownership of a facility leased to a private entity, issues of both private use and private payment are factors in the tax analysis.
 3. The Executive continues to recommend General Obligation bonds as the revenue source for the Ivymount School project. The Finance Department in consultation with Bond Counsel has determined that use of GO Bonds for Ivymount School is permitted under County law. Chapter 20-14 defines the types of facilities that can be funded with GO bonds and refers not only to public school buildings, but "buildings for school purposes." (©1-2) Ivymount School is a non-public special education school, whose students are sent and tuition paid by local school systems when it is determined that their needs cannot be met in the public schools.

4. **CHI Centers presents a more complex situation. If General Obligation bonds are to be used, Chapter 20 must be amended, as the CHI Centers project is not authorized under current County law. The Executive branch is also evaluating the possibility of funding the CHI Centers project (and possibly Olney Theatre; see Agenda #3 for discussion of Olney Theatre) with Recovery Zone Facility Bonds. This bond program, included in the American Recovery and Reinvestment Act (aka federal stimulus package), targets private businesses and may be used for private use purposes. The County's allocation for this program is \$35.5 million, the bonds must be issued prior to January 1, 2011, and the bonds would be an obligation of the County. However, the proceeds of the bonds could be granted or lent to for-profit or non-profit private entities. Bonds could be issued under this program and provided to CHI Centers, Olney Theatre or another entity as an alternative to GO bonds, and would not be subject to the restrictions of Chapter 20.**

If the Executive provides further recommendations regarding funding sources for CHI Centers (and Olney Theatre), staff will distribute his recommendations via addendum.

Further information on each of the four projects reviewed by the Committee is contained below. The Project Description form is on ©13-14.

1. Girl Scout Council of the Nation's Capital (GSCNC)

CE Recommendation: \$100,000 (current revenue)

Project Description: GSCNC plans to undertake several capital projects to expand the capacity of Camp Brighton Woods in Ashton, in the northeastern corner of Montgomery County. The 60 acre camp provides day and weekend troop camping with a capacity of 9500 individuals per year and GSCNC indicates it currently must turn away one in every three Girl Scout Troops requesting camp reservations. Once the capital projects are complete, the camp capacity will increase 33%. There are 10,000 Girl Scouts in Montgomery County and 4800 adult volunteers.

The \$1.5 million overall project includes two new Troop Lodges (\$400,000 each), kitchen upgrade (\$10,000), conversion of a tent unit to a four-sided camp unit (\$50,000), and repair and paint of current camp unit (\$10,000), trail and equipment (\$28,500) and design and permitting (\$600,000). The organization has received an FY11 State Bond Bill for \$140,000, as well as prior year State Bond Bill funding and private and DC government funding.

The projects are estimated to be completed by the end of FY11. Construction of the troop lodges is already underway. The funds recommended by the County Executive will assist with the other capital items. The organization submitted a Council grant request for \$70,000 for some of those items. Due to the earlier than anticipated construction of the Troop Lodges, the County Executive recommended funding will be sufficient to pay for the items included in the Council grant request.

Committee Recommendation: Approve (2:0)

(Staff Recommendation: Approve FY 11 County Executive-recommended request, subject to CIP reconciliation.)

2. Jewish Foundation for Group Homes

CE Recommendation: \$50,000 (Current Revenue)

Project Description: Jewish Foundation for Group Homes (JFGH) requests funding to assist with several repairs, renovations, and equipment purchases at their main office Activity Center, which also houses their MOST (Meaningful Opportunities for Successful Transitions) Transitional Day program. Funds are also requested for accessibility modifications at one of their group homes. Items included are: an emergency generator, new HVAC system, roof repair, parking lot resurfacing, and interior renovations and repairs. The organization opened the Activity Center housing the MOST program in 2007 and has identified the previously listed items as needed repairs and renovations for the safety and well-being of their participants and staff.

The organization indicates it will match requested County funds with its own fundraising efforts. The organization received an FY11 State Bond bill for \$150,000, which is actually greater than its request of \$100,000. The Bond bill funding must be matched by the organization and JFGH indicates the additional resources will be used for additional group home renovations.

The projects are estimated to be completed by the end of FY11. This request was also submitted through the Council grants process in the same amount as requested of the Executive.

Committee Recommendation: Approve (2:0)

(Staff Recommendation: Approve FY 11 County Executive-recommended request, subject to CIP reconciliation)

3. CHI Centers

CE Recommendation: \$200,000 (GO Bonds)

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 FY11 request is for Phase I of the renovation, asbestos removal and roof replacement, estimated to be completed by December, 2010. The renovation will need to be done in phases as the programs will need to remain in the building during its renovation.

For the Council's information, while not a part of this year's request, CHI Centers has noted that it will need to request \$475,000 in County funding in FY12 to help with the completion of the remaining phases. CHI indicates it has State capital funding, some of which must be matched in FY11 and FY12 or the State funding will be lost. The entire project is estimated to be completed in July, 2012. Given the age of the building, and the unanticipated costs that may arise once renovations are begun, the total cost of the renovation can only be estimated at this time. It may be in the \$1.5-\$2.5 million range. The organization's renovation of the Hillandale Center, also a closed school, and a somewhat more extensive renovation was \$2.8 million.

CHI Centers has received up to \$1.7 million in State capital funds (due to assignment of previously approved bond funding from another organization). The organization is seeking a waiver of the 100% match requirement and instead will request a 50% matching requirement as all of the individuals served in the building are low income. If the waiver is approved, the State funds plus the requested County funds for FY11 and County funds that will be requested for FY12 will be almost sufficient to complete the project.

No Committee recommendation: (1:1; Councilmember Leventhal: do not approve; Councilmember Trachtenberg: approve; Councilmember Navarro absent)

(Staff recommendation: given updated information provided by Executive Branch after Committee worksession indicating need to amend Chapter 20 if GO Bonds are to be used as funding source, Council may want to consider deferring action on this project until Executive provides recommended funding source and, if needed, accompanying legislation, at which time the Executive can submit the project as a CIP amendment.)

4. Ivymount School

CE Recommendation: \$100,000 (GO Bonds)

Project Description: The Ivymount School, is a non-profit, non-public special education school currently serving 215 students, ages 4-21. The main building is a County-owned closed school, while the Annex Building, the focus of the renovation, is owned by Ivymount 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 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 school hopes to begin construction this summer with completion of Phase I in January 2011. **Ivymount requested \$200,000 through the Council grants process, as well as submitting their request to the County Executive. The Executive recommends \$100,000 which would be used to assist with construction costs.** The organization has received an FY11 State Bond bill for \$175,000 and indicates the remaining funds for Phase I (approximately \$900,000) will need to come from Foundation grants, other fundraising options, and financing options. The Ivymount Foundation Board and Ivymount School Board are working in collaboration to identify and secure additional funds.

No Committee recommendation: (1:1; Councilmember Leventhal: do not approve; Councilmember Trachtenberg: approve; Councilmember Navarro absent)

(Staff Recommendation: Approve FY 11 CE-recommended request, subject to CIP reconciliation. For fiscal reasons, do not approve additional Ivymount requested funds.)

Attachments:

- ©1-2 Chapter 20-14. Definition of Public Facilities
- ©3-12 State and other jurisdictions/use of General Obligation Bonds
- ©13-14 CIP Amendment Cost-Sharing Project Description Form

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Sec. 20-14. Definition of "public facilities."

As used herein, the term "public facilities" shall mean the following:

- (a) The construction, reconstruction, improvement, extension, alteration, repair, purchase, conversion and modernization of public school buildings or buildings for school purposes, including the sites therefor, the cost of acquiring any such buildings or sites, architectural and engineering services, including preparation of plans, drawings and specifications for such schools or the conversion or modernization thereof and the development of the grounds, and all customary permanent appurtenances and recreational and pedagogical equipment for such schools;
- (b) The construction, improvement, repair, opening, relocation, grading, resurfacing, widening, extension and drainage of all public roads, streets, highways and sidewalks in the county now or hereafter maintained and operated by or under the jurisdiction of the county, including the acquisition of necessary rights-of-way, the acquisition of equipment for highway construction, maintenance and repair and planning and engineering services; the planning, design, construction and reconstruction of free bridges constituting parts of such roads, streets or highways; the planning, construction, repair and permanent improvement of any storm water drainage systems necessary in the county;
- (c) The construction, reconstruction, extension, acquisition, improvement, enlargement, alteration, repair and modernization of any structures to house any of the functions of or for the use of the county government or administration, especially health clinics, rescue squads, fire engine houses and police stations, airports and landing fields, parks and recreational facilities, or any combination of the foregoing, including the acquisition and development of sites therefor, the architectural and engineering services incident thereto and the acquisition and installation of necessary furnishings, fire fighting and rescue squad equipment and fixed permanent equipment therefor;
- (d) The construction, reconstruction, improvement, extension, enlargement, alteration, conversion, modernization, repair, relocation, grading, resurfacing, widening, draining, and acquisition (including the preparation of plans, architectural and engineering services) of transit facilities which are defined to be all those matters and things utilized in rendering mass transit service by means of rail, bus, water or air and any other mode of travel, including without limitation, tracks, rights-of-way, bridges, tunnels, subways, rolling stock for rail, motor vehicle, marine and air transportation, stations, terminals and ports, areas for parking and all equipment, fixtures, buildings and structures and services incidental to or required in connection with the performance of mass transit service; and any part of the county's share of contributions agreed to be made under any contracts or agreements by the Washington Suburban Transit District to the capital required for the construction or acquisition of transit facilities (as defined in this subsection or as may be defined in chapter 870 of the Laws of Maryland of 1965, as the same may be amended from time to time) in the Washington metropolitan area, as provided by chapter 870 of the Laws of Maryland of 1965, as amended from time to time;
- (e) The construction, reconstruction, improvement, extension, acquisition, enlargement, alteration, repair, modernization, relocation, grading, resurfacing, widening and drainage of off-street parking lots and facilities for the parking of automobiles and other vehicles, within and for the parking lot districts heretofore or hereafter established by law as the same are described in section 60-1 of the Montgomery County Code as amended from time to time, including the acquisition and development of sites therefor, the architectural and engineering services incident thereto and the acquisition and installation of necessary furnishings and fixed permanent equipment therefor;
- (f) The planning, acquisition, construction, improvement, repair and extension of facilities, including the sites therefor, for public housing or housing for persons of low, moderate or eligible

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incomes, as defined pursuant to law;

(g) The planning, acquisition, construction, improvement, repair and extension of water systems and facilities and sewerage systems and facilities. (Mont. Co. Code 1965, § 2-111; 1968 L.M.C., Ex. Sess., ch. 2 § 1; 1971 L.M.C., ch. 23, § 1; 1974 L.M.C., ch. 39, § 1; 1975 L.M.C., ch. 13, § 1; 1975 L.M.C., ch. 16, § 1.)

Editor's note—The Washington Suburban Transit District Act is contained in Appendix N to this Code.

MEMORANDUM

May 13, 2010

TO: Health and Human Services Committee

FROM: ^{PJB} Peggy Fitzgerald-Bate, Council Grants Manager

SUBJECT: **CIP Amendment: Cost Sharing: Montgomery County Government
State Match Community Grants**

**State and Other Jurisdictions/ Use of General
Obligation Bonds**

On April 21 the Committee reviewed the County Executive's recommended nonprofit capital project Community Grants contained in the Cost Sharing CIP and the Executive's proposed use of General Obligation bonds for three projects (CHI Centers, Ivymount School, and Olney Theatre). Councilmember Trachtenberg asked for follow-up information on the State of Maryland's criteria and practices for State bond bills for nonprofit capital projects, and also whether other local jurisdictions in Maryland use General Obligation bonds to fund nonprofit capital projects.

State of Maryland State Bond Bills

I have attached portions of a document, *Guidelines for the Submission of Individual Bond Bill Requests to the Maryland General Assembly*, prepared by the Dept. of Legislative Services. This document provides guidance and instructions to applicants seeking State Bond Bills. The complete document can be found at: http://mlis.state.md.us/Other/Bond_bill/Bond_Bill_Submission_guidelines.pdf. Highlights from the document include the following information:

Basic Eligibility Criteria:

- Project must be capital in nature. Can include land acquisition as well as construction.
- Project must have a useful life of 15 years. A group leasing land or a structure related to a proposed capital project must demonstrate that the lease will extend for 15 years or more.
- Project must not be used for religious purposes.
- Certain structures may be subject to historic easement

Evaluation Criteria include:

- Has the organization explored alternative funding sources, including other State capital grant and loan programs?
- What priority does the County delegation place on the project?
- The organization should provide matching funds for the project. The specific bond bill may require either a “hard” (cash in hand) or “soft” (real property, in-kind contributions, or funds expended for project prior to bond bill effective date) match. The required match is typically equal to the State contribution, but can be greater than, equal to, or less than the State contribution.
- Organizations showing a history of adequate fundraising or documentation of adequate future funding are given priority, i.e., the ‘readiness’ factor.
- Local projects serving a wide spectrum of the community or the State as well as an important public purpose are preferred.

Staff also spoke with staff in the State Dept. of Budget and Management who indicated that there are several references in State law to capital grant programs administered by State agencies to provide grants to local governments and non-profit organizations. In addition, the general authority in the State Finance and Procurement Article describes the powers of the General Assembly to borrow money for public purposes, issue State bonds, and discusses the content of the Capital Budget, referencing “other special projects.” The other special projects category refers to local government and non-profit capital projects funded by the State. Each bond bill is submitted as legislation and has a finding of a “public purpose” in authorizing the appropriation to a private entity.

Practices in other Maryland jurisdictions:

According to Finance Department staff they surveyed local jurisdictions, bond counsels, and financial advisory firms conducting business in the State. They contacted ten local government officials, three bond counsels, and a few financial advisory firms.

The Finance Department notes that only a limited number of local jurisdictions regularly issue general obligation debt so the universal of potential respondents is small.

Below are some of their general findings.

“Local jurisdictions, not including the State, generally do not use general obligation proceeds to fund capital projects of private, non-profit or for-profit entities. Harford, Frederick, Prince Georges, Charles, Anne Arundel, and Carroll counties are included in that group. There are some exceptions, including the State. The State gives its general obligation bond proceeds to private entities as part of its annual grants program. This is done through the State’s “Bond Bills” and usually involves matching funds on behalf of

the grantee. The City of Baltimore also gives general obligation money away under its economic development program. Charles County and St. Mary's County continue to fund their hospitals and nursing homes (typically non-profit entities) with bonds backed by a general obligation pledge.

Most local jurisdictions facilitate funding private entities via their conduit bond/economic development bond programs. Via these programs, the county issues tax-exempt bonds and lends the proceeds to the private entity. In almost every financing, the private entity is a non-profit, but there are some very limited opportunities to lend to for-profits. Montgomery County has had a conduit/economic development bond program for many years and issued bonds and lent the proceeds to a range of entities such as Holy Cross Hospital, Riderwood Village, Sidwell Friends School, and Imagination Stage. The State has a similar program run by MHHEFA (Maryland Health and Higher Education Financing Authority). Under such programs, the conduit debt is an obligation of the borrower and not the County or State; therefore, the conduit debt does not compete with the County or State's ability to issue its own debt."

Attachment: Bond Bill Submission Guidelines (pp. 1-3) ©6-12

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**Guidelines for the Submission of
Individual Bond Bill Requests to the
Maryland General Assembly**

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

November 2007

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Introduction

The *Guidelines for the Submission of Individual Bond Bill Requests to the Maryland General Assembly* is published by the Department of Legislative Services (DLS) to assist those requesting funding from the General Assembly for capital projects through the submission of bond bills. The manual provides a summary of the basic eligibility requirements and evaluation criteria, the legislative process, and the schedule for bond bill consideration by the General Assembly.

Before a bond bill may be scheduled for a hearing, the potential applicant must provide additional information by preparing a "Bond Bill Fact Sheet." These fact sheets provide important information concerning an organization's grant request – information required at the time of the bond bill hearing. Since the start of the 2005 session, DLS staff has coordinated the "Bond Bill Fact Sheet" process. The manual provides an outline of the DLS process as well as copies of all forms necessary for a bond bill to be scheduled for a hearing. This manual is also available in electronic format at <http://mlis.state.md.us/bondbillsub.htm>.

Comments and suggestions directed at improving future editions of the *Guidelines for the Submission of Individual Bond Bill Requests to the Maryland General Assembly* are welcome.

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Guidelines for the Submission of Individual Bond Bill Requests to the Maryland General Assembly

The capital budget is funded through several sources. These include bond bills, general funds, special funds, and federal funds. Bond bills include the Maryland Consolidated Capital Bond Loan, revenue bonds, and legislative initiatives.

Legislative initiatives are used to fund individual bond bill requests. They are bond authorization bills filed by members of the General Assembly to support specific local or non-state-owned capital projects. These projects include, but are not limited to, health facilities, historic preservation projects, museums, and sports and recreational facilities. Legislative initiatives are not submitted as part of the Governor's capital budget. However, as they have an impact on State finances, the Department of Legislative Services (DLS) reviews them in accordance with procedures established by the Governor and the General Assembly.

The following instructions and attachments provide guidelines to applicants seeking State grants through the submission of individual bond bills.

Overview of State Funding of Local Projects Bond Bills

This document is intended to provide basic information on eligibility and priority for State funding of local capital projects (bond bills). Any group may request funding from the General Assembly for a capital project. As a practical matter, the number and type of projects funded by the General Assembly is limited – requests for funding greatly exceed available resources each year. In some years, the total amount requested for local capital projects has exceeded by 10 times the available resources. Thus, after ascertaining a project's basic eligibility, the General Assembly must assess the project's level of priority among the total number of projects requested.

Eligibility

- **A project must be capital in nature to be eligible for bond bill consideration.** A capital project deals with land and/or structures. Capital projects do not include items such as employee salaries, benefits, expendable equipment (automobiles, for example), or operating costs.

- **A project must have a useful life of 15 years.** Items such as automobiles and computers do not have a useful life of 15 years. A group that is leasing land and/or a structure relating to the proposed capital project must demonstrate that the lease will extend for 15 years or more.
- **A project must not be used for religious purposes.** For example, State funds may not be used to construct a building in which religious services, Sunday school, or religious education will be held, regardless of other non-religious uses planned for the building.
- **Certain structures may be subject to an internal and/or external historic easement.** The applicant must grant the easement to the Maryland Historical Trust as a condition for State funding.

Strategies for Achieving Success

After the General Assembly evaluates the eligibility of a project, all of the projects are evaluated based upon several criteria, including the following:

Alternative Funding

Groups should show that they have explored alternative sources of funding. In addition to requesting alternative funding from agencies, corporations, etc., a group may be asked to show whether a potential revenue source, such as entrance fees, membership fees, or concession profits could cover the cost of the capital project. Please refer to **Attachment IV** of this document for information on potential alternative sources of funding for bond bill requests through State capital grant and loan programs.

Delegation Support

The General Assembly will consider the priority a county delegation places upon a project.

Matching Funds

Groups should provide a matching fund for their projects. Matches may be classified as "hard" or "soft." A "hard" match is "cash in hand" and may include money from any source, other than State sources. A "soft" match MAY be made up of real property, in-kind contributions, (donated services or materials) or funds expended for the project prior to the effective date of the bond bill, June 1 of the year the bill is passed. A "soft" match may consist of a combination of the abovementioned elements, including cash.

A matching fund MAY also be greater than, equal to, or less than the State contribution, though at least an equal match is preferred. Among those projects with unequal matching funds, an applicant providing an unequal matching fund that shows that *at the time of the request*, the group holds or has letters of commitment totaling 25 percent or more of the matching fund will be given priority.

Project Readiness

Groups will be required to supply the General Assembly with a detailed funding analysis prior to the hearings on their bills. Projects that show a history of adequate fundraising or groups that can provide documentation of adequate future funding (e.g., letters of commitment) will be given priority.

State or Local Purpose

Local projects that serve a wide spectrum of the community or the State as well as an important public purpose are preferred.

Process

Sponsors

Organizations seeking funding must contact a senator and a delegate to sponsor a bond bill that requests funding for their project. Bond bills must be introduced in both the House and the Senate, known as cross-files, so organizations must arrange for a sponsor in each house.

Required Information

DLS needs certain information before drafting a bond bill. The "Bond Bill Project Request Form" identifies the required information and is available on the Maryland General Assembly web site at <http://mlis.state.md.us/bondbillsub.htm>. An organization requesting funding should ensure that their sponsors have the required information when their sponsors request that a bond bill be drafted.

Bond bills must contain certain technical information to legally permit funds to be disbursed. Therefore, after DLS drafts a bond bill, the sponsor and requesting organization should refrain from altering the language in the bill. If a change is necessary, please contact DLS at (410)946-5350/ (301)970-5350 to request the change.

The most important form is the "Bond Bill Fact Sheet." This form provides background information needed by the budget committees at the time of the bond bill hearings. Legislators use this information as they make their funding decisions and the failure to complete and submit a Fact Sheet may result in the Legislature not funding the bond bill project request. After DLS drafts a bond bill, the applicant will receive an email from DLS that provides a link and access to the applicant's specific Fact Sheet for completion. It is important that the applicant retain the DLS email as the provided link can be used at any time by the applicant to gain access to their Fact Sheet up until the time that it is formally submitted by the applicant through the provided toolbar. Applicants should ensure that they can receive email from bondbillapp@MLIS.state.md.us. The fact sheet form and instructions for completion are provided as a sample (**Attachment III**).

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 15, 2010
No
None
On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY09	Est. FY10	Total 6 Years	FY11	FY12	FY13	FY14	FY15	FY16	Beyond 6 Years
Planning, Design, and Supervision	0	0	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	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	21,943	3,171	5,172	13,600	6,100	1,500	1,500	1,500	1,500	1,500	0
Total	21,943	3,171	5,172	13,600	6,100	1,500	1,500	1,500	1,500	1,500	0

FUNDING SCHEDULE (\$000)

Contributions	150	0	0	150	150	0	0	0	0	0	0
Current Revenue: General	6,753	3,171	1,182	2,400	150	250	500	500	500	500	0
G.O. Bonds	7,190	0	140	7,050	1,800	1,250	1,000	1,000	1,000	1,000	0
Long-Term Financing	3,850	0	3,850	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	21,943	3,171	5,172	13,600	6,100	1,500	1,500	1,500	1,500	1,500	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. In FY11-16, this project provides for \$1.5 million per year in Arts Facilities financing to ensure an available source of funding for capital improvements for County arts organizations.

COST CHANGE

Increase due to the addition of Arts facility financing for Old Blair Auditorium, Olney Theatre, and the County's participation in CHI Center, Inc., Ivymount School, Inc., Girl Scout Council of the Nation's Capital, Jewish Foundation for Group Homes, Inc., and State Aid for the music venue in Silver Spring.

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 \$3,850,000 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 FY09, County participation was for the following projects:

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

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

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

CHI Centers: \$50,000

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

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

Montgomery General Hospital: \$500,000

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

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

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

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	Private organizations	
First Cost Estimate	State of Maryland	
Current Scope	Municipalities	
Last FY's Cost Estimate	Montgomery County Public Schools	
Appropriation Request	Community Use of Public Facilities	
Appropriation Request Est.	Department of General Services	
Supplemental Appropriation Request	Department of Economic Development	
Transfer		
Cumulative Appropriation		
Expenditures / Encumbrances		
Unencumbered Balance		
Partial Closeout Thru		
New Partial Closeout		
Total Partial Closeout		

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

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

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

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

CHI Centers: \$200,000 (G.O. Bond)

Girl Scout Council of the Nation's Capital: \$100,000 (Current Revenue)

Jewish Foundation for Group Homes, Inc.: \$50,000 (Current Revenue)

Ivymount School, Inc.: \$100,000 (G.O. Bond)

Olney Theatre: \$500,000 (Arts Facility Financing - G.O. Bond), and

Old Blair Auditorium: \$600,000 (Arts Facility Financing - G.O. Bond). To provide matching funds to assist with rehabilitation/maintenance to prevent further deterioration in the former Elizabeth Stickley Auditorium.

The Old Blair Auditorium Project (a private, non-profit organization) received State bond bill funding of \$600,000 for the renovation of the Old Blair High School Auditorium. 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 develop a Program of Requirements and cost estimate for the project, and bond funded expenditure of \$140,000 to pay for part of the construction. The Council will consider appropriating the \$140,000 after: a) facility planning is complete and the full cost of the renovation is known; b) the County, MCPS, and the Old Blair Auditorium Project resolve issues about management of the renovation project, operation of the facility, and parking for the facility; and c) the Old Blair High School Auditorium project raises the remaining \$410,000 required to match the State funding. MCPS has included funds for a feasibility study for the auditorium in its Facility Planning project (No. 966553). During the study, MCPS will work with the community to develop a new program of requirements for the auditorium.

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.