

Resolution No.:	<u>18-1139</u>
Introduced:	<u>May 24, 2018</u>
Adopted:	<u>May 24, 2018</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: FY 2019-2024 Capital Budget of the Montgomery County Revenue Authority

Background

1. As required by Section 42-13 of the County Code, the Montgomery County Revenue Authority (Revenue Authority) sent to the County Executive a 6-year Capital Improvements Program (CIP).
2. Section 302 of the County Charter requires the Executive to send to the County Council by January 15 in each even-numbered calendar year a 6-year CIP. Section 303 of the Charter requires the Executive to send to the Council by January 15 in each year a Recommended Capital Budget.
3. As required by Section 304 of the County Charter, the Council held public hearings on the FY 2019-2024 CIP and the FY 2019 Capital Budget.
4. Chapter 601 of the 1992 Laws of Maryland provides that no provision of the County Charter or other County law regarding the duties, powers, or organization of the Revenue Authority will apply unless the County expressly provides by law that the Charter provision or law applies to the Revenue Authority.
5. Section 42-13(a)(3) of the County Code expressly requires the Executive to include the Revenue Authority's 6-year program in the comprehensive 6-year program submitted to the Council under Section 302 of the County Charter.
6. Section 42-13(a)(4) of the County Code expressly authorizes the Council to amend the Revenue Authority's 6-year program.

Action

The County Council for Montgomery County, Maryland approves the FY 2019-2024 Capital Improvements Program for the Montgomery County Revenue Authority as recommended by the County Executive, including revisions to the Revenue Authority's approved FY 2017-2022 Capital Improvements Program:

1. For FY 2019, the Council approves the new projects shown in Part I.
2. The Council approves the project revised in Part II.
3. The Council approves the close out of the projects in Part III.

This is a correct copy of Council action.



Megan Davey Limarzi, Esq.,
Clerk of the Council

PART I: FY 2019 CAPITAL BUDGET FOR REVENUE AUTHORITY

The approved projects for FY 2019 in this Part are made to implement the projects in the Capital Improvements Program for FY 2019-2024.

<u>FY 19</u> <u>Project #</u>	<u>Name</u>	<u>Total Project</u> <u>Estimated cost</u>
391902	Montgomery County Airpark Land Acquisition – Leet-Melbrook	\$2,500,000
391901	Montgomery County Airpark Land Acquisition – Merchant Tire	\$2,500,000
Total – Revenue Authority		\$5,000,000

PART II: REVISED PROJECTS

The projects described in this section were revised from, or were not included among, the projects approved by the County Council as they appeared in the Approved FY 2017-2022 Capital Improvements Program (CIP) as of May 25, 2017.

Attached:

391801 Poolesville Economic Development Project



Poolesville Economic Development Project (P391801)

Category	Revenue Authority	Date Last Modified	04/30/18
SubCategory	Miscellaneous Projects (Revenue Authority)	Administering Agency	Revenue Authority
Planning Area	Poolesville and Vicinity	Status	Ongoing

Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	1,352	-	-	1,352	1,056	296	-	-	-	-	-
Site Improvements and Utilities	769	-	-	769	769	-	-	-	-	-	-
Construction	7,771	-	-	7,771	3,375	4,396	-	-	-	-	-
Other	2,558	-	-	2,558	-	2,558	-	-	-	-	-
TOTAL EXPENDITURES	12,450	-	-	12,450	5,200	7,250	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Revenue Authority	10,450	-	-	10,450	3,200	7,250	-	-	-	-	-
State Aid	2,000	-	-	2,000	2,000	-	-	-	-	-	-
TOTAL FUNDING SOURCES	12,450	-	-	12,450	5,200	7,250	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	-	Year First Appropriation	FY18
Appropriation FY 20 Request	-	Last FY's Cost Estimate	12,656
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

The Poolesville Economic Development Project calls for the development of surplus land owned by the Montgomery County Revenue Authority (MCRA). The physical plant consists of a custom winery, education/events center, and a vineyard.

LOCATION

16601 W. Willard Road, Poolesville, Maryland

ESTIMATED SCHEDULE

COST CHANGE

PROJECT JUSTIFICATION

This project will support the County's long-range plan for economic and agricultural development, education, workforce development. MCRA will collaborate with educational institutions to support opportunities in viticulture and enology, hospitality, marketing, and culinary arts programs. The project will dedicate several acres for the development of a demonstration vineyard where students can learn vineyard management skills while providing quality grapes to support the industry. The University of Maryland Extension will coordinate the research and development of this demonstration vineyard. In addition to supporting specific degrees in viticulture and enology, the Revenue Authority will also collaborate with Universities at Shady Grove to support degree programs in agri-tourism, marketing, communication, business entrepreneurship, and culinary arts. Students in these degree programs will use the facility to obtain hands-on experience in their fields of study. The project is projected to bring \$45 million in economic activity to the State and over \$22 million in activity to the County.

OTHER

FISCAL NOTE

There will be two agreements between the Revenue Authority and the County related to this project. Under the first agreement, the County will lease land from the Revenue Authority for an amount sufficient to cover the Revenue Authority's annual debt service costs. The second agreement will be an operating agreement whereby the Revenue Authority will agree to develop and operate the facilities on behalf of the County, with net operating cash being paid to the County to offset lease payments. During the early years of operation, there will be net costs to the County, but within seven years the expectation is that there will be no net costs to the County. The County will be reimbursed in total for the funds it expends from net operating revenue.

DISCLOSURES

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

COORDINATION

Montgomery County Department of Permitting Services, Maryland Department of the Environment, Montgomery County Department of General Services, University of Maryland, Universities at Shady Grove, Montgomery College, Office of Management and Budget, and Maryland-National Capital Park and Planning Commission.

PART III: CAPITAL IMPROVEMENTS PROJECTS TO BE CLOSED OUT

The following capital projects are closed out effective July 1, 2018.

967432	Falls Road Golf Course
093903	Little Bennett Golf Course
113900	Needwood Golf Course
113901	Northwest Golf Course
997458	Poolesville Golf Course
391701	Rattlewood Golf Course
703909	Montgomery County Airpark