

October 24, 2025
Montgomery County Council Infrastructure Funding Workgroup

9:00 AM **Call Meeting to Order**

9:00 AM **Review and Approve minutes for September 19 and September 26
workgroup meetings**

The draft minutes for both meetings are attached.

9:05 AM **Discussion – Debrief from stakeholder engagement meetings**

The Workgroup will discuss themes and highlights from the stakeholder engagement sessions in September. The summaries of the stakeholder's comments, thoughts, and questions are attached with the draft minutes.

Workgroup members should prepare to share comments or questions based on the discussions with stakeholders for consideration by the Workgroup either for additional research or for potential inclusion in the draft report.

9:30 AM **Discussion – Capital needs for the agencies**

The Workgroup will review the capital needs for parks, transportation, and schools and discuss approaches and options for categorizing and synthesizing this data amongst the agencies. Attached are the aggregated summaries provided by each agency.

Workgroup members should prepare to share comments or questions based on the data and categories for consideration by the Workgroup either for additional research or for potential inclusion in the draft report.

10:30 AM **Break**

10:40 AM **Discussion – County revenue sources and funding mechanisms**

The Workgroup will review the revenue sources and historical data for the County's Operating and Capital Budgets. In addition, the Workgroup will review the major funding mechanisms available to the County.

Workgroup members should prepare to share comments or questions based on the data for consideration by the Workgroup either for additional research or for potential inclusion as part of the background in the draft report.

11:45 AM **Adjourn**

Montgomery County Council Infrastructure Funding Workgroup

DRAFT MINUTES

Friday, September 19, 2025

10:30 AM to 12:00 PM

Council Office Building, Capital Crescent Trail Room, 4th Floor

Present Members

- Gene Smith, County Council Staff
- Livhu Ndou, County Council Staff
- Bilal Ali, County Council Staff
- Lisa Govoni, Montgomery County Planning Department
- Gary Nalven, Montgomery County Office of Management and Budget
- Mike Henahan, Bozzuto Development Company
- Robert Goldman, Montgomery Housing Partnerships

Absent Members

- Katie Mencarini, Montgomery County Planning Department
- Darcy Buckley, Montgomery County Parks Department
- Adnan Mamoon, Montgomery County Public Schools (MCPS)
- Haley Peckett, Montgomery County Department of Transportation
- Todd Fawley-King, Montgomery County Department of Finance

Other County and Agency Staff Participating

- Stephen Kenny, County Council Staff
- Andrea Swiatocha, Deputy Chief, Division of Facilities Management (MCPS)

Call to Order

The meeting was called to order at 10:30 AM.

Action – Approval of August 15, 2025 Minutes

The minutes from the August 15, 2025 meeting were reviewed and approved without amendment.

Stakeholder and Workgroup Introductions

Workgroup members and participating stakeholders introduced themselves and the businesses or organizations they represented. The Workgroup introduced the authorizing Council Resolution and the purpose and timeline of the group's efforts in the coming year.

Discussion with Stakeholders

See attached summary of discussion with stakeholders, including those stakeholders present at the meeting.

Review and Approve Additional Stakeholder Engagement Date

The Workgroup reviewed the possibility of adding an additional date to engage stakeholders due to the cancellation of the September 12, 2025 meeting. The Workgroup added a date on

September 26, 2025 to engage the Maryland State Highway Administration, Maryland Transit Administration, and the Washington Metropolitan Area Transportation Authority. The Workgroup will continue to determine if additional engagement dates are needed when meeting again in October 2025.

Adjournment

The meeting was adjourned at 12:00 PM

Montgomery County Council Infrastructure Funding Workgroup

September 19, 2025

Meeting with Industry Stakeholders

Stakeholders Participating:

Jad Donohoe from Donahoe and with Commercial Real Estate Development Association (NAIOP)

Brain Anleu with Apartment and Office Building Association

Casey Anderson from Rodgers Consulting and with NAIOP

Neil Blanc with Rodgers Consulting and Maryland Building Industry Association (MBIA)

Doug Firstenberg with Stonebridge

Jeffrey Blackwell from Victory Housing and with Montgomery Housing Alliance

(Participating, Not Present)

Kate Kubit with Elm Street Development and MBIA

Robert Graham with Rodgers Consulting and MBIA

Chris Nourse with Pulte Group and MBIA

Bobby Varner with Pulte Group and MBIA

Stakeholder Summary

- Consider ways to reduce costs for new development with impact fees — development is stagnant.
- Clearly quantify/forecast the county's expected tax base, expected county services expenditures, and county revenue streams to create an objective basis for any infrastructure funding solutions and discussions; distill information in format viable for public absorption and policy maker use as a central component to the work product of this group
- Prioritize schools and job growth as the biggest levers to make the county attractive for development opportunities again.
- Provide clear scenarios between status quo and investments.
- Consider alternative funding tools (land value tax, ballot measures, broad-based revenue).

Stakeholder Comments

Schools & Enrollment

- Stakeholders asked about the assumptions for school infrastructure needs, given that enrollment has leveled off or declined post-pandemic.
 - School staff clarified that enrollment is below projections, but overcrowding in certain areas still requires capital investment.
 - Boundaries and redistricting are being considered separately.

Growth & Tax Base

- Some stakeholders stressed the need to frame growth scenarios:
 - Status quo: reduced revenue, inability to fund infrastructure.
 - Growth scenario: requires new funding mechanisms but expands the tax base.
- Some stakeholders urged the group to be “bold” and present two trajectories (decline vs. growth) in the report.
- Stakeholders noted that the report should highlight the different sources of County revenues (i.e., tax base) and where it goes (i.e., spending).
 - Some stakeholders noted that development cannot fund all the County’s needs.
- Developers suggested focusing on investments that attract jobs and residents:
 - Schools as a long-term driver of county attractiveness.
 - Place-making, walkable neighborhoods, and basic infrastructure (sidewalks, frontage improvements, utility burial) rather than BRT/large transit projects.
 - Transit investments (BRT) questioned due to post-pandemic ridership declines.

Housing & Development Costs

- Stakeholders emphasized the housing crisis:
 - Current impact taxes and fees discourage development.
 - Increased costs result in fewer permits pulled and fewer projects delivered.
- Stakeholders warned that maintaining or raising fees will disincentivize housing, worsening affordability.
- Some stakeholders noted that taxes or fees that were spread over time were better than upfront costs for development. Others noted that the project and opportunity can matter more than the type of costs, but that the present-day infrastructures costs are a notable downward pressure on creating project opportunities.

Fairness of Funding

- Stakeholders raised concern about special taxing districts:
 - Carving out single-family homes while taxing multifamily unfairly narrows the base.
 - Most districts would have a limited tax base to be effective.
 - Office buildings with high vacancy rates shouldn’t be singled out for school funding.

Transportation vs. Schools

- Stakeholders noted that transportation impact fees don’t align with actual usage and disproportionately burden developers.
- Some stakeholders noted that transportation projects will not “move the needle” anymore for economic competitiveness, but improvements to MCPS would help growth and competitiveness.

Comparisons with Other Jurisdictions

- Stakeholders noted how Northern Virginia, Alexandria, Howard, Fairfax, and Baltimore counties fund infrastructure and encouraged the workgroup to benchmark them – Alexandria was noted as doing it well
- Stakeholders noted that infrastructure funding mechanisms must be tailored to the specific context of the jurisdiction. Benchmarking is a valuable exercise to find the best solution for Montgomery County, but stakeholders noted that what might work in Northern Virginia may not necessarily apply in Montgomery County's economic context.
- Stakeholders noted that Montgomery County's impact taxes are twice the next highest in Maryland.
- Stakeholders shared that developers go where projects "work" economically, not just where impact taxes are lower.
- Some stakeholders noted that the County should focus on doing the basics for infrastructure (e.g., frontage development).

Ideas for Alternative Funding

- **Land Value Tax / Vacancy Tax:**
 - Use a land value tax to target underdeveloped and underutilized land near transit instead of new development.
 - Acknowledge this would be unpopular with speculators.
- **Recordation Taxes:** Raised concerns about transaction friction for financing.
- **Ballot Measures:** Put capital projects with specific funding mechanisms (e.g., sales tax, property tax) directly to voters, as done elsewhere in the U.S.
- **Broad-based Revenues:** More effective than relying on development impact fees.

Follow-Up Stakeholder Thoughts

- On a fundamental level, we are not seeing enough development for development to make up for underinvestment in infrastructure. Decision makers in the County should be clear-eyed about these trends when making decisions on future infrastructure funding.
- Impact Taxes are a lot of money for a real estate project yet very little return for infrastructure funding; impact taxes only make sense in a boom economy with high levels of development. Furthermore, school impact and utilization payments are the least plausibly connected to impact of new development, compounded by downward trends in enrollment forecasts for foreseeable future.
- Tax districts are either going to be unpopular, politically untenable, or insufficiently broad to collect enough revenue. There are complications when trying to divide existing vs new construction. Tax districts may be viable solutions in specific contexts, but not a good systemic approach.
- Staff should research and quantify
 - Trends in CIP budget for transportation vs total CIP and look at both in context of operating budget. Extend this analysis to other jurisdictions in DMV
 - Benchmark infrastructure funding mechanisms in other jurisdictions, while being clear to capture economic and regulatory contexts that might differ from ours.
 - Quantify contribution of property taxes vs impact taxes.

Stakeholder Questions

- What assumptions are being used to forecast school infrastructure needs given that enrollment has leveled off or declined after the pandemic?
- How are boundaries and potential redistricting being factored into school capital needs?
- In the 1970s, during the period of major county growth, what percentage of the budget was spent on schools and transportation compared to today?
- How much are we currently spending, and how does that compare to historic levels of infrastructure investment?
- How should the work group think about future growth in its policy conversation, especially if enrollment and population remain flat?
- If new funding tools (like fees or property tax increases) are considered, should they apply only to commercial or to both commercial and residential development?
- Should rates be geographically different (e.g., higher in Bethesda than in other areas)?
- What assumptions are driving the push to fund BRT (Bus Rapid Transit) and is that still valid given post-pandemic ridership declines?
- Should we rethink transportation funding given that impact fees don't reasonably connect to project usage?
- Is there any appetite to explore land value taxes or taxing underdeveloped/undeveloped land near transit?
- Could recordation tax increases (on property transactions) be reconsidered, and what are their downstream impacts?
- Why not place capital projects with funding mechanisms directly on the ballot (as done in other jurisdictions) to let voters decide?
- In the eyes of developers, what types of investments (schools, transit, placemaking, safety, basic infrastructure) would most effectively drive growth in Montgomery County?

Montgomery County Council Infrastructure Funding Workgroup

DRAFT MINUTES

Friday, September 26, 2025

12:05 PM to 1:30 PM

Council Office Building, Capital Crescent Trail Room, 4th Floor

Present Members

- Gene Smith, County Council Staff
- Livhu Ndou, County Council Staff (virtual)
- Bilal Ali, County Council Staff (virtual)
- Lisa Govoni, Montgomery County Planning Department
- Darcy Buckley, Montgomery County Parks Department
- Haley Peckett, Montgomery County Department of Transportation
- Todd Fawley-King, Montgomery County Department of Finance
- Mike Henahan, Bozzuto Development Company

Absent Members

- Gary Nalven, Montgomery County Office of Management and Budget
- Katie Mencarini, Montgomery County Planning Department
- Adnan Mamoon, Montgomery County Public Schools (MCPS)
- Robert Goldman, Montgomery Housing Partnerships

Call to Order

The meeting was called to order at 12:05 PM.

Stakeholder and Workgroup Introductions

Workgroup members and participating stakeholders introduced themselves and the businesses or organizations they represented. The Workgroup introduced the authorizing Council Resolution and the purpose and timeline of the group's efforts in the coming year.

Discussion with Stakeholders

See attached summary of discussion with stakeholders, including those stakeholders present at the meeting.

Adjournment

The meeting was adjourned at 1:30 PM

Montgomery County Council Infrastructure Funding Workgroup

September 26, 2025

Meeting with State and WMATA Stakeholders

Stakeholders Participating:

Darrell Smith from Maryland Transit Administration (MTA)

Charlie Scott from Washington Metropolitan Area Transit Authority (WMATA)

Michael Haley from Maryland State Highway Administration (invited but didn't attend)

Stakeholder Summary

- Agencies have a backlog, and most funding is focused on achieving a state of good repair for their systems.
- There are difficulties in assigning modernization improvements to funds needed for a state of good repair or for system enhancements.
- Agencies primarily operate through a regional analysis but are open to working with local governments on site specific projects to improve access.

Stakeholder Comments

State of Good Repair

- Both agencies shared that their primary focus is achieving a state of good repair and addressing the backlog related to those costs.
 - MTA noted that its 2050 [Growth and Transformation Plan](#) estimated the need for \$7.1 billion to achieve/maintain its systems in a state of good repair, out of a total of \$13.7B statewide capital needs.
 - \$1.8B would be required to add bidirectional service to the Brunswick line, which would unlock more transit-oriented development at MARC stations in the County.
 - WMATA noted that it decreased its estimates to achieve a state of good repair from \$7.0 billion to \$4.0 billion.
 - Discussion of DMV Moves and the regional consensus to use funding to pursue SOGR and train automation. Maryland contribution to be determined through legislature.
- The Workgroup and agencies discussed the differences and challenges to assign modernization improvements to general buckets (e.g., maintenance, enhancement, or improvement).
- The TRAIN Commission, a statewide group to examine transportation funding, is not expected to result in any major new funding sources due to lack of appetite for major new transportation funding bill. New revenue sources passed in state 2025 legislative session came out of minor recommendations from TRAIN.

Regional Focus

- MTA noted that its 2050 plan includes improvements to the Brunswick Line to decrease times between stations, but these investments do not include additional stations in the County.
- WMATA, likewise, noted that it's working with the DMV Move Initiative to secure funding from Maryland, Virginia, and D.C. to address its ongoing operating and maintenance backlog. There is no funding available to extend the Red Line in the County.
- Discussion that state is under pressure to fund these major capital projects for WMATA and MTA, resulting in less appetite to fund other projects in the County given budget shortfalls.

Open to Limited or Unique Projects

- Both agencies noted that they are open to working with County leadership on limited projects (e.g., modernizing or increasing accessibility at a station or infill development around a station, adding a new station entrance or tunnel).
- The County would be the primary funding source in these instances.
- The Workgroup and agencies spoke generally about economic development projects and opportunities to consider.
- WMATA shared that if they had \$100M to improve County roads, they would spend it on Transit Signal Priority, bus lanes, and potentially rail station improvements. These bus priority investments would allow Metrobuses to operate more cost efficiently.

Transportation vs. Schools

- The Workgroup posed a question based on the September 19, 2026 Stakeholder meeting with industry stakeholders related to the importance of transportation improvements Vs. School investments.
- The agencies generally responded that both are important and that continued improvements in multi-modal access and options are critical for jurisdictions.
- MTA discussed Purple Line as being a transformative project that reorients businesses in the County for east/west travel. For example, businesses in Bethesda unlock new clients in Silver Spring that will be able to access in <15 min. BRT could have similar effects by expanding business "client-sheds."
- Other transformative projects (that spur economic development) may include prepping a rail station for greater TOD, such as adding structured parking to unlock development sites, and changing land use along corridors to be more pedestrian and transit-friendly.

Capital Needs for the Agencies

All data was provided by the respective agency.

Parks FY25-FY30 CIP Projects (in thousands)

Location-specific Projects	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total 6-Year
Expansion	\$3,294	\$680	\$657	\$2,530	\$600	\$0	\$7,761
Modernization	\$2,500	\$6,700	\$3,000	\$3,250	\$3,000	\$3,000	\$21,450
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth-related	\$5,350	\$5,800	\$3,600	\$1,400	\$0	\$0	\$16,150
Expansion	\$5,350	\$5,800	\$3,600	\$1,400	\$0	\$0	\$16,150
Modernization	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$11,144	\$13,180	\$7,257	\$7,180	\$3,600	\$3,000	\$45,361

Countywide Projects	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Total 6-Year
Expansion	\$674	\$1,215	\$1,215	\$1,215	\$1,215	\$1,215	\$6,749
Modernization	\$14,910	\$8,035	\$7,110	\$7,145	\$7,210	\$7,210	\$51,620
Maintenance	\$20,467	\$17,888	\$17,143	\$17,105	\$16,386	\$15,714	\$104,703
Growth-related	\$24,177	\$16,876	\$17,970	\$17,775	\$17,735	\$17,741	\$112,274
Expansion	\$12,725	\$8,560	\$10,086	\$9,975	\$9,935	\$9,941	\$61,222
Modernization	\$4,450	\$4,450	\$4,450	\$4,450	\$4,450	\$4,450	\$26,700
Maintenance	\$7,002	\$3,866	\$3,434	\$3,350	\$3,350	\$3,350	\$24,352
Total	\$60,228	\$44,014	\$43,438	\$43,240	\$42,546	\$41,880	\$275,346

M-NCPPC, Montgomery County Department of Park and Planning Infrastructure Maintenance: Capital Improvements Program													
PLAR: Play Equipment	Playgrounds	Equipment, Surfacing, Edging, SWM, ADA	20	275	playground pads	14	\$400,000	\$5,600,000	\$3,200,000			\$14,400,000	5
PLAR: Tennis & Multi Use Courts	Sports Courts	Pavement, Fencing, Standards, Color Coating	20	590	courts	30	\$100,000	\$3,000,000	\$1,585,000			\$8,490,000	3
PLAR: Resurfacing Lots and Paths	Parking Lots, Roads, Walkways, Accessible Routes	Pavement, Signage, Grading, Drainage, SWM, ADA	25	12,000,000	sf	480,000	\$6	\$2,880,000	\$1,500,000			\$8,280,000	3
PLAR: Park Buildings	Park buildings include picnic shelters / gazebos / pavilions, park activity buildings, nature centers, restroom buildings, HQ buildings, event centers, historic structures, and miscellaneous maintenance structures. Enterprise facilities such as ice rinks and tennis bubbles; and park houses managed by Property Management are not included.												
PLAR: Park Buildings	Buildings	Walls, Floors, Roofs, Structural, HVAC, Plumbing, Electric, Lighting, Finishes, etc.	30	450	each	15	\$500,000	\$7,500,000	\$1,000,000			\$39,000,000	4
PLAR: Minor Renovations	Pedestrian Bridges, Large Culverts, Boardwalks	Structures, Railings, Abutments, Approaches, Channel Stabilization	25	811	each	32	\$300,000	\$9,600,000	\$ 5,074,000			\$ 153,456,000	4
PLAR: Minor Renovations	Outfalls	Daylighting, Endwalls, Plunge Pools, Channel Stabilization	30	1,600	each	53	\$100,000	\$5,300,000					4
PLAR: Minor Renovations	Various	Park amenities and infrastructure not seperately identified	20	422	parks	21	\$750,000	\$15,750,000					4
Total: PLAR								\$49,630,000	\$12,359,000	\$11,365,000	\$11,343,000	\$223,626,000	
Trails - Hard Surface Renovation	Hard Surface Trails	Pavement, Signage, Grading, Drainage, SWM, ADA	25	815,000	lf	32600	\$75	\$2,445,000	\$1,450,000	\$2,500,000	\$2,000,000	\$5,970,000	3
Ballfield Initiatives	Fencing and backstops	Replacement	20	170	Fields	9	\$50,000	\$450,000					3
	Field Renovations	Renovations of Park Fields	15	314	Fields	21	\$100,000	\$2,100,000					4
	Field Amenities	Renovating replacing Dugouts, bull pens, score boards, bleachers, batting cages	20	96	Fields	5	\$100,000	\$500,000					3
	Lighting	Installation and Replacements	30	26	Light System	1	\$500,000	\$500,000					3
	Artifical Turf Replacement	Replacement	8	4	Fields	1	\$1,000,000	\$1,000,000					4
	MCPS Field Renovations	Field Renovations back and goal improvements	15	223	Fields	15	\$75,000	\$1,125,000					4
BALLFIELDS TOTAL (Note: The Ballfield Initiatives PDF funds renovations to park athletic fields								\$5,675,000	\$2,000,000	\$2,300,000	\$2,300,000	\$22,050,000	
M-NCPPC, Montgomery County Department of Park and Planning Totals								\$57,750,000				\$251,646,000	

MCPS FY25-FY30 CIP Projects (in thousands)

Individual School Projects	FY25	FY26	FY27	FY28	FY29	FY30	Total 6-years
Growth / Capacity	\$43,644	\$64,461	\$122,863	\$78,577	\$20,650	\$545	\$330,740
Life Cycle Replacement	\$85,962	\$83,584	\$79,790	\$40,000	\$0	\$0	\$289,336
Total	\$129,606	\$148,045	\$202,653	\$118,577	\$20,650	\$545	\$620,076

Countywide Projects	FY25	FY26	FY27	FY28	FY29	FY30	Total 6-years
Growth / Capacity	\$5,000	\$5,000	\$10,000	\$11,000	\$5,000	\$5,000	\$41,000
Life Cycle Replacement	\$191,275	\$167,260	\$114,795	\$111,795	\$192,062	\$280,431	\$1,057,618
Consultant / FTE Funding	\$6,850	\$6,550	\$5,850	\$5,850	\$5,850	\$5,850	\$36,800
Total	\$203,125	\$178,810	\$130,645	\$128,645	\$202,912	\$291,281	\$1,135,418

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Capital Project	Major Element	Notes	Acceptable Life Span (Years)	Inventory	Units	How much/many should be replaced annually	Average Cost	Acceptable Annual Replacement Cost	CIP		Future Funding Level	Backlog	Criticality Rating
									FY24 Approved	FY25 Request			
Montgomery County Transportation													
Infrastructure Maintenance: Capital Improvements Program													
Bridge Preservation Program	Paint Systems		15	145	bridges	5	\$100,000	\$514,000	\$556,000	\$504,000	Same	\$5,000,000	3
Bridge Renovation	All bridge components	Work scope based on biennial inspections	20	481	bridges	25	\$200,000	\$8,800,000	\$4,020,000	\$6,780,000	\$5,000,000	\$55,000,000	4
County Maintained Roadways	Primary/Arterials	FY23 @ PCI 69.6	15	1,099	Lane-miles	73	\$275,000	\$20,148,333	\$6,750,000	\$7,300,000	Higher	\$220,000,000	4
County Maintained Roadways	Residential/Rural	FY22 @ PCI 66.6	15-20	4,363	Lane-miles	249	\$217,000	\$54,101,200	\$22,850,000	\$23,967,000	Higher	\$758,000,000	4
Infrastructure Revit. Sidewalk	Sidewalks Repairs	Sidewalk survey	30	1,668	miles	56	\$110,000	\$6,116,000	\$3,100,000	\$3,573,000	Higher	\$91,740,000	4
Infrastructure Revit. Curb & Gutter	Curb & Gutter Repairs		30	3,336	miles	111	\$157,000	\$17,458,400	\$3,100,000	\$3,573,000	Higher	\$261,876,000	4
Street Tree Preservation	Neighborhood Block Pruning		10	500,000	each	50,000	\$375	\$18,750,000	\$3,100,000	\$3,346,000	Same	\$187,000,000	4
County Maintained Storm Drain	Storm Drain	Survey is 80% completed, as of 2023. Size under 5'	50-100	Pipes 50,360 Culverts 1,602	each	Pipes 1007 Culverts 22	Pipes project \$10,725 Culvert project \$43,250	\$14,264,148	\$1,700,000	\$1,836,000	Higher	\$184,075,721	4
Guardrail Projects	Guardrails & End Treatments		30	100	miles	3.5	\$285,000	\$997,500	\$25,000	\$25,000	Same	\$14,250,000	3
Streetlighting	Pole & luminaire fixtures		25	29,500	street lights	1180	\$1,850	\$2,183,000	\$100,000	\$100,000	Same	\$27,287,500	4
Traffic Signals	County owned signalized intersections		25	334	signals	11	\$350,000		\$1,725,000	\$1,725,000	Same	\$33,360,000	5
Montgomery County Transportation Totals								\$143,332,581	\$47,026,000	\$52,225,000		\$1,837,589,221	

County Transportation FY25-FY30 CIP Projects (in thousands)

Countywide Projects by Category	FY25	FY26	FY27	FY28	FY29	FY30	Total 6-years
Capacity Increase- Mode Shift	\$20,776	\$23,795	\$68,484	\$49,203	\$33,004	\$65,350	\$260,612
Capacity Increase- Vehicular	\$5,753	\$5,753	\$5,753	\$5,753	\$5,753	\$5,753	\$34,518
Facilitate Growth	\$212	\$212	\$212	\$212	\$212	\$212	\$1,272
Repairs/Maintenance	\$51,959	\$55,313	\$55,235	\$55,029	\$55,017	\$54,865	\$327,418
Standards/Upgrades/Safety	\$31,594	\$23,705	\$22,726	\$20,822	\$21,305	\$21,691	\$141,843
Total	\$110,294	\$108,778	\$152,410	\$131,019	\$115,291	\$147,871	\$765,663

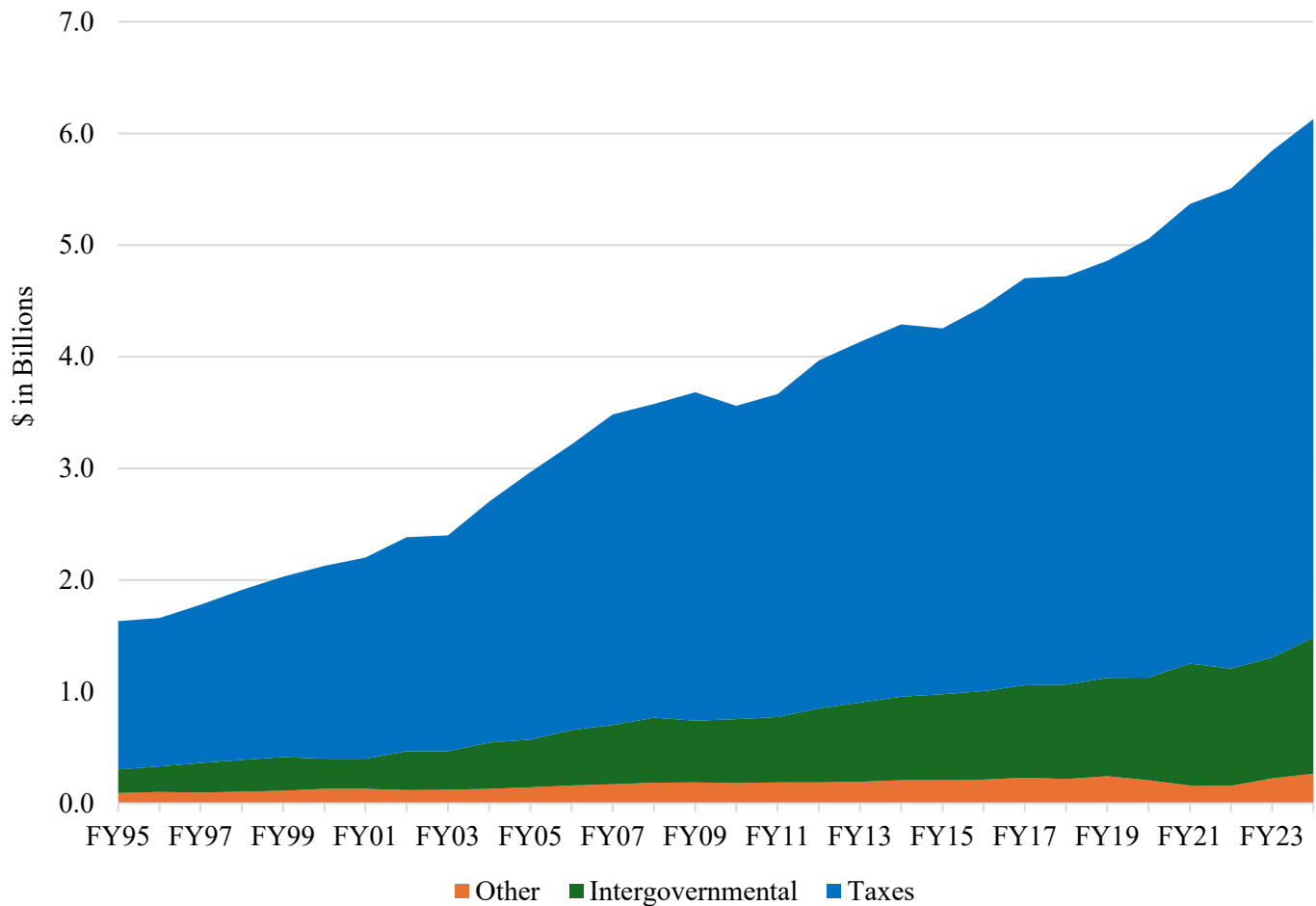
Policy Area Projects by Category	FY25	FY26	FY27	FY28	FY29	FY30	Total 6-years
Capacity Increase- Mode Shift	\$29,542	\$67,674	\$154,321	\$176,956	\$183,797	\$79,004	\$691,294
Capacity Increase- Vehicular	\$0	\$3,000	\$0	\$0	\$0	\$0	\$3,000
Facilitate Growth	\$975	\$9,648	\$9,040	\$602	\$81	\$81	\$20,427
Repairs/Maintenance	\$23,028	\$25,717	\$15,154	\$10,878	\$8,763	\$8,463	\$92,003
Standards/Upgrades/Safety	\$17,642	\$17,311	\$5,953	\$4,946	\$3,437	\$4,413	\$53,702
Total	\$71,187	\$123,350	\$184,468	\$193,382	\$196,078	\$91,961	\$860,426

Montgomery County Public Schools Infrastructure Maintenance: Capital Improvements Program													
Fire Safety	Life Safety Equip	Fire Alarm Systems/ Pumps	15	248	systems	10	\$234,555	\$2,345,550	\$817,000	\$2,317,000	Higher	\$18,357,000	5
Food Service Equipment		Kitchen hoods	30	142	each	1	\$95,727	\$95,727			Higher	\$6,367,000	5
PLAR: Door/Window	Exterior Doors/Windows		30	1,540,500	sf	15,000	\$168	\$2,524,500			Higher	\$48,331,000	3
	Interior Doors/Solid wood doors		20	1,301,500	sf	8,000	\$80	\$640,000			Higher	\$12,676,000	2
PLAR: Electrical	Elec Service/ Distribution		35	25,203,703	sf	500,000	\$7	\$3,500,000			Higher	\$67,386,000	4
	Emergency Power		25	25,203,703	sf	1,000	\$18	\$17,680					5
	Lighting and Branch Wiring		20	25,203,703	sf	500,000	\$18	\$8,840,000					4
PLAR: Electronics	Electronics	Stage Lighting, Security System, PA, Library Gates, Sound Systems	20	620	systems	10	\$228,888	\$2,288,880			Higher	\$15,587,000	5
PLAR: Elevators	Building Elevators		20	201	each	5	\$317,000	\$1,585,000			Higher	\$7,952,000	4
	Handicap Lifts		15	109	each	3	\$62,000	\$186,000			Higher	\$900,000	4
PLAR: Finishes	Ceiling		20	25,013,940	sf	625,000	\$9	\$5,737,500			Higher	\$172,039,500	1
	Floor		20	25,013,940	sf	625,000	\$8	\$5,100,000			Higher		2
	Wall		10	54,823,547	sf	5,482,355	\$4	\$22,368,008			Higher		1
PLAR: Equipment	Lockers		20	70	schools	4	\$360,000	\$1,440,000			Higher	\$14,484,000	2
	Playground		20	570	pieces or systems	29	\$41,463	\$1,202,427	\$450,000	\$450,000	Higher	\$13,500,000	2
PLAR: Casework			15	25,013,940	sf	1,667,596	\$2.24	\$3,735,415	Not Funded	Not Funded	Higher	\$35,034,500	2
PLAR: Auditorium	Seating, Stage Curtain		20	25	each	2	\$351,500	\$703,000			Higher	\$5,775,000	2
	Pavement	Parking lot/driveway	20	18,628,000	sf	200,000	\$14	\$2,800,000			Higher	\$35,000,000	3
	Curb/Gutter/ Sidewalks		30	4,235,000	lf	141,167	\$15	\$2,117,505			Higher	\$8,500,000	2
PLAR: Site	Paved play area	Tennis/ Basketball	20	10,376,000	sf	100,000	\$14	\$1,400,000			Higher	\$13,500,000	1
	Indoor Bleachers/Partitions		30	66	each	2	\$155,000	\$310,000			Higher	\$14,206,000	1
	Outdoor Bleacher/ Grandstand		30	26	each	0.3	\$827,000	\$248,100			Higher	\$5,200,000	3
	Fencing		30	900,000	lf	30,000	\$25	\$750,000			Higher	\$9,275,000	2
	Athletic fields	Baseball, soccer, Football	20	280	fields	14	\$215,000	\$3,010,000			Higher	\$24,525,000	2
	Stormwater Mgmt		45	167	schools	4	\$50,000	\$200,000	\$1,200,000	\$1,200,000	Same	\$7,500,000	2
PLAR: QZAB Funding	QZAB funding (State)								\$608,564	\$0		n/a	
PLAR: ASP Funding	ASP Funding (State)								\$604,463	\$602,561		n/a	
HVAC	Chillers		25	286	each	8	\$1,200,000	\$9,600,000	\$2,400,000	\$4,200,000	Higher	\$385,466,000	5
	Distribution Systems		30	25,990,076	sf	735,000	\$35	\$25,725,000	\$13,440,000	\$20,520,000	Higher		5
	Boilers		25	465	each	13	\$500,000	\$6,500,000	\$1,400,000	\$2,450,000	Higher		5
	Air Handling Units		20	1,019	each	28	\$320,000	\$8,960,000	\$760,000	\$1,330,000	Higher		5
Restroom Renovation	Plumbing fixtures (restrooms)		25	17,025	each	681	\$1,450	\$987,450	\$3,000,000	\$6,000,000	Higher	\$56,732,000	4
	Specialized Finishes		20	3,117	rest-rooms	156	\$32,000	\$4,992,000			Higher	\$7,791,000	2
Energy Mgt System	EMS	Energy Mgt System	20	207	systems	2	\$1,300,000	\$2,600,000	\$0	\$10,000,000	Higher	\$32,500,000	4
Roof Replacement	Roof	Roof Replacement	20	17,013,988	sf	565,000	\$40	\$22,600,000	\$12,000,000	\$12,000,000	Higher	\$72,904,508	5
Montgomery County Public Schools Totals								\$155,109,742				\$1,091,488,508	

Background on County Revenues and Funding Mechanisms

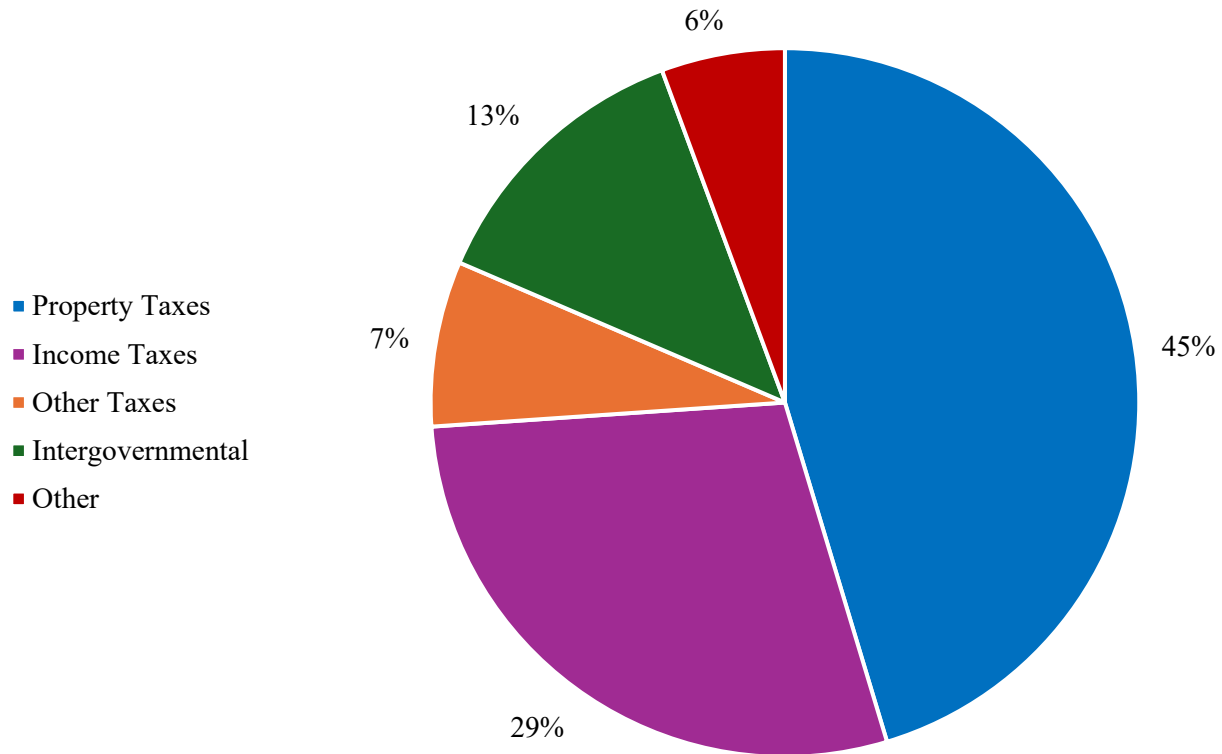
All data was collected from the County's Budget Publications

Actual Tax Supported Revenues by Major Category

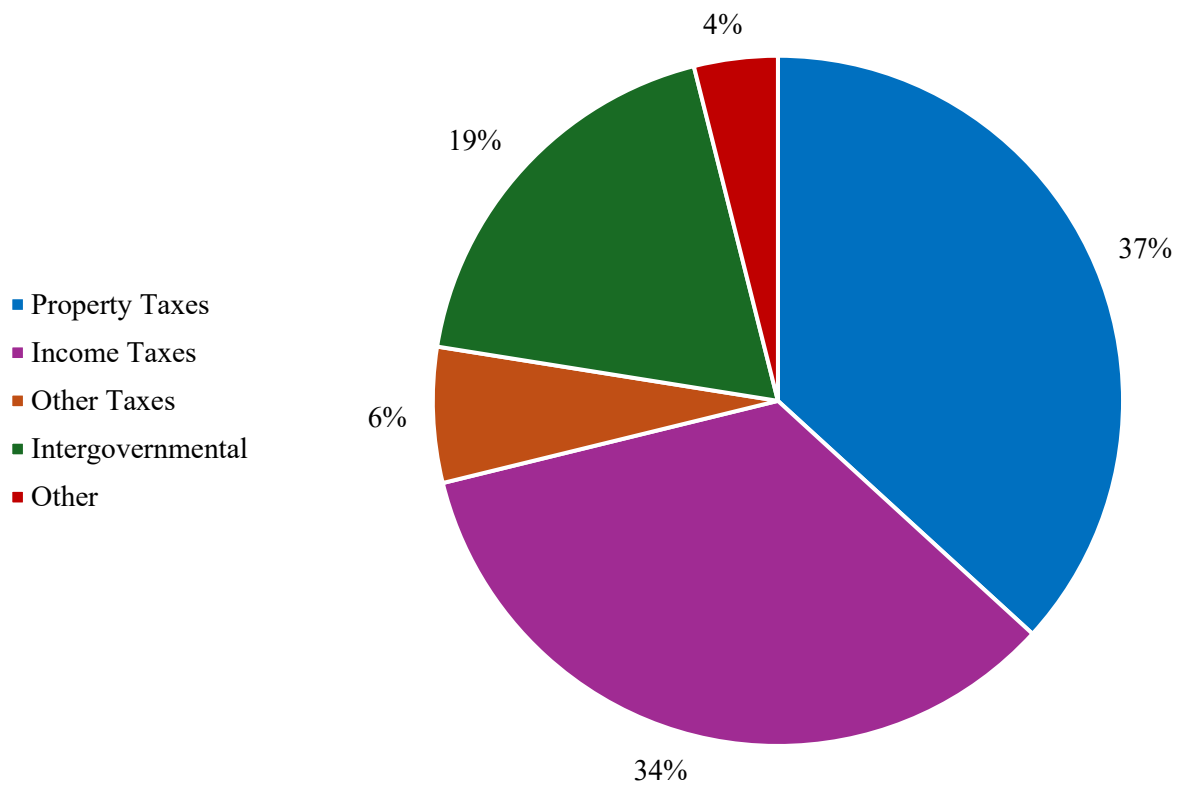


- Tax supported revenues have increased by \$4.5 billion from FY95 to FY24, primarily driven by the growth in the County's tax revenues.
- Intergovernmental revenues have increased by \$1.0 billion from FY95 to FY24, primarily driven by revenues related to State aid for MCPS.

FY95 Approved Budget - Revenues by Source

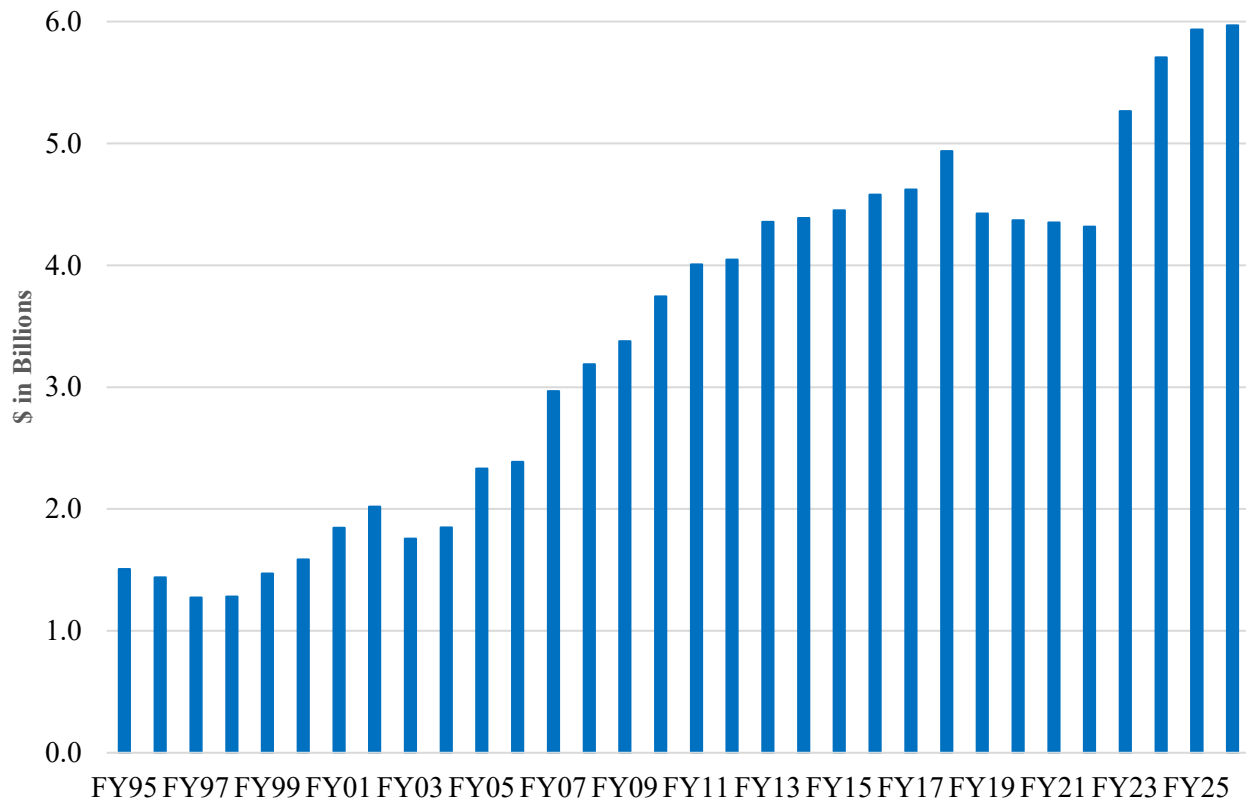


FY26 Approved Budget - Revenues by Source



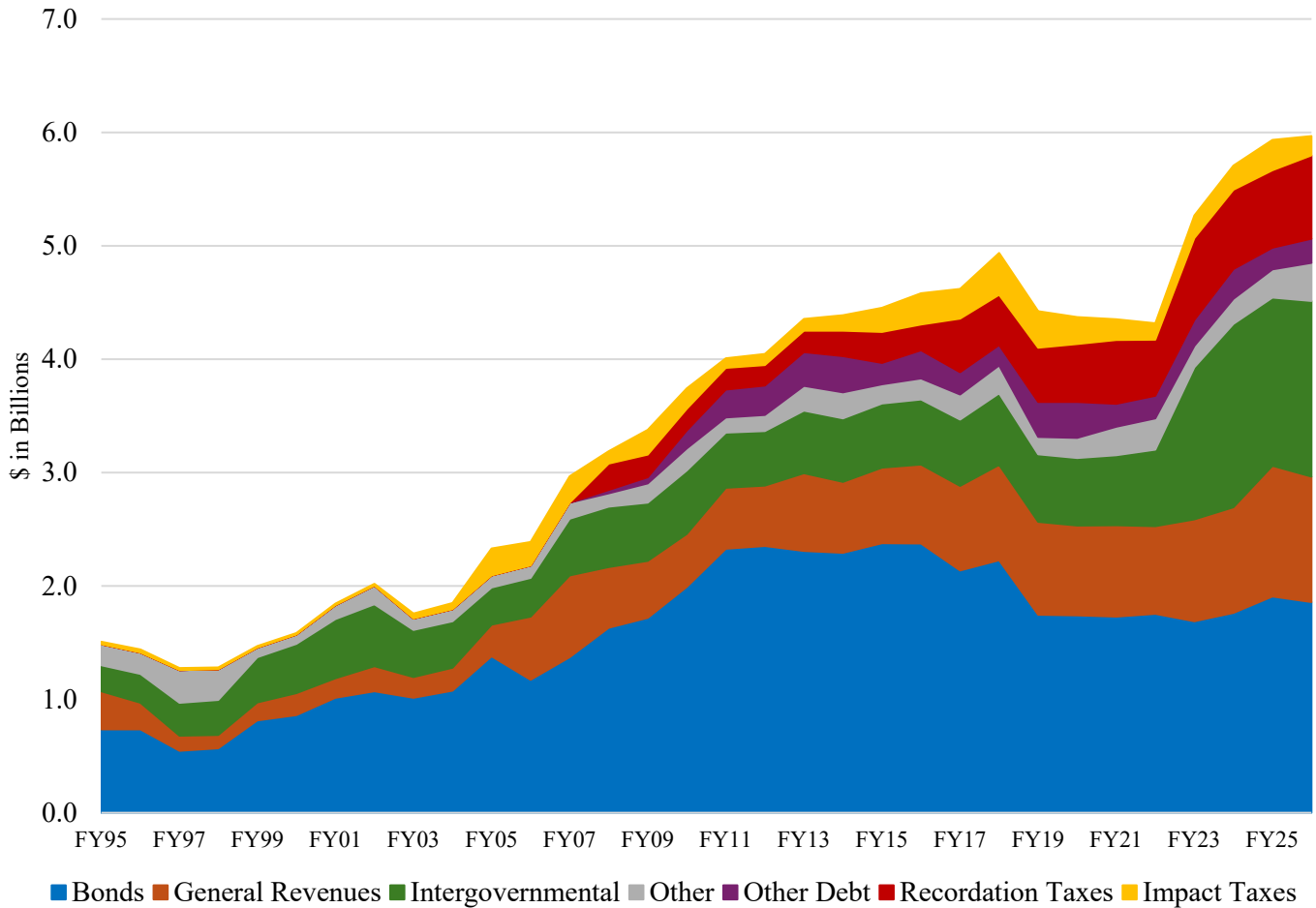
- Income tax growth has outpaced all other revenue growth from FY95 to FY26.

Approved Total Six-Year CIP Funding



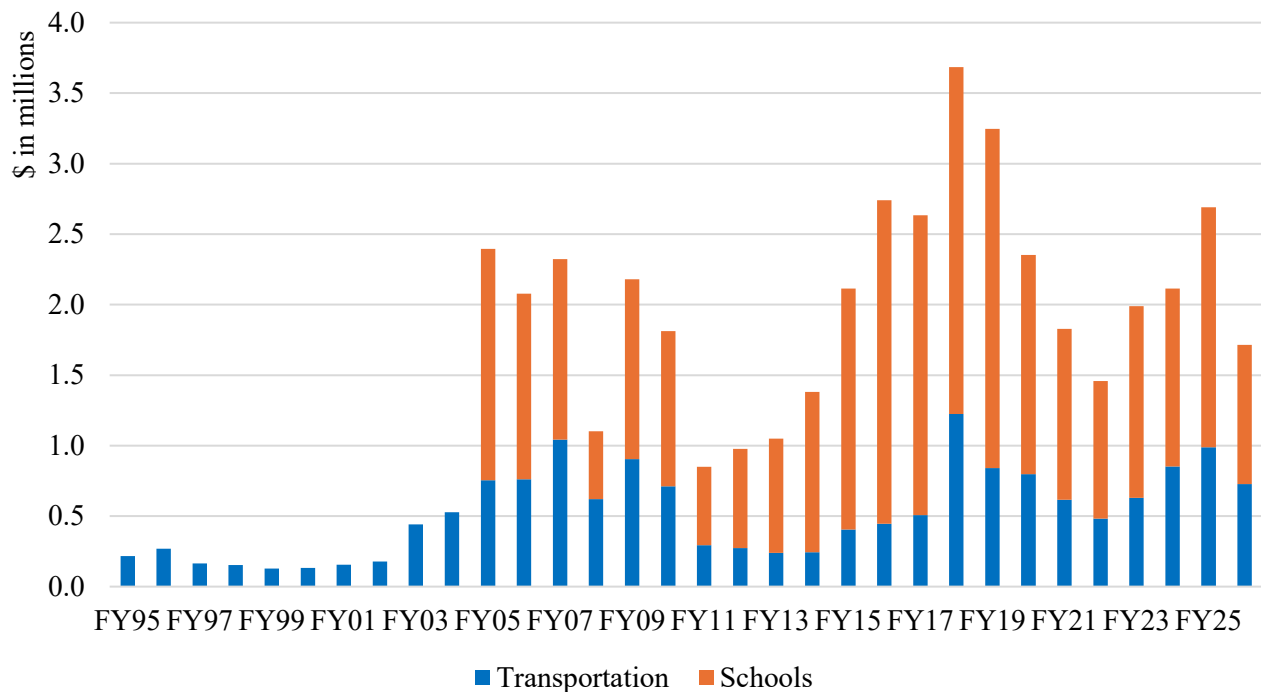
- Total approved resources in the six-year CIP increased by \$4.5 billion from FY95-FY26
- According to the Engineering News Record, the Baltimore Construction Cost Index has increased by 146.1% during the same period.

Approved Six-Year CIP by Major Funding Category

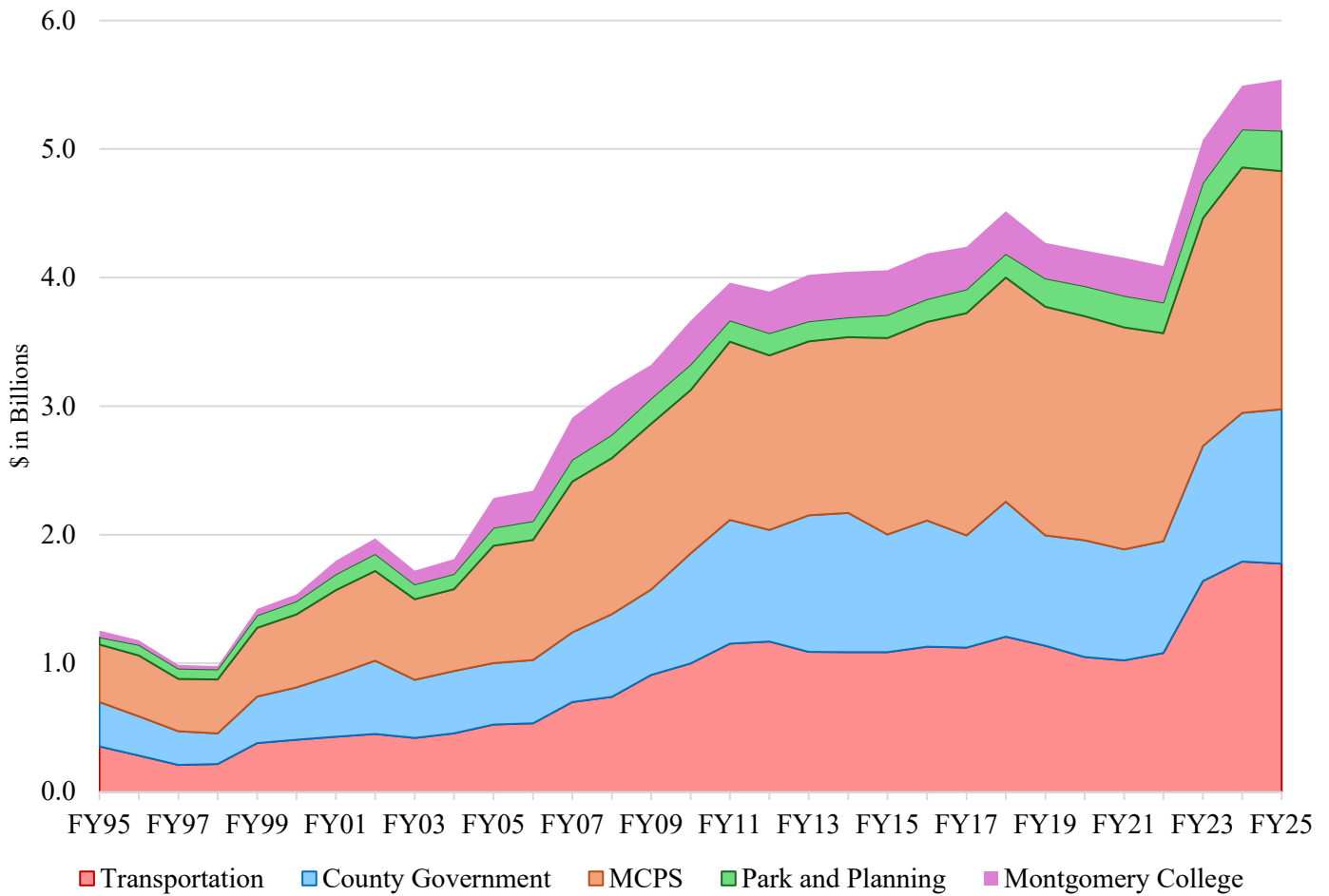


- Additional bonds and general revenues (e.g., cash from the Operating Budget) drove overall growth in the CIP resources from FY06-FY17.
- More recently from FY22-FY26, recordation taxes and intergovernmental revenues drove growth.

Impact Taxes - Breakdown



Approved Six-Year CIP by Major Expenditure Categories



Major County Funding Sources - Primer

Below is a general summary of the major funding sources available to the County.

Property Taxes

- Provides a consistent, stable funding source to bond.
- Charter restricts the affirmative votes required to increase property taxes in certain cases.
 - Funding specifically for MCPS is not included.
 - Special taxing districts for transportation are not included.
- Requires a large enough tax base to generate sufficient funds.

Recordation Taxes

- Does not provide a consistent, stable funding source to bond.
- Current Rates:
 - \$2.08 per \$500 for County General Fund
 - \$2.37 per \$500 for MCPS Construction
 - Premium is for the portion of the total value of consideration or mortgage that exceeds \$500,000, with a graduated increase to \$1,000,000.
- Council has approved increases to the premium in 2023 and the MCPS portion in 2017.

Bonds

- Coupled with a stable funding source, bonds provide greater leverage for capital projects.
- Council considers guidelines for how much to bond – [Recent Council staff report](#).
- [FY26 Debt Service Budget](#) = \$472.8 million, estimated to increase by 14.1% in the next six years.

Fees and Charges

- Used to defray the government's costs of providing a service.
- Must have a nexus for the cost and use.
- Typically, these funds are not a good source to support bonds.