

MEMORANDUM

February 25, 2014

TO: Planning, Housing, and Economic Development Committee

FROM: Jeff Zyontz,  Legislative Attorney

SUBJECT: **FY15-20 Capital Improvements Program for the Revenue Authority**

On February 27, 2014, the Committee will review the Recommended FY15-20 Capital Improvements Program (CIP) for the Montgomery County Revenue Authority. Keith Miller, Executive Director of the Revenue Authority, will be present to discuss the CIP with the Committee.

OVERVIEW

The Revenue Authority's FY15-20 CIP request consists of 9 projects totaling \$24.0 million over the six-year period. The request represents a decrease of \$2.6 million, or 10 percent, from the approved FY13-18 CIP. The change is due mainly to the decreased (\$2.9 million) funding request for the Airpark. Airpark expenditures are contingent on federal and state funds. With one exception, the expenditures for golf course improvements would be deferred past the dates anticipated in the previously approved program. The full CIP request is attached at © 1-10.

The projects include improvements at the Falls Road, Hampshire Greens, Little Bennett, Needwood, Northwest, Poolesville, and Rattlewood golf courses. The CIP also includes additional federal funding for the Airport Layout Plan and the Airport Capital Improvements Plan at the Airpark. The County Executive recommends approval of the Revenue Authority's CIP as requested. **Staff also recommends approval of the Revenue Authority's CIP, with a correction to the Falls Road PDF to delete an FY17 expenditure of \$.3 million.**

BACKGROUND

The Revenue Authority was created in 1957 to construct and operate a variety of self-supporting projects. Background on the Authority is attached on © 1. It is a self-supporting, public corporation that operates somewhat independently of County Government. The corporation owns and operates self-sustaining projects that support the County's economic development, recreation, and transportation, and assists in financing County Government projects by issuing bonds or other debt. The Revenue Authority operates under County Code, and the County Executive and County Council must review and approve

any project greater than \$50,000.¹ Unlike other agencies and departments, the County “authorizes” the Revenue Authority’s CIP; the Council does not appropriate funds.

The Revenue Authority operates 9 golf courses and the Airpark. It finances buildings used by Health and Human Services, the Recreation Department (swim centers), Montgomery College, and the Conference Center. There were 2 PDFs related to this activity in the past CIP.² The Council can expect any future projects **financed** by Revenue Authority to be listed in the appropriate Department or Agency’s CIP request; the Revenue Authority will be listed as a source of financing only.³

The Montgomery County Revenue Authority’s annual report is attached at © 11-24. It reports that 390,000 rounds of golf were played in 2012, an increase of 24,000 rounds from 2011. During 2012, an estimated 8,500 golfers participated in camps and classes. The annual report also discusses the environmental measures taken by the Revenue Authority.

The Executive Director reports that its upward trend reversed during 2013. Rounds played during the last calendar year were down 4.5 percent.

PROJECT REVIEW

1. Falls Road Golf Course (page 36-3, © 3)

The recommendation continues the improvements for this golf course, with an increase of \$275,000 from the FY13-18 program. The improvements to light the practice range were completed in FY11. Partial coverage and heating of the hitting area were completed in FY12. The existing clubhouse food area was modified in FY13, but completion is noted for FY15. The FY15 project would address erosion

¹ Sec. 42-13. Six-year programs; project approval.

(a) Six-year programs.

- (1) Before October 1 each odd-numbered calendar year, the Authority must prepare and submit a six-year capital improvements program to the Executive. The capital improvements program must include:
 - (A) a statement of the objectives of the capital program and relationship of the program to the County’s adopted long range development plans;
 - (B) recommended capital projects and a construction schedule; and
 - (C) an estimate of cost and a statement of all funding sources.
- (2) The capital improvements program must include all capital projects and programs of the Authority, including substantial improvements and extensions of projects previously authorized. Except as otherwise authorized under this Chapter, an improvement or extension of any existing project must not be undertaken unless approved in the capital improvements program.
- (3) The Executive must include the Authority’s six-year program, with any recommended revisions and modifications, in the comprehensive six-year program submitted to the Council under Section 302 of the County Charter.
- (4) The Council must adopt a six-year capital improvements program for the Authority as a part of the County’s comprehensive six-year program. The Council may amend the program. Any amendment must not become final until it is submitted to the Authority for written comment on at least 30 days notice.
- (5) The capital budget of the Authority for the succeeding fiscal year includes projects in the first year of the six-year capital program. A capital project must not be undertaken unless it is approved in the capital program or otherwise authorized under this Chapter.

² Germantown Indoor Swim Center (003901), and Cafritz Foundation Art Center (053901); both of these projects require no funding in the FY15-20 CIP.

³ In the future, projects such as the Germantown Indoor Swim Center, which at one time were listed in the Revenue Authority’s CIP, will be listed under the Recreation Department’s program.

and drainage issues in and around the on-site stream. There is no indication of the activity in FY17 other than a planned expenditure of \$.3 million. This is in error and should be corrected.

2. Hampshire Greens Restroom and Grill (page 36-4, © 4)

This is a new project for \$100,000 to provide 9th tee amenities.

3. Little Bennett Golf Course (page 36-5, © 5)

The project will improved the irrigation system and renovate the clubhouse to expand the seating area in FY15 for \$132,000. This project was delayed. No additional appropriation is required or requested.

4. Airpark (page 36-6, © 6)

The Federal and State governments and the County Revenue Authority share responsibility for funding the Montgomery County Airpark projects. Generally, the Federal government funds 90 percent, the State funds 5 percent, and the Revenue Authority funds 5 percent. Funding from the Federal government is dependent on the Airport Layout Plan (ALP), which was updated by the Revenue Authority in 2002.

The FY15-20 recommendation is a total of \$20.3 million, a decrease of \$2.0 million over the FY13-18 level. This six-year total reflects \$19.3 million of Federal Aid and \$1.2 million from both the State and the Revenue Authority. Funds are programmed through FY17. The Revenue Authority is requesting an FY15 additional appropriation of \$2.6 million and an FY17 appropriation of \$6 million. The PDF states that the funds will provide for preliminary acquisition of properties to address runway issues.

5. Needwood Golf Course (page 36-7, © 7)

The recommended funding total for the six-year period is \$1.3 million (\$50,000 more than the FY13-18 request); some \$124,000 was spent by the end of FY13. The FY11 funds allowed for improvements to the main irrigation ponds. FY12 funds provided for modifications to the clubhouse food area. Funds in FY17 and FY18 (\$600,000 in FY17 and \$706,000 in FY18) will provide for the complete replacement of the irrigation system. No funds are requested for FY16, although the FY13-18 CIP anticipated completing this project in FY16.

6. Northwest Golf Course (page 36-8, © 8)

This was a new project in FY11 to provide for improvements to the golf course. The recommended funding total for the six-year period is \$793,000. Improvements include modifying the existing golf course and remodeling the clubhouse. The approved FY13-18 CIP expected this project to be completed by FY16. The project as now proposed would not be completed until FY19.

7. Poolesville Golf Course (page 36-9, © 9)

The recommendation for this project continues improvements at the golf course. The six-year recommended total is \$1 million, with most expenditures scheduled in FY15. The PDF indicates that funds will support a new irrigation system and parking lot. Demolition of the existing clubhouse is scheduled for FY15. The FY13-18 CIP scheduled most expenditures in FY16.

Revenue Authority

AGENCY DESCRIPTION

The Revenue Authority is an instrumentality of Montgomery County and a public corporation created in accordance with State law in 1957 to construct and operate a variety of self-supporting projects. The Revenue Authority Board consists of six members. Five members serve five-year staggered terms and are appointed by the County Executive, subject to confirmation by the County Council. A sixth member, the Chief Administrative Officer or designee, was added when Chapter 42 of the County Code was amended in 1998. The Revenue Authority is authorized to issue its own revenue bonds and other debt, which are repaid solely from the revenues received by the Authority; general tax receipts are not used for the retirement of Authority debt.

PROGRAM DESCRIPTION AND OBJECTIVES

The Revenue Authority was created to construct, improve, equip, furnish, and maintain financially self-supporting projects devoted wholly, or partially, for the public use, public good, or general welfare. It promotes, develops, and operates or leases operations in several County program areas, including transportation and recreation. In the area of transportation, the Authority leases the operation of the Montgomery County Airpark. The recreation program area includes nine active golf courses; and leased operations to the County Department of Recreation of four pools, which are partially financed by the Authority. Under a thirty-year lease agreement between it and the Maryland-National Capital Park and Planning Commission (M-NCPPC), the Revenue Authority assumed responsibility for managing the following M-NCPPC golf courses in FY08: Sligo Creek, Northwest, Little Bennett and Needwood. The Sligo Creek golf course has since been returned to the M-NCPPC and is currently managed by the Revenue Authority under a management agreement.

HIGHLIGHTS

- Add a new project, HG Restroom Amenities and Grille at the Hampshire Greens golf course to construct a facility with restrooms and a grille/snack bar area near the ninth tee.
- Focus on long-term sustainability of fixed assets including modifications to the clubhouse food service areas, irrigation, and clubhouse seating improvements to the Falls Road, Little Bennett, Needwood, Northwest, and Poolesville golf courses.
- Continue to implement the next phase of the Airport Layout Plan and the Airport Capital Improvement Plan accepted by the Federal Aviation Administration.

PROGRAM CONTACTS

Contact Keith Miller, Executive Director, Montgomery County Revenue Authority, 301.762.9080, or Jennifer Bryant of the Office of Management and Budget at 240.777.2761 for more information regarding this department's capital budget.

CAPITAL PROGRAM REVIEW

The FY15-20 Capital Improvements Program proposed by the Revenue Authority consists of seven ongoing projects totaling \$24 million over the next six years. The request represents a \$2.7 million, or 10.1 percent decrease from the \$26.7 million approved in the amended FY13-18 program. The change is due mainly to some project expenditures for the Needwood golf course, and the Montgomery County Airpark moving out of the six-year period. The FY15-20 six-year program costs are associated with improvements at Falls Road, Little Bennett, Hampshire Greens, Needwood, Northwest, and Poolesville golf courses, as well as, continued Federal funding of the Airport Layout Plan and the Airport Capital Improvement Plan at the Airpark.

The County Executive recommends \$24 million for the Revenue Authority for FY15-20.

The Revenue Authority FY15-20 program is funded by Revenue Authority debt, Revenue Authority current revenues, Federal funds, and State funds. Details of the Revenue Authority projects are included on the respective project description forms.

STATUTORY AUTHORITY

The Revenue Authority operates under the Montgomery County Code Chapter 42, 1984, amended 1998.

Prior to FY93, the Revenue Authority operated under State law. It was transferred from State law to the County Code during FY93. The transfer to the County enables local amendments to the Authority's governing law without requiring State legislative action.

The Revenue Authority is responsible for preparing a six-year Capital Improvements Program (CIP) and submitting it to the County Executive prior to October 1 of each biennial year. The County Executive includes this program, along with comments and recommendations, in the comprehensive six-year CIP submitted to the County Council by January 15 for each odd-numbered fiscal year.

The County Council holds public hearings and may approve, amend, or modify the Revenue Authority's capital budget on, or before, adoption of the County's annual budget and

appropriation resolution. Funds for the Revenue Authority projects are not appropriated since the Revenue Authority is self-supporting and operates independently of the County government. Any project costing more than \$50,000 may not be undertaken by the Revenue Authority without review and approval by the County Executive and County Council.

Falls Road G.C. Improvements (P967432)

Category
Sub Category
Administering Agency
Planning Area

Revenue Authority
Golf Courses
Revenue Authority (AAGE20)
Cabin John

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

12/23/13
No
None
Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	539	514	0	25	0	25	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	2,188	2,188	0	0	0	0	0	0	0	0	0
Construction	1,931	1,552	0	379	0	70	309	0	0	0	0
Other	73	73	0	0	0	0	0	0	0	0	0
Total	4,731	4,327	0	404	0	95	309	0	0	0	0

FUNDING SCHEDULE (\$000s)											
Revenue Authority	4,731	4,327	0	404	0	95	309	0	0	0	0
Total	4,731	4,327	0	404	0	95	309	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		4,731
Expenditure / Encumbrances		4,327
Unencumbered Balance		404

Date First Appropriation	FY 96	
First Cost Estimate		
Current Scope	FY 11	4,731
Last FY's Cost Estimate		4,731

Description

This project provides for improvements at Falls Road Golf Course located at 10800 Falls Road in Potomac. Modifications to the existing clubhouse food service area will be completed in FY15, and the stream connection project will be completed in FY15 to address erosion and drainage issues. These projects were approved in the prior CIP but delayed.

Location

10800 Falls Road, Potomac MD

Justification

The project proposes practice facility improvements, which serve to enhance current golfers' experiences, while increasing availability to non-golfers to learn the game. The planned modifications to the food services facility will provide patrons a broader selection of food options with quick efficient service.

Fiscal Note

The expenditure schedule has been adjusted due to fiscal capacity.

Coordination

Montgomery County Department of Permitting Services, Maryland Department of the Environment

HG Restroom Amenities and Grille (P391501)

Category	Revenue Authority	Date Last Modified	1/6/14
Sub Category	Golf Courses	Required Adequate Public Facility	No
Administering Agency	Revenue Authority (AAGE20)	Relocation Impact	None
Planning Area	Silver Spring	Status	Planning Stage

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
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	100	0	0	100	100	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	100	0	0	100	100	0	0	0	0	0	0

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Revenue Authority	100	0	0	100	100	0	0	0	0	0	0
Total	100	0	0	100	100	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	100
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		0
Expenditure / Encumbrances		0
Unencumbered Balance		0

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY 15
Last FY's Cost Estimate	0

Description

Construction of a new building with a restroom and grille/snack bar area at Hampshire Greens Golf Course near the 9th tee approach between the range and the tee

Location

616 Firestone Dr, Silver Spring MD

Justification

To improve customer service by providing better and more convenient access to amenities on the property.

Coordination

Maryland Department of the Environment, Montgomery County Department of Permitting Services

Little Bennett Golf Course (P093903)

Category
Sub Category
Administering Agency
Planning Area

Revenue Authority
Golf Courses
Revenue Authority (AAGE20)
Clarksburg

Date Last Modified
Required Adequate Public Facility
Relocation Impact
Status

12/23/13
No
None
Planning Stage

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	3	3	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	252	120	0	132	132	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	255	123	0	132	132	0	0	0	0	0	0

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Revenue Authority	255	123	0	132	132	0	0	0	0	0	0
Total	255	123	0	132	132	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		255
Expenditure / Encumbrances		123
Unencumbered Balance		132

Date First Appropriation	FY 09	
First Cost Estimate		
Current Scope	FY09	255
Last FY's Cost Estimate		255

Description

This project provides for improvements at Little Bennett Golf Course located at 25900 Prescott Road in Clarksburg. The improvements include upgrades to the irrigation system and the clubhouse. The clubhouse renovation includes expansion of the seating area to better accommodate groups, which will improve revenue performance. The projects were approved in the prior CIP and delayed.

Location

25900 Prescott Road, Clarksburg MD

Justification

The clubhouse remodeling will expand the seating area to better accommodate group functions and improve revenue performance. The irrigation system is central to the infrastructure of the course.

Fiscal Note

The expenditure schedule has been adjusted due to fiscal capacity.

Coordination

Maryland-National Capital Parks and Planning, Montgomery County Department of Permitting Services

Montgomery County Airpark (P703909)

Category	Revenue Authority	Date Last Modified	12/23/13
Sub Category	Miscellaneous Projects (Revenue Authority)	Required Adequate Public Facility	No
Administering Agency	Revenue Authority (AAGE20)	Relocation Impact	Yes
Planning Area	Gaithersburg	Status	Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	3,560	1,810	500	1,250	300	500	450	0	0	0	0
Land	39,883	23,133	0	16,750	2,000	3,500	11,250	0	0	0	0
Site Improvements and Utilities	6,235	6,235	0	0	0	0	0	0	0	0	0
Construction	10,673	5,350	3,023	2,300	300	2,000	0	0	0	0	0
Other	1,002	1,002	0	0	0	0	0	0	0	0	0
Total	61,353	37,530	3,523	20,300	2,600	6,000	11,700	0	0	0	0

FUNDING SCHEDULE (\$000s)

Contributions	85	85	0	0	0	0	0	0	0	0	0
Federal Aid	56,865	34,233	3,347	19,285	2,470	5,700	11,115	0	0	0	0
Revenue Authority	2,350	1,755	88	507	65	150	292	0	0	0	0
State Aid	2,053	1,457	88	508	65	150	293	0	0	0	0
Total	61,353	37,530	3,523	20,300	2,600	6,000	11,700	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	2,600
Appropriation Request Est.	FY 16	6,000
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		41,053
Expenditure / Encumbrances		37,530
Unencumbered Balance		3,523

Date First Appropriation	FY 70	
First Cost Estimate		
Current Scope	FY 13	61,353
Last FY's Cost Estimate		61,353

Description

The Montgomery County Airpark is a general aviation reliever airport located at 7940 Airpark Drive in Gaithersburg. The Montgomery County Revenue Authority (MCRA) updated the Airport Layout Plan (ALP) in 2002. The updated ALP identifies the projects and plans the sequencing for continued airport improvement. An Environmental Study of the ALP identified projects for the first five years and was completed in December 2005. Federal funds for the Airpark are approved by the Federal Aviation Administration (FAA) through the Airport Capital Improvement Plan (ACIP). FAA priorities for funding airport projects include promoting safety and security; preserving existing infrastructure; mitigating noise or environmental impacts; fulfilling compliance; and providing capacity.

Location

7940 Airpark Drive, Gaithersburg MD

Estimated Schedule

ALP projects have slipped into later years due to the deferral of Federal funding.

Justification

The recommended acquisitions, easements, and obstruction removals address obstructions to air navigation and protect life and property on the ground. Activities are based on Federal Aviation Administration design standards and guidelines. The basis for the planned improvements is the Airport Layout Plan (ALP) approved by the FAA on July 25, 2002 and the Airport Capital Improvement Plan (ACIP) for 2011 -2016 submitted to the FAA.

Fiscal Note

The funding schedule is per the Federal Aviation Administration Airport Capital Improvement Program. Funding will provide for preliminary acquisition of properties as required by the FAA for the runway protection zone and for planning for the removal of obstructions to Runway 32. Future funding may be affected by changes to the federal budget and FAA funding levels. Typically, funding for all Airpark projects is approximately 90 percent Federal, 5 percent State, and 5 percent Revenue Authority. These percentages may change according to the future funding levels of the FAA.

Disclosures

A pedestrian impact analysis has been completed for this project.

Revenue Authority (A20) asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Coordination

Federal Aviation Administration, Maryland Aviation Administration, Maryland-National Capital Park and Planning Commission, Airport Liaison Committee

Needwood Golf Course (P113900)

Category
 Job Category
 Administering Agency
 Planning Area

Revenue Authority
 Golf Courses
 Revenue Authority (AAGE20)
 Shady Grove Vicinity

Date Last Modified 12/23/13
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	7	7	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,306	0	0	1,306	0	0	600	706	0	0
Construction	44	44	0	0	0	0	0	0	0	0
Other	73	73	0	0	0	0	0	0	0	0
Total	1,430	124	0	1,306	0	0	600	706	0	0

FUNDING SCHEDULE (\$000s)

Revenue Authority	1,430	124	0	1,306	0	0	600	706	0	0
Total	1,430	124	0	1,306	0	0	600	706	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		230
Expenditure / Encumbrances		124
Unencumbered Balance		106

Date First Appropriation	FY 11	
First Cost Estimate		
Current Scope	FY 11	1,430
Last FY's Cost Estimate		1,430

Description

This project provides for improvements to Needwood Golf Course located at 6724 Needwood Road in Derwood. In FY17 and FY18, this project provides for a complete replacement of the irrigation system at this facility.

Location

6724 Needwood Road, Derwood MD

Justification

The irrigation system is in need of upgrades which will allow for improved playing conditions for golfers while also improving the efficient use of water resources. The planned modifications to the food services facility will provide patrons a broader selection of food options with quick, efficient service.

Fiscal Note

The expenditure schedule has been adjusted due to fiscal capacity.

Coordination

Maryland Department of the Environment; Montgomery County Department of Permitting Services

Northwest Golf Course (P113901)

Category Revenue Authority
 Sub Category Golf Courses
 Administering Agency Revenue Authority (AAGE20)
 Planning Area Kensington-Wheaton

Date Last Modified 12/23/13
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	15	15	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	508	508	0	0	0	0	0	0	0	0	0
Construction	793	0	0	793	150	75	189	189	190	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	1,316	523	0	793	150	75	189	189	190	0	0

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Revenue Authority	1,316	523	0	793	150	75	189	189	190	0	0
Total	1,316	523	0	793	150	75	189	189	190	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	0
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		1,091
Expenditure / Encumbrances		523
Unencumbered Balance		568

Date First Appropriation	FY 11
First Cost Estimate	
Current Scope	FY 11 1,316
Last FY's Cost Estimate	1,316

Description

This project provides for improvements at Northwest Golf Course located at 15711 Layhill Road in Wheaton. The project scope includes modifying the existing golf course, improving the playability for different levels of golfers.

Location

15711 Layhill Road, Wheaton MD

Justification

The public daily fee golf course must cater to the diverse abilities of many golfers, from low to high handicappers, by providing both appropriate levels of strategy and challenge and an interesting and pleasant setting in which to play the game. The objective of the improvements is to provide maximum playability, enhance visual quality, and allow for the most efficient maintenance of the golf course. The project proposes improvements to the golf course which serve to enhance the existing character and playability, while employing contemporary standards for design, construction, and maintenance.

Fiscal Note

The expenditure schedule has been adjusted due to fiscal capacity.

Coordination

Maryland Department of the Environment, Montgomery County Department of Permitting Services

Poolesville Golf Course (P997458)

Category Revenue Authority
 Sub Category Golf Courses
 Administering Agency Revenue Authority (AAGE20)
 Planning Area Poolesville

Date Last Modified 12/23/13
 Required Adequate Public Facility No
 Relocation Impact None
 Status Ongoing

	Total	Thru FY13	Est FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	100	100	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	285	285	0	0	0	0	0	0	0	0	0
Construction	1,550	550	0	1,000	1,000	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	1,935	935	0	1,000	1,000	0	0	0	0	0	0

FUNDING SCHEDULE (\$000s)											
Revenue Authority	1,935	935	0	1,000	1,000	0	0	0	0	0	0
Total	1,935	935	0	1,000	1,000	0	0	0	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 15	1,000
Appropriation Request Est.	FY 16	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		935
Expenditure / Encumbrances		935
Unencumbered Balance		0

Date First Appropriation	FY 99
First Cost Estimate	
Current Scope	FY 11 1,935
Last FY's Cost Estimate	1,935

Description

This project provides for improvements at Poolesville Golf Course located at 16601 West Willard Road in Poolesville. Replacement scheduled for FY16 will be completed in FY15.

Location

16601 West Willard Road, Poolesville MD

Justification

The projects addresses long-term infrastructure needs

Fiscal Note

The project has been accelerated to FY15 due to worsening conditions of existing irrigation system.

Coordination

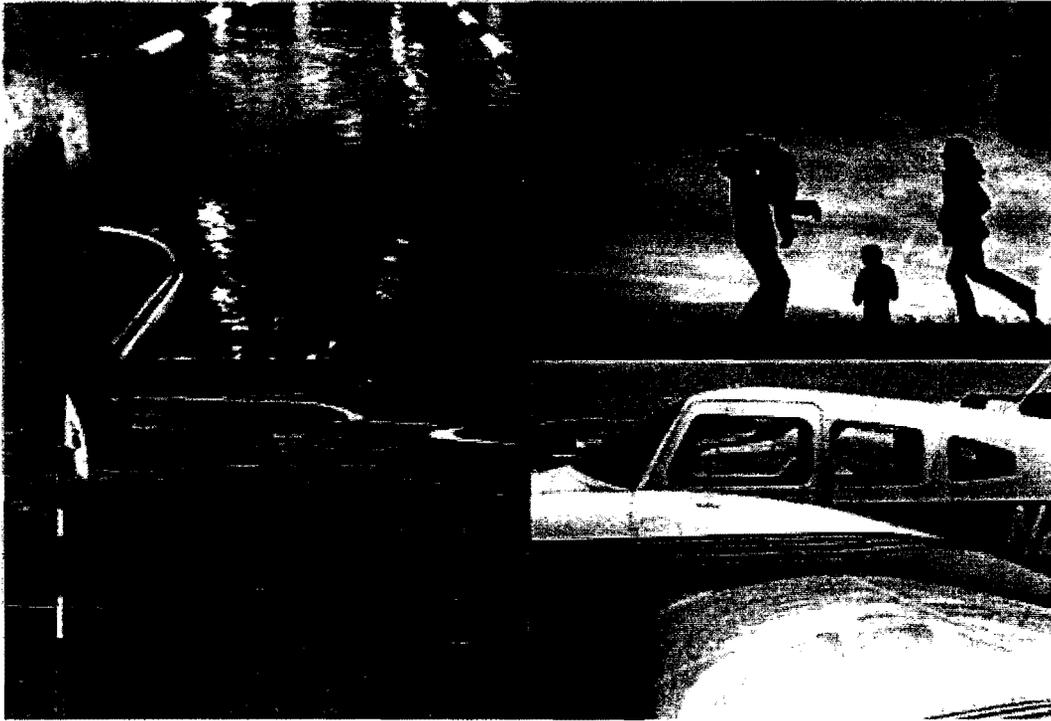
Maryland Department of the Environment, Montgomery County Department of Permitting Services

Expenditure Detail by Category, Sub-Category, and Project (\$000s)

	Total	Thru FY13	Est FY14	6 Year Total	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs	Approp.
Revenue Authority (C14)												
Golf Courses												
Little Bennett Golf Course (P093903)	255	123	0	132	132	0	0	0	0	0	0	0
Needwood Golf Course (P113900)	1,430	124	0	1,308	0	0	600	706	0	0	0	0
Northwest Golf Course (P113901)	1,316	523	0	793	150	75	189	189	190	0	0	0
Falls Road G.C. Improvements (P967432)	4,731	4,327	0	404	0	95	309	0	0	0	0	0
Poolesville Golf Course (P997458)	1,935	935	0	1,000	1,000	0	0	0	0	0	0	1,000
HG Restroom Amenities and Grills (P391501)	100	0	0	100	100	0	0	0	0	0	0	100
Golf Courses	9,787	6,032	0	3,735	1,382	170	1,098	895	190	0	0	1,100
Miscellaneous Projects (Revenue Authority)												
Germantown Indoor Swim Center (P003901)	22,716	22,716	0	0	0	0	0	0	0	0	0	0
The Cafritz Foundation Art Center (Rev. Auth.) (P053901)	30,000	30,000	0	0	0	0	0	0	0	0	0	0
Montgomery County Airpark (P703909)	61,353	37,530	3,523	20,300	2,600	6,000	11,700	0	0	0	0	2,600
Miscellaneous Projects (Revenue Authority)	114,069	90,246	3,523	20,300	2,600	6,000	11,700	0	0	0	0	2,600
Revenue Authority (C14)	123,836	96,278	3,523	24,035	3,982	6,170	12,798	895	190	0	0	3,700

36-10

* = Closeout or Pending Closeout
CIP230 - Recommended



MCRA

ANNUAL REPORT 2012

**Dedicated to providing services,
products, and opportunities of value
that offer enrichment to the
community**

Vision Statement

Montgomery County Revenue Authority is committed to growing a sustainable network that:

- *Is nationally, regionally, and locally recognized for its offerings and performance.*
- *Is dedicated to achieving higher environmental standards.*
- *Continues to offer new and innovative programs and services for the benefit of the community and our team.*

Montgomery County Revenue Authority is committed to the following core values:

1. *Integrity*
2. *Team*
3. *Customer Service*
4. *Community*
5. *The Environment*
6. *Safety*
7. *Quality*
8. *Growth*
9. *Fun*

MCRA - OVERVIEW

The Montgomery County Revenue Authority (MCRA), created in 1957, is an instrumentality of Montgomery County, Maryland and a public corporation. The MCRA was established to construct, improve, equip, furnish, maintain, acquire, operate, and finance projects devoted wholly or partially for public use, good, or general welfare. A six-member Board governs the MCRA, with five members appointed by the County Executive and confirmed by the County Council. The sixth member - the Chief Administrative Officer of Montgomery County or designee serves in a non-voting, *ex-officio* capacity.

The two primary activities of the MCRA are to operate self-supporting facilities and to finance public facilities. On the operations side, the MCRA manages its golf course system comprised of nine golf courses along with the Montgomery County Airpark. The operated facilities generate various forms of revenue, which are used to fund MCRA operations and to provide for facility improvements. A portion of the operating revenues are used to retire any debt associated with operated facilities.

On the public financing side, the MCRA issues bonds to raise capital, to acquire land or other property, or to pay construction costs for Montgomery County facilities. Through a financing partnership with a broad range of County agencies, the MCRA has supported important public purposes as far reaching as economic development, education, transportation, health and human services, recreation, and the arts. The agencies' lease payments are used by the MCRA to retire the debt obligations.

MONTGOMERY COUNTY REVENUE AUTHORITY – 2012 HIGHLIGHTS

The Montgomery County Revenue Authority (MCRA) remained committed to its mission to grow through new initiatives and continued partnerships. The golf industry saw an increase in rounds of 5.7% nationally in 2012. Rounds of golf increased 6.3% locally and 4.1% regionally according to the National Golf Foundation. The MCRA increased its rounds by 6.5% in large part by improved customer service and programming.

The MCRA partnered with the Montgomery County Government in 2012 in the refinancing of the Bethesda North Conference Center on Marinelli Drive in Rockville with the MCRA's issuing of \$8,395,000 in taxable bonds. This refunding results in \$1,072,000 in interest savings over the remaining life of the bonds. The MCRA continues to enhance its operations and work with its partners to provide products that maximize the recreational enjoyment of the community while also identifying opportunities to save taxpayer dollars.

MCRA Golf Initiatives

The MCRA's golf course system, operated under the flag of MCG, hosted more than 390,000 rounds in 2012 at its nine golf courses. This was a significant increase of over 24,000 rounds from the previous year. The following is a summary of the broad range of MCRA initiatives focused on the needs of the communities we serve.

- **Community Assistance Programs**
 - The First Tee of Montgomery County again raised more than \$35,000 at their annual fundraiser at Laytonsville Golf Course, which was sold out.
 - MCRA donated \$1 per round for every round played on Folds of Honor, which raised more than \$4,000 for our fallen soldiers' families.
 - This was a joint initiative with the PGA of America and the United States Golf Association that raised contributions for the Folds of Honor.
 - Folds of Honor supports families of those who have become disabled or lost their lives in the line of military duty.
 - MCRA donated auction items valued at more than \$20,000 to more than 100 local charities including public and private schools.

- **Family Golf**
 - MCRA continued to offer our successful Family Golf that began in 2009 at all nine golf courses.
 - Free Family Golf clinics were offered each Saturday or Sunday from May - August at rotating golf courses
 - We estimate that over 950 people, up from 750 people in 2011, people visited our courses for the first time.
 - \$10 rates for all families were offered Monday - Friday at any time at our 9-hole courses and after 5 pm at all 18-hole courses.
 - Since May 1, 2010 we have experienced over 6,900 Family Golf rounds.
 - A "course within a course" was set up for juniors, along with family scorecards.
 - This program was mentioned in 2010 in the *Golf Business Magazine*, which is a nationally known trade publication.

- **MCG Academy**
 - The MCG Academy has developed a step-by-step plan for golfers of all levels to improve their game. We currently have in place Golf 101, 102, 103, and 104, that provide all level of golfers the program to help their game.
 - The PGA of America is using the MCG Academy program as an example for facilities throughout the United States.

- In 2012, the MCG Academy increased instruction by more than 20% over previous year.

- ***Robust Junior Golf Programs***

- The Academy revised its junior program with specific goals and objectives for each of its camps. This revised curriculum ensures that our juniors have the opportunity to have fun, improve their games, and learn basic golf rules and etiquette.
- The MCG Academy also created and implemented a weekly mini-camp for kids. These mini-camps were offered after school at Falls Road, Northwest, Needwood, Little Bennett, and Rattlewood.
- We continued our long-standing partnership with The First Tee of Montgomery County, a program that uses golf to teach life skills to underprivileged kids. MCG Academy instructors host more than 500 participants annually at our Laytonsville, Needwood, Northwest, and Sligo Creek Golf Courses.
- In total, MCG Academy professionals instructed in excess of 8,500 junior golfers in camps, clinics, groups, and individual sessions.
- Through a grant with the USGA, the MCG Academy purchased BirdieBall equipment. This equipment provides a new fun and exciting way for juniors to enjoy golf. BirdieBall is a fun and creative way for kids to hit golf shots away from the course and be involved in games and contests off the course. Golf horseshoes and inflatable targets like skeeball are part of the mix.
- High school golf - MCG worked with MCPS to provide free access to all facilities for tryouts, practices, matches, and season ending events at an estimated value of more than \$50,000.



- ***Golf Industry Supported Initiatives***

- Get Golf Ready, initiated in 2009, was continued through 2012 with great success.
 - This national grow golf program was initiated by the World Golf Foundation.
 - Specially priced at \$99 for five introductory golf lessons
 - More than 1,000 participants have taken advantage of this great program.

- Take Your Daughter to the Course Day, a Play Golf America event sponsored by PGA of America
- Women in Golf Day
- Bring Your Kids to the Driving Range Day

MCG Programs

- The MCG Academy team, as a follow up to the Get Golf Ready Program, developed Keep Golf Going. The program offers the next level of instruction and on-course play. Over 300 players participated in the program and many became loyal MCG customers and new golfers.
- Member For a Day -This program included an “all inclusive” price, which consists of continental breakfast, green fee, cart fee, lunch, driving range, and replay rounds Monday - Friday. The program was successfully offered at Little Bennett, Laytonsville, Poolesville, and Rattlewood.



Little Bennett Golf Course

• **Competitive Golf**

- The Annual MCG Summer Amateur has over 200 participants annually. The Junior, Senior, and Ladies’ divisions were played at Laytonsville, while the Men’s competition was held at Northwest over 2 days in early August.
- Fourth Annual MCG High School Invitational
 - 72 of the County’s top high school golfers competed in boys’ and girls’ divisions
 - Both public and private high school students participated
- Organized more than 48 competitive leagues across eight golf courses with leagues and tournaments accounting for over 18,000 rounds of golf.
- Fourth Annual MCG Cup Series. Golfers competed for prizes over a six-week event at six different MCG courses culminating with a championship match and awards dinner at Hampshire Greens Golf Course. Over \$9,000 in prizes were given out during this event

- **MCG - Frequent Player Programs Launched**

Our Loyalty Programs that launched in 2009 continued to be a strong program for us in 2012:

- Player Pass - this program was sold for \$29 and allowed players a 10% discount on cart and green fees anytime during the year at all 9 courses.
- Frequent Player Pass - this is an upgraded program that sold for \$249 and gave the player a 20% discount on all cart and green fees, along with discounts on food and beverage, pro shop merchandise at employee prices, and points awarded for each play that could be redeemed for free golf.
- Additionally, Membership Programs were implemented that allowed a player to purchase a package that included unlimited green fees and a discount program for both Weekday and Full Unlimited access for all 9 courses. These programs were very successful with 200 sold and are currently sold out for the 2013 season.



Laytonsville Golf Course

Agromony and Environmental

Stewardship at MCRA Golf Courses

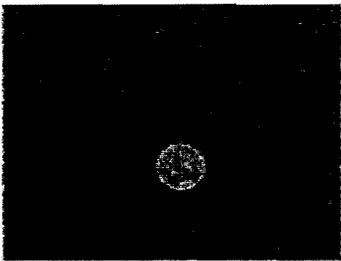
MCRA golf courses continued their commitment to environmental initiatives in 2012 and finished another year of challenging weather patterns in great condition. Important agronomic strategies continued and a number of projects were undertaken that will have long-term benefits to playability and the environment. We also have partnered with 2 local high schools by performing field maintenance work that is providing more sustainable, safer playing fields for student athletes.

Agromony: Among the key agronomic programs that allow our superintendents to deliver appealing playing surfaces while reducing pesticide and fertilizer use are:

- **Aeration:** Aeration is arguably the most important of all cultural practices. Core aeration, wherein plugs of turf, thatch, and underlying soil are removed, allows for increased root growth, improved air exchange to roots, and improved water infiltration, among a host of other benefits. When aeration is performed on greens, holes are typically backfilled with 100% sand, which keeps these important channels open for weeks or months for continued turf health benefits. The sand is of specific angularity and particle sizes to allow it to maintain surface firmness as well as permit the playing surface to "breathe." While this procedure is temporarily disruptive for golfers, it



is a significant reason why highly scrutinized playing surfaces can be maintained in such great condition.

- **Topdressing:** Weekly or bi-weekly applications of light amounts of sand go virtually unnoticed by golfers. This important process not only continues to maintain the surface firmness desired by our golfers, but also helps to dilute thatch and organic matter that naturally builds up as the turf grows. Minimizing the buildup of organic matter in soil is important because thatch holds moisture (increasing disease pressure) and is a habitat or food source for undesirable insects. 
- **Rolling:** Lightweight (800-lb) dedicated, motorized rollers are used typically 3-5 times per week on greens and have been shown in numerous university research studies to reduce incidence of disease such as dollar spot (*Sclerotinia homeocarpa*), one of the diseases our greens are most prone to getting. Using these machines allows us to also increase green speed when necessary, as well as smooth the playing surface. In 2012, especially during the summer, we were able to eliminate mowing 2-3 days per week by simply rolling greens in the morning to prepare the greens for play; this practice not only reduced disease pressure but also reduced fuel emissions. On these days, we used a single machine with an 8-hp engine (typically using only ½ gallon of gas per day) instead of 2 machines with 25-hp engines (which use a total of about 2 gallons per day). 
- **Venting/Spiking:** Every 2-3 weeks throughout the year, superintendents will make a decision to perform another important but minimally disruptive practice. Venting is usually performed with equipment that leaves very small (0.2 - 0.25 inch) holes throughout the green at 1.25-inch spacing. This machine rolls the turf smooth afterwards as well. Spiking is typically done with special units that fit on a greens mower and leave small slits in the green. This process is much faster, but since the slits will close more quickly it is typically beneficial for a few days up to a week. Both practices are still very important tools that can help dry out a wet green and/or provide oxygen to the upper root zone and make the turf healthier. 

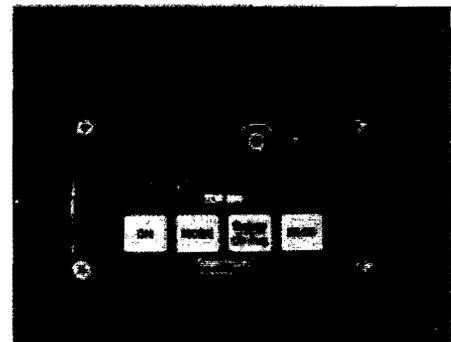
- Soil Testing:** Without a well-balanced soil, many of our efforts to maintain great turf are wasted. By taking soil samples of individual greens, tees, fairways, or roughs, we are able to determine exactly what the grass needs. And we save a lot of labor, fuel, and resources by only targeting specific applications of nutrients or soil amendments like gypsum or compost where the soil tests dictate. Not only does the grass perform better at an “ideal” nutrient ration but the soil will also more readily support a diverse microbiology and will also have improved drainage properties.

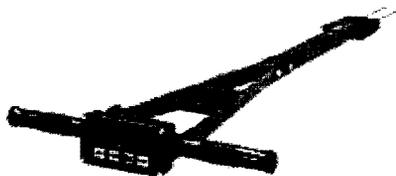
New Customer Growth FY 2011		4.88	4.87
per 100 Acres		8.80	8.80
Organic Matter Percent		2.37	2.22
NITROGEN	SULFUR	12	14
	Phosphorus	254	228
PHOSPHORUS	CALCIUM	563	544
	Iron	544	496
	ZINC	-17	-36
	MAGNESIUM	100	100
SODIUM	Iron	100	82
	POTASSIUM	100	100
	ZINC	82	71
SODIUM	Iron	-18	-20
	ZINC	22	30

- Water conservation:** One of the keys to managing healthy turf is to be in control of the water (when Mother Nature allows). Keeping soils dry, especially in the spring and fall, makes the grass search for water by growing deep roots. Deep roots help turf survive better by more efficiently accessing water and nutrition that is available in the soil. Irrigation computers are set up to specifically water dry areas when necessary on a large scale using highly efficient sprinkler heads. On a smaller scale, such as greens, much of the water comes in the form of hand watering. Superintendents and their teams can apply water to specific areas that need it at a time when overhead sprinklers that are more general in coverage may give unnecessary water to a wetter part of a green, for example, that could result in rapid turf decline. Hand watering and irrigation programming saves an estimated 10 - 20 million gallons of water each year at our nine golf courses.



- Technology:** MCRA acquired some new tools that we now consider indispensable: TDR 300 Field Scout Soil Moisture Meters. These devices are located at every facility, and allow the superintendents to instantly see moisture levels in a digital display. With this information, they can more accurately pinpoint areas that are deficient in water, or that are too wet. This has enabled us to use even less water as we manage our greens, and by ensuring proper moisture levels (not too wet, not too dry)





throughout the entire green, plant health is consistently better, and the grass requires fewer inputs in the way of pesticides or fertilizers.

Environment: MCRA courses continue to work within the guidelines of the Audubon International Cooperative Sanctuary Program for Golf Courses (<http://acspgolf.auduboninternational.org/>), as well as the Groundwater Guardian Greensite Program (<http://groundwater.org/gg/greensites.html>). These successful programs help managed green spaces such as golf courses carry out safe groundwater practices against chemical use and pollution as well as develop effective conservation and wildlife enhancement programs. While each facility has already earned the designation as a Greensite, our goal is that by 2014, all MCRA golf courses will have achieved Certification by completing requirements in all six focus areas of the intensely managed Audubon International program.

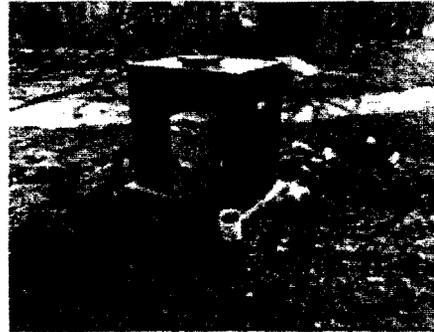
- Wildlife & Habitat Management
- Water Conservation
- Environmental Planning
- Water Quality Management
- Chemical use Reduction & Safety
- Outreach and Education

Research: Needwood Golf Course continued their research of warm-season grasses, this year focusing on traffic management and whether or not to over seed the dormant turf in the winter looking at winter playability vs. summertime turf health. Sligo continues their evaluation of a more organic fertility program using humic acids, which are naturally occurring in soils but boosted by this program to promote improved plant health requiring fewer chemical inputs. While our research has had good results at Sligo Creek, we are still evaluating whether we can implement a similar program at other facilities where maintenance practices and turf stress are at a higher level due to more competitive playing conditions and lower heights of cut.

Falls Road implemented the use of a new, 100% organic wetting agent in the management of their greens they had experimented with in 2011. The product, Penterra (Geponics Earth Chemistries), allows water to move much more rapidly through soils, keeping the surfaces firmer and more playable, and at the same time allowing more oxygen to be pulled into the root zone. Most golf courses in the country use some kind of wetting agent to manage soil moisture, but few of these products are 100% organic. Another product being used to help manage wetter areas of greens is Agriox, which is essentially a slow-release oxygen source (calcium peroxide) that supplies vital oxygen to plant root zones during periods of wet weather. These two products have helped Falls Road maintain consistent, high quality putting surfaces throughout the year.

Projects: Numerous projects were completed in 2012, which have a direct, positive impact on the world around us.

- **Hampshire Greens** installed a booster pump for their irrigation system, which has been marred by inconsistent pressures throughout the course, resulting in poor water distribution on some holes. The new booster pump will provide more uniform watering of the course, allowing us to ultimately use less water and less electricity when watering to achieve the results we want.



- **Drainage** was installed in greens at Laytonsville (#14) and Falls Road (#9 and #18) this year. These greens are old-style pushup greens that lacked



internal drainage *and* whose underlying soil did not percolate well. 2-inch drain pipes were installed at 18-inch depths on 6-foot centers throughout the greens. These projects will have a very positive impact on playability, but the big win is for the environment, since these “problem” greens often required extra plant protectants (especially

fungicides), and required a lot more cultural practices and large fans (using a lot of fuel) to help dry them out. More information on MCG blog here: <http://bit.ly/Wg9szD>.

- Select **sand traps** were fully rebuilt at Falls Road, Poolesville, Laytonsville, Rattlewood, and a complete in-house bunker renovation (started in winter 2009) was finished at Needwood Golf Course. Renovating these bunkers provides a long-term reduction in fuel emissions, especially after large rain events when bunkers had large puddles of water in them that had to be pumped out. Large amounts of labor and fuel are consumed each year simply repairing washed-out, silted bunkers after it rains. More information here: <http://bit.ly/15OWPx5>.
- **Sprinkler head** conversions took place at Poolesville and Little Bennett golf courses in 2012. Older, inefficient heads were replaced with new ones that will dramatically reduce water usage because they put water out more uniformly.
- **Fairway drainage** projects were performed at Hampshire Greens, Northwest, Laytonsville, and Falls Road in order to try to keep these high maintenance areas as healthy as possibly after flooding rains. Even small areas that hold water cause significant turf loss annually, wasting resources and diminishing the customer experience.

- A full irrigation pump station upgrade at Little Bennett Golf Course has quickly made a huge impact on how that facility is able to use water around the course. The new system uses a variable frequency drive like the ones at our other courses, to allow pumps to ramp up slowly, using only as much electricity and pump rpms as they need to supply water being demanded in the field. The old pump station operated at full speed all the time, putting extra stress on irrigation system components, and was more prone to failure. The new pump station also features the ability to be wirelessly connected to the irrigation computer as well as mobile devices, and can automatically adjust irrigation cycle run times after a rain event, or in the case of a pipe failure. This alone will result in the savings of over a million gallons of water annually. MCG blog post related to this project: bit.ly/16uXyVB.



High School Field maintenance: MCRA began a pilot project taking care of athletic fields at Clarksburg High School in 2011, and the program was expanded in 2012 to include Blake High School as well. We have received rave reviews on the “best ever” conditions of the fields, but even more important is that we have converted the football field at Clarksburg, and both the field hockey and football fields at Blake to a cold-tolerant Bermuda grass that will prove to be much more sustainable long-term (reduced inputs, cost of maintenance, and improved playing conditions). On these fields, as well as the baseball field at Clarksburg, healthier, more dense turf will not only be appreciated by student athletes, but will reduce sediment runoff from bare ground that ultimately contaminates the Chesapeake Bay. Healthy turf is one of nature’s best filters, and by promoting ideal turf health practices at these schools as well as on our golf courses, we are doing a great favor to the communities around the Chesapeake Bay as well as ours.



Montgomery County Airpark

The Montgomery County Airpark (Airpark), acquired in 1960, is owned and operated by the MCRA through a 99-year lease dating back to 1959. The MCRA maintains sole control over the northwest end of the Airpark property. In

addition, the MCRA subsidizes the annual operating losses for the benefit of the County and the community.

As owner and federal grant sponsor, MCRA secures State and Federal funding for the Airpark and is responsible for the runways, taxiways, navigation aids, and other common areas. The fixed base operator (FBO) offers services to support aeronautical activities including fueling, aircraft storage, aircraft maintenance, flight training, and related services. Following the expiration of an 18-year lease with an aviation services company, the *long-term* leaseholder, doing business as DC Metro Aviation Services, became the fixed base operator (FBO). Since DC Metro Aviation Services took over as FBO, there have been vast improvements in both operations and facilities, including the construction of new hangars for aircraft storage and the addition of self-fueling service for pilots.

Montgomery County Airpark presently hosts approximately 60,000 operations yearly. Approximately 180 aircraft are stored on the property. Montgomery County Airpark's 4,200-foot runway has three instrument approaches and is the closest "jetport" to the Nation's Capital. About 15% of all traffic is of the commercial type or air taxis consisting of a variety of modern day aircraft such as Cessna Citation, Lear Jet, Beechcraft (both jet and turbine), and Falcon Jet. The Airpark is also home to an air taxi firm that specializes in transporting air travelers to various destinations in the east coast and the mid-west on a regular on-demand basis.

In 2012, the MCRA secured FAA and MAA grants to assist with the purchase of the MVA inspection property located on Route 124. This purchase is part of the Airport Layout Plan and is located in the Runway Protection Zone.

According to 2012 economic data supplied by the Maryland Department of Transportation, the Airpark provides the following direct, indirect, and induced benefits to Montgomery County:

- 210 jobs
- \$8.66 million in personal income
- \$12.02 million in business revenues
- \$866,000 in tax revenues



Financing Activities

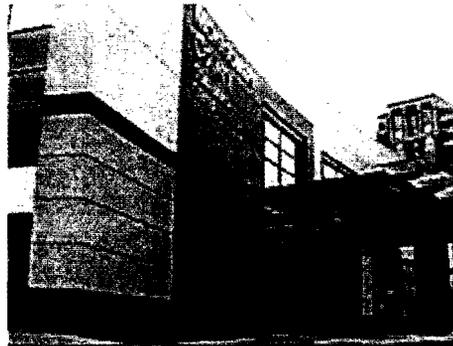
Long-term sustainability continues to be a watchword at the MCRA. A key strategy to attain this, in addition to constant attention to the operating budget, is an ongoing effort to reduce overall liabilities. Despite the economic downturn and the declining number of golf rounds nationally, the MCRA successfully boosted its Moody's rating in order to enhance its efforts to re-finance its long-term debt. The effort bore fruit in December of 2010 with our

refinancing of 21.4 million dollars in debt with very favorable terms. In the course of seven years, the MCRA will reduce its long-term indebtedness to 14.4 million dollars.

In addition to its own debt, the MCRA carries more than \$87 million in debt related to projects around the County, which is not considered part of the County's debt service calculation. The newest project is the Goldenrod Building, purchased in September of 2011, with bonds totaling over \$15 million. It is now owned by Montgomery College.

Additional projects include:

- Bethesda North Conference Center
- Health and Human Services Building
- Germantown Indoor Swim Center and other County swim facilities
- Montgomery College Arts Center
- Montgomery College Silver Spring Parking Facility
- Goldenrod Building



Bethesda North Conference Center

Germantown Indoor Swim Center

