


HHS Committee #2  
February 22, 2016  
Worksession

**M E M O R A N D U M**

February 18, 2016

TO: Health and Human Services Committee

FROM: Vivian Yao, Legislative Analyst 

SUBJECT: **Worksession – FY17-22 Capital Improvements Program (CIP) and FY17 Capital Budget, Department of Health and Human Services**

The Health and Human Services (HHS) Committee will begin its review of the County Executive's recommended FY17-22 CIP for the Department of Health and Human Services (DHHS). The HHS Committee will review CIP projects that do not involve the public school system. The HHS and Education Committees are scheduled to meet on February 29 to discuss DHHS CIP projects related to schools.

Representatives from the Department of Health and Human Services (DHHS), the Department of General Services (DGS), and the Office of Management and Budget (OMB) will participate in the worksession.

**I. OVERVIEW**

For FY17-22, the Executive recommends a total of \$11.8 million, which is a \$25.2 million or 68.1 percent decrease from the Amended FY15-20 program. The Executive states that the decrease results from the completion or partial completion of projects. The Executive is recommending four ongoing projects. Three of these projects involve the public school system and will be reviewed jointly by the HHS and Education Committees on February 29.

In this meeting, the HHS Committee will review the Avery Road Treatment Center project, receive updates on the Dennis Avenue Health Center and Progress Place Relocation and Personal Living Quarters projects and other projects that are being addressed through County-wide umbrella projects.

## II. PROJECT REVIEW

### Avery Road Treatment Center (\$000) (PDF at ©2)

(in 000s)	Total	Total 6 years	FY17	FY18	FY19	FY20	FY21	FY22
<b>Recommend</b>	8,516	8,311	2,308	4,665	1,338	0	0	0

*The recommended funding sources are 4.889 million in G.O. Bonds, \$13,000 in PAYGO, and \$3.614 million in State Aid*

*Requested FY17 appropriation: \$1.592 million*

*Estimated FY16 appropriation request: \$500,000*

*FY15-20 approved total: \$8,516 million*

**Project Description:** The project provides for the planning of a replacement facility for the existing Avery Road Treatment Center (ARTC). The existing facility provides residential, non-hospital detoxification and intermediate care services for adults through 20 medical detox and 40 intermediate care beds. The facility will be constructed and operated by a private partner over a 30-year term through a long-term land lease and program operation services delivery agreements. **There is no cost change from the approved FY15-20 project, which the Council approved on February 9, 2016.**

**Council staff recommendation: Approve as recommended by the Executive.**

## II. UPDATES FOR FY15-20 DHHS PROJECTS

Executive staff has provided the following updates for two projects that were included in the FY15-20 CIP for DHHS:

- **Dennis Avenue Health Center:** The project is progressing on schedule. Construction of the new building (Phase 1) was substantially complete in January 2016. All programs will move in March 2016. Phase 2 work, which is primarily site work, will be completed by Winter 2017. The projected final costs are within the allocated budget.
- **Progress Place Relocation and Personal Living Quarters:** The project was developed as a public-private partnership, and is anticipated to open in December 2016. The costs in the Project Description Form (PDF) are only DGS staff costs and at this time appear to be sufficient to complete the project.

**Council staff notes that work under the two projects is continuing with expenditures into FY17 and consequently recommends that the projects continue as ongoing projects in the FY17-22 CIP. Representatives from OMB are amenable to this suggestion and will be providing updated PDFs for the Committee to review.**

### III. UPDATES FOR OTHER DHHS FACILITIES

The County Executive has listed one DHHS project in the Facility Planning: MCG project: **Wheaton Health and Human Services Facility**. Executive staff reports that work on the Wheaton Health and Human Services Facility POR is no longer needed because critical facility needs are currently being addressed through leased space.

In addition, two DHHS facilities at **1301 Piccard** and **8818 Georgia Avenue** are now in the design phase under the Energy Savings Performance Contract (ESPC). Preliminary survey and investment grade audit phases are complete. The Department of Finance has initiated action to secure funding for both projects. **The Committee may be interested in knowing the anticipated timeline for completing this work.**

# Health And Human Services

## PROGRAM DESCRIPTION AND OBJECTIVES

The Department of Health and Human Services assures delivery of a full array of services to address the somatic and behavioral health, economic and housing security, and other emergent needs of Montgomery County residents. To achieve this, the Department (directly and/or via a network of community partners) develops and implements policies, procedures, programs, and services that: 1) offer customer-focused direct care and supports; 2) maximize financial and staffing resources to deliver services through effective management, coordination, and pursuit of strategic funding opportunities; 3) pilot and evaluate innovative approaches to service delivery and systems integration; and 4) develop, enhance, and maintain a broad network of community-based organizations, public, and private agencies to promote and sustain partnerships, which increase the availability of needed services.

The Department's services are administered under an organizational structure that includes six service areas: Aging and Disability Services; Children, Youth, and Family Services; Behavioral Health and Crisis Services; Public Health Services; Special Needs Housing; and Administration and Support.

## HIGHLIGHTS

- Complete construction and site improvements of a new Dennis Avenue Health Center in Silver Spring.
- Provide funds to construct personal living quarters (PLQ) co-located with the Progress Place Services Center for medically vulnerable and chronically homeless individuals.
- Add funds to design and construct a replacement facility for the existing Avery Road Treatment Center through an innovative public-private partnership with assistance from the State.
- Complete construction of a Linkages to Learning Center (LTL) at Wheaton Woods Elementary School and design and construct a Linkages to Learning Center at Maryvale Elementary School.
- Add funds to design and construct a Child Care Center at Burtonsville Elementary School. Complete construction of Child Care Centers at Wheaton Woods and Brown Station Elementary Schools.
- Provide funds to design and construct a High School Wellness Center (HSWC) at Seneca Valley High School.

## PROGRAM CONTACTS

Contact Patricia Stromberg of the Department of Health and Human Services at 240.777.1609 or Rachel Silberman of the Office of Management and Budget at 240.777.2786 for more information regarding this department's capital budget.

## CAPITAL PROGRAM REVIEW

Six ongoing projects comprise the Recommended FY17-22 Capital Improvements Program for the Department of Health and Human Services, for a total six-year cost of \$11.8 million, which is a \$25.2 million, or 68.1 percent decrease from the Amended FY15-20 total six-year cost of \$37.0 million. The change results from the completion of the Wheaton High School Wellness Center, the Dennis Avenue Health Center, and Progress Place Relocation and Personal Living Quarters projects, in addition to the partial completion of the Wheaton Woods Linkages to Learning, and the Wheaton Woods and Brown Station Child Care Centers. These decreases are partially offset by an increase in funding for the Avery Road Treatment Center project and the addition of one new Child Care Center.

The Executive's recommendation includes \$8.5 million in County and State support to design and construct a replacement facility for the existing Avery Road Treatment Center through a unique public-private partnership. The project leverages \$5.0 million from the private sector, and will preserve vital residential substance abuse treatment capacity at reduced taxpayer expense. Moreover, it will result in new substance abuse and mental health outpatient capacity, so critical given the growing heroin and opioid epidemic, at no operating or capital cost to the County.

## Avery Road Treatment Center (P601502)

Category Health and Human Services  
 Sub Category Health and Human Services  
 Administering Agency General Services (AAGE29)  
 Planning Area Rockville

Date Last Modified 11/17/14  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Planning Stage

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	1,188	13	192	981	421	363	197	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	1,987	0	0	1,987	589	945	453	0	0	0	0
Construction	5,343	0	0	5,343	1,298	3,357	688	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8,516</b>	<b>13</b>	<b>192</b>	<b>8,311</b>	<b>2,308</b>	<b>4,665</b>	<b>1,338</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FUNDING SCHEDULE (\$000s)</b>											
G.O. Bonds	4,889	0	192	4,887	894	3,465	338	0	0	0	0
PAYGO	13	13	0	0	0	0	0	0	0	0	0
State Aid	3,614	0	0	3,614	1,414	1,200	1,000	0	0	0	0
<b>Total</b>	<b>8,516</b>	<b>13</b>	<b>192</b>	<b>8,311</b>	<b>2,308</b>	<b>4,665</b>	<b>1,338</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 17	1,592
Appropriation Request Est.	FY 18	500
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		6,424
Expenditure / Encumbrances		13
Unencumbered Balance		537

Date First Appropriation	FY 15
First Cost Estimate	
Current Scope	FY 16 8,516
Last FY's Cost Estimate	4,800

#### Description

This project provides for the planning, design, and construction of a replacement facility for the existing Avery Road Treatment Center (ARTC). The existing facility provides residential substance abuse treatment for low-income County residents through 20 medical detox and 40 Intermediate Care Facility beds. In conjunction with a public-private partnership and with assistance from the State, a private partner will construct and operate a new ARTC facility over a 30-year term through a long-term land lease and program operation service delivery agreements.

#### Location

14703 Avery Road, Rockville, Maryland

#### Capacity

The new ARTC will be a 64 bed 36,500 gross square foot residential treatment facility providing medical detox and Intermediate Care Facility levels of care. The facility will also house an outpatient mental health and substance abuse treatment program supported by Medicaid reimbursement. The site will be master planned for future potential development of a 16 bed step-down program for transitional age youth.

#### Estimated Schedule

Design will be performed in FY16 and FY17. Construction is scheduled to begin in FY17 with completion in FY19.

#### Cost Change

Cost change reflects the replacement of the prior estimated funding with actual anticipated County and State expenditures based on a contractual public-private partnership.

#### Justification

The existing ARTC facility was constructed of pre-fabricated modular units in 1991 and needs to be replaced.

#### Fiscal Note

This project reflects County and State contributions to the facility. The County received \$310,000 in FY15 and \$104,000 in FY16 from the State to support project design, and anticipates \$1.0 million in FY17 for construction. State aid is expected to total \$3.614 million.

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

#### Coordination

Department of Health and Human Services, Department of General Services, County Attorney, Office of Procurement, Maryland Department of Health and Mental Hygiene, Private and/or non-profit substance abuse treatment providers Private developers

(2)

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

Run Date: 01/09/2016 11:50 AM

**Health and Human Services**

**Health and Human Services (SC41)**

	Total Thru FY15	Est FY16	6 Year Total	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs	Approp.
School Based Health & Linkages to Learning Centers (P640400)	11,250	9,571	470	1,209	695	84	305	125	0	0	487
High School Wellness Center (P640902)	5,697	3,325	1,153	1,219	0	845	450	124	0	0	0
Dennis Avenue Health Center (P641106)	37,305	20,149	17,248	0	0	0	0	0	0	0	0
Children's Resource Center (P641300)	465	465	0	0	0	0	0	0	0	0	-487
Child Care in Schools (P649187)	4,767	2,141	1,586	1,060	200	97	573	190	0	0	0
Progress Place Relocation and Personal Living Quarters (P801401)	427	165	262	0	0	0	0	0	0	0	0
Avery Road Treatment Center (P601502)	8,518	13	192	8,311	2,308	4,865	1,338	0	0	0	1,592
<b>Health and Human Services (SC41)</b>	<b>88,517</b>	<b>35,829</b>	<b>20,889</b>	<b>11,799</b>	<b>3,203</b>	<b>5,491</b>	<b>2,866</b>	<b>439</b>	<b>0</b>	<b>0</b>	<b>1,592</b>
<b>Health and Human Services</b>	<b>88,517</b>	<b>35,829</b>	<b>20,889</b>	<b>11,799</b>	<b>3,203</b>	<b>5,491</b>	<b>2,866</b>	<b>439</b>	<b>0</b>	<b>0</b>	<b>1,592</b>

26-8

\* = Closeout or Pending Closeout

CIP230 - CE Recommended

3

**ADDENDUM**  
**HHS COMMITTEE #2**  
**February 22, 2016**  
**Worksession**

**MEMORANDUM**

February 19, 2016

**TO:** Health and Human Services Committee

**FROM:** Vivian Yao, Legislative Analyst *VY*

**SUBJECT:** **Worksession – FY17-22 Capital Improvements Program (CIP) and FY17 Capital Budget, Department of Health and Human Services**

Dennis Avenue Health Center and Progress Place Relocation and Personal Living Quarters projects were included in FY15-20 CIP for DHHS, but were not listed as continuing projects in the Executive's recommended FY17-22 program. Because both projects will have expenditures in FY17, Council staff recommends that the two projects are included in the FY17-22 CIP.

The Executive is amenable to the inclusion of the two projects in the FY17-22 CIP and has transmitted updated Project Description Forms at ©1-4 for the Committee to review. **The Dennis Avenue Project (©1-2) shows expenditures of \$3.7 million in FY17, and the Progress Place project (©3-4) shows expenditures of \$87,000 in FY17. Both projects are expected to be completed within the existing appropriation and approved FY15-20 budget.** Updates on both projects are included in the Committee packet for this meeting.

**Council staff recommends that the Committee support the approval of the attached PDFs.**

## Dennis Avenue Health Center (P641106)

Category  
Sub Category  
Administering Agency  
Planning Area

Health and Human Services  
Health and Human Services  
General Services (AAGE29)  
Kensington-Wheaton

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

11/17/14  
No  
None  
Under Construction

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	5,601	3,086	4,985	200 0	200 0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	4,014	96	4,418	1,500 0	1,500 0	0	0	0	0	0	0
Construction	25,032	16,883	6,168	2,000 0	2,000 0	0	0	0	0	0	0
Other	2,748	124	2,824	0	0	0	0	0	0	0	0
<b>Total</b>	<b>37,395</b>	<b>20,149</b>	<b>15,576</b>	<b>3,700 0</b>	<b>3,700 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>FUNDING SCHEDULE (\$000s)</b>											
G.O. Bonds	37,395	20,149	15,576	3,700 0	3,700 0	0	0	0	0	0	0
<b>Total</b>	<b>37,395</b>	<b>20,149</b>	<b>15,576</b>	<b>3,700 0</b>	<b>3,700 0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Energy				424	106	106	106	106	106 0	106 0	
Maintenance				392	98	98	98	98	98 0	98 0	
<b>Net Impact</b>				<b>816</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204 0</b>	<b>204 0</b>	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 17	0
Appropriation Request Est.	FY 18	0
Supplemental Appropriation Request		0
Transfer		0
<b>Cumulative Appropriation</b>		<b>37,395</b>
<b>Expenditure / Encumbrances</b>		<b>26,530</b>
<b>Unencumbered Balance</b>		<b>10,865</b>

Date First Appropriation	FY 11
First Cost Estimate	
Current Scope	FY 13 37,395
Last FY's Cost Estimate	38,383

#### Description

The project provides for planning and design, and construction of a new building to replace the Dennis Avenue Health Center (DAHC), on the existing site adjoining the existing building. The existing facility which was built in the 1960's as an elementary school is both inadequate (undersized) in capacity and is not configured to serve as a health center. Currently, patients with infectious airborne diseases are using the same entry and air circulation as other patients (including immune compromised patients) and staff. Key building systems such as the structural system, perimeter skin walls, elevator, roof, HVAC and electrical systems have passed their useful service life. Numerous Americans with Disabilities Act related improvements are required and egress stairs are undersized. The new facility will provide approximately 51,000 gross square feet to address the space shortage and building deficiencies identified in the Program of Requirements (POR) without service interruption, reduction, or loss of these vital health services during construction. Programs will be configured to work efficiently and avoid potential cross contamination of users and staff (spread of communicable disease) due to location and proximity of incompatible programs.

#### Location

2000 Dennis Avenue, Silver Spring, Maryland

#### Capacity

The center handles 1 out of every 150 cases of tuberculosis in the entire US. Currently, DAHC handles 74,700 patient visits per year with 115 employees. In 1984, the center (the same building size) handled 7,000 patient visits per year with 35 employees.

#### Estimated Schedule

The design phase for this project began in the summer of 2011 and is estimated to last two years. Construction began in FY14.

*Construction of the new building (Phase I) was substantially complete in January 2016. Phase II is expected to be completed by winter 2017.*

#### Justification

DAHC provides several highly sensitive programs such as Public Health Emergency Preparedness and Response, Immunization Program, Disease Control, Sexually Transmitted Diseases Services, Communicable Disease and Epidemiology, HIV Services, and Tuberculosis Control Program. DAHC service demand has been growing steadily while the facility space capacity has remained unchanged and the facility has aged. The 2008 Health and Human Services Strategic Facility Plan identified the need for additional space for program growth. The DAHC POR provided preliminary feasibility study and existing building condition assessment. The POR calls for the need to build a new 30,714 programmable area space facility to meet year 2015 space requirement.

#### Fiscal Note

FY16 adjustment reflects a \$988,000 transfer to support actual expenditures for prior project work in the School Based Health Center and Linkages to Learning project.

#### Disclosures



## Dennis Avenue Health Center (P641106)

A pedestrian impact analysis has been completed for this project.

### **Coordination**

Department of Health and Human Services, Department of General Services Special Capital Projects Legislation was enacted on June 25 2013 and signed into law on July 8, 2013 (Bill No.17-13).

# Progress Place Relocation and Personal Living Quarters (P601401)

Category Health and Human Services  
 Sub Category Health and Human Services  
 Administering Agency General Services (AAGE29)  
 Planning Area Silver Spring

Date Last Modified 11/17/14  
 Required Adequate Public Facility No  
 Relocation Impact None  
 Status Bids Let

	Total	Thru FY15	Est FY16	Total 6 Years	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Beyond 6 Yrs
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Planning, Design and Supervision	427	165	175	262	0	87	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>427</b>	<b>165</b>	<b>175</b>	<b>262</b>	<b>0</b>	<b>87</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FUNDING SCHEDULE (\$000s)</b>											
G.O. Bonds	262	0	175	262	0	87	0	0	0	0	0
PAYGO	165	165	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>427</b>	<b>165</b>	<b>175</b>	<b>262</b>	<b>0</b>	<b>87</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OPERATING BUDGET IMPACT (\$000s)</b>											
Energy				333	36	41	41	72	72	72	
Maintenance				362	39	44	44	78	78	78	
<b>Net Impact</b>				<b>695</b>	<b>75</b>	<b>85</b>	<b>85</b>	<b>150</b>	<b>150</b>	<b>150</b>	

### APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 17	0
Appropriation Request Est.	FY 18	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		427
Expenditure / Encumbrances		165
Unencumbered Balance		262

Date First Appropriation	FY 14
First Cost Estimate	
Current Scope	FY 16 427
Last FY's Cost Estimate	427

#### Description

Progress Place is an existing building, located in the Ripley District of Silver Spring, MD, which houses services the Department of Health and Human Services provides to low-income, homeless residents of Montgomery County. These services, currently provided in conjunction with Interfaith Works and Shepherd's Table, include medical, vision, and vocational services; case management; winter overflow overnight shelter; and meals. Due to development that is proposed for the Ripley District, these services will need to be relocated within the Central Business District (CBD), which has convenient transportation, available services and resources, and social networking opportunities in downtown Silver Spring for the homeless population. In conjunction with a public-private partnership, a private developer will construct a new building within the downtown Silver Spring CBD, on County owned property located at the Silver Spring Fire Station No. 1 site. This new building will provide space for the Progress Place services in exchange for the Ripley District land where Progress Place is currently located. This will release the existing site for construction of the Dixon Avenue roadway, the Metropolitan Branch Trail, and a private high-rise residential building. In addition, personal living quarter (PLQ) units will be co-located with the Progress Place service center.

#### Location

Next to the Silver Spring Fire Station No. 1 site, 8131 Georgia Avenue, Silver Spring, Maryland.

#### Estimated Schedule

Planning and design is complete. Construction commenced in October 2015 and the building will be turned over to the County in December 2016.

#### Justification

Progress Place is a facility built nearly 20 years ago that is in need of major renovation. In addition, the east end of the building is in the path of Dixon Avenue extended (a Master Planned roadway), and the west end of the building is in the path of the Metropolitan Branch Trail. Based on the 2012 Housing and Urban Development Unmet Need Calculation Methodology, the need for housing for Montgomery County homeless singles was 372 PLQs. This project includes the relocation of the services rendered at Progress Place and provides for placement of PLQs to increase the County's permanent supportive housing stock within the downtown Silver Spring CBD.

#### Fiscal Note

This is a public-private partnership. The County will exchange land within the Ripley District for a building that will satisfy the Program of Requirements to house Progress Place services. Funding from the Affordable Housing Acquisition and Preservation project (#P760100) will be used to support the creation of the PLQs. Rental assistance from the Montgomery Housing Initiative Fund will be used to support operating costs not funded by outside contributions. Costs reflect only the County's costs to plan and supervise construction of the service center by the private partner.

## Progress Place Relocation and Personal Living Quarters (P601401)

### **Disclosures**

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

### **Coordination**

U.S. Department of Housing and Urban Development Department of Housing and Community Affairs Department of Health and Human Services Department of General Services Department of Transportation Department of Police Department of Fire and Rescue Services Department of Technology Services Utilities Private developers Private homeless service providers