

MEMORANDUM

May 1, 2019

TO: Planning, Housing, and Economic Development Committee

FROM: Gene Smith, Legislative Analyst *AS*

SUBJECT: FY20 Operating Budget: Urban Districts

PURPOSE: Review and make recommendation to the Council

Those expected for this worksession:

Ken Hartman, Bethesda-Chevy Chase Regional Services Director
Luisa Montero-Diaz, Mid-County Regional Services Director
Reemberto Rodriquez, Silver Spring Regional Services Director
Lindsay Lucas, Office of Management and Budget (OMB)

Budget Summary

The Executive recommends \$9,128,438 for the Urban Districts, a decrease of \$27,967 or 0.3% from FY19.

Council Staff Recommendation

Approve the Executive's FY20 recommended operating budget of \$9,128,438 for the Urban Districts.

I. Budget Overview

See the Executive's recommendation for the Urban Districts budget on ©1-7. Urban districts are special taxing districts that provide an administrative and financial framework to maintain and enhance the County's downtowns as prosperous, livable urban centers.¹ These districts levy an additional tax on property within the district so that the County may provide services in addition to those that it generally provides all residents. These additional services include: 1) increasing the maintenance of the streetscape and its amenities; 2) providing additional public amenities such as plantings, seating, shelters, and works of art; 3) promoting the commercial and residential interest of the district; and 4) programming cultural and community activities. The County has established three Urban Districts: 1) Bethesda; 2) Silver Spring; and 3) Wheaton. The Bethesda Urban District is managed by the Bethesda Urban Partnership

¹ Sections 68A-2 through 3 of the County Code describes the intent and purpose of urban districts.

(BUP). Silver Spring and Wheaton Urban Districts are each managed by its respective Regional Service Center.

The tables below compare FY19-FY20 expenditures and FTEs for the urban districts. The first table compares the difference by program area for all three urban districts, and the second table compares the difference within each urban district.

Comparison of FY19-FY20 by Program Area for All Urban Districts

Program Area	FY19 Expenditures	FY20 Expenditures	FY19-20 Change	FY19 FTEs	FY20 FTEs	FY19-20 Change
Promotion of Act.	\$3,582,418	\$3,774,521	\$192,103	30.95	31.95	1.00
Sidewalk Repair	\$443,969	\$143,969	(\$300,000)	0.00	0.00	0.00
Streetscape Maint.	\$1,861,114	\$1,848,939	(\$12,175)	0.00	0.00	0.00
Tree Maintenance	\$123,885	\$123,885	\$0	0.00	0.00	0.00
Enhanced Security	\$1,228,088	\$1,291,305	\$63,217	18.35	17.35	(1.00)
Administration	\$1,916,931	\$1,945,819	\$28,888	9.30	9.30	0.00
Total	\$9,156,405	\$9,128,438	(\$27,967)	58.60	58.60	0.00

Comparison of FY19-FY20 Expenditures by Urban District

Program Area	FY19 Expenditures	FY20 Expenditures	FY19-20 Change	FY19 FTEs	FY20 FTEs	FY19-20 Change
Bethesda	\$3,313,905	\$3,301,769	(\$12,136)	1.00	1.00	0.00
Silver Spring	\$3,853,430	\$3,738,309	(\$115,121)	34.90	34.90	0.00
Wheaton	\$1,989,070	\$2,088,360	\$99,290	22.70	22.70	0.00
Total	\$9,156,405	\$9,128,438	(\$27,967)	58.60	58.60	0.00

A. Expenditure Overview by District

1. Bethesda Urban District

The Executive recommends a decrease of \$12,136 for the Bethesda Urban District. The table below summarizes the recommended changes. **None of the recommended changes are expected to impact services.** The increase in risk management impacts all urban districts due to higher claims in recent years. Operating expenses account for 96.8% of the district's expenditures because BUP manages this district through a contract with the County.

Summary of the Bethesda Urban District FY20 Recommended Changes

Description	Expenditures	FTEs
<i>Changes with no service impacts</i>		
Increase: Risk management adjustment	\$62,051	0.00
Increase: Motor pool adjustment	\$2,072	0.00
Decrease: Streetscape maintenance	(\$2,024)	0.00
Decrease: Adjustments to compensation and benefits	(\$24,235)	0.00
Decrease: Elimination of one-time item (White Flint contract)	(\$50,000)	0.00
Total	(\$12,136)	0.00

2. Silver Spring Urban District

The Executive recommends a decrease of \$115,121 to the Silver Spring Urban District. The table below summarizes the recommended changes. The decrease is mostly due to the elimination of the one-time expenditures for sidewalk maintenance in FY19. **None of the recommended changes are expected to have a service impact.** Personnel costs account for 70.1% of this district's expenditures in FY20.

Summary of the Silver Spring Urban District FY20 Recommended Changes

Description	Expenditures	FTEs
<i>Changes with no service impacts</i>		
Increase: Adjustments to compensation and benefits	\$108,417	0.00
Increase: Risk management adjustment	\$75,466	0.00
Increase: Motor pool adjustment	\$996	0.00
Decrease: Elimination of one-time item (sidewalk maintenance)	(\$300,000)	0.00
Total	(\$115,121)	0.00

3. Wheaton Urban District

The Executive recommends an increase of \$99,290 for the Wheaton Urban District. The table below summarizes the recommended changes. The increase is mostly due to compensation and benefit increases, though it is offset by certain reductions. **There are multiple reductions that are anticipated to impact service for this district in FY20.** Personnel costs account for 72.2% of the district's expenditures in FY20.

Summary of the Wheaton Urban District FY20 Recommended Changes

Description	Expenditures	FTEs
<i>Changes with service impacts</i>		
Reduce: Street maintenance – seasonal flowers	(\$7,151)	0.00
Reduce: TGIF concert series	(\$10,000)	0.00
Reduce: Lapse Public Service Worker position	(\$43,862)	0.00
<i>Changes with no service impacts</i>		
Increase: Adjustments to compensation and benefits	\$82,651	0.00
Increase: Risk management adjustment	\$35,353	0.00
Increase: Motor pool adjustment	\$31,094	0.00
Increase: Event planning – permits	\$11,205	0.00
Total	\$99,290	0.00

B. Funding Sources Overview

See ©8-10 for the FY20-25 fiscal plan of each urban district and ©11-13 for the FY20-25 fiscal plan of each urban district's respective parking lot district (PLD). Urban districts are funded through a variety of sources. The major funding sources include taxes, general fund transfers and transfers from each district's respective PLD. **The Executive did not recommend any changes to the tax rates for each urban district in FY20.** In addition, all urban districts receive a baseline transfer from the general fund to support a level of service that the County would have otherwise provided to the area without the

urban district. See an example of baseline services from the Office of Legislative Oversight's 97-1 Report on ©14.

The Transportation and Environment (T&E) Committee met on April 25 to review the FY20 recommended budget for the PLDs but deferred these items until May 2. Council staff will update the PHED Committee during today's worksession if any changes were made to the PLDs. Below are three tables that detail the funding sources for each urban district for the current estimate in FY19 and the recommended FY20 budget.

Bethesda Urban District Funding Sources FY19-20

	FY19 Estimate	FY20 Recommended
<i>Beginning Fund Balance</i>	\$199,612	\$113,230
Revenues		
Taxes	\$704,078	\$728,825
Charges for services	\$189,877	\$194,567
Interfund Transfers		
Indirect Costs	(\$23,670)	(\$21,597)
Baseline Services	\$800,318	\$750,318
Parking Lot District	\$1,532,530	\$1,619,864
Total Resources	\$3,402,745	\$3,385,207
Operating Budget Expenditures	(\$3,289,515)	(\$3,301,769)
Projected Year-End Fund Balance	\$113,230	\$83,438
Year-End Fund Balance as % of Resources	3.33%	2.46%

Silver Spring Urban District Funding Sources FY19-20

	FY19 Estimate	FY20 Recommended
<i>Beginning Fund Balance</i>	(\$50,524)	\$147,510
Revenues		
Taxes	\$968,997	\$1,003,131
Charges for services	\$150,000	\$150,000
Interfund Transfers		
Indirect Costs	(\$458,066)	(\$536,019)
Baseline Services	\$539,660	\$539,660
Parking Lot District	\$2,780,710	\$2,529,843
Total Resources	\$3,930,777	\$3,834,125
Operating Budget Expenditures	(\$3,783,267)	(\$3,738,309)
Projected Year-End Fund Balance	\$147,510	\$95,816
Year-End Fund Balance as % of Resources	3.75%	2.50%

Wheaton Urban District Funding Sources FY19-20

	FY19 Estimate	FY20 Recommended
<i>Beginning Fund Balance</i>	\$155,270	\$242,247
Revenues		
Taxes	\$252,372	\$261,217
Interfund Transfers		
Indirect Costs	(\$267,976)	(\$308,542)
Baseline Services	\$76,090	\$76,090
Non-Baseline Services	\$1,946,150	\$1,833,651
Parking Lot District	\$36,537	\$36,537
Total Resources	\$2,198,443	\$2,141,200
Operating Budget Expenditures	(\$1,956,196)	(\$2,088,360)
Projected Year-End Fund Balance	\$242,247	\$52,840
Year-End Fund Balance as % of Resources	11.0%	2.47%

C. Performance Measures

The Executive’s FY20 recommended budget includes several performance measures for the urban districts. These measures focus on the community’s satisfaction with services provided by each urban district, such as “value added” by the hospitality team, marketing and promotion, and cleanliness maintained. The satisfaction level estimated for FY19 is comparable to the FY18 level for these measures.

II. Public Hearings

The Council heard comments from the Greater Silver Spring Chamber of Commerce during one of the public hearings for the FY20 Operating Budget (see ©15-18) and from the Wheaton Urban District Advisory Committee (see ©19-20) about certain urban district budgets.

III. Budget Issues

A. Bethesda

The Bethesda Urban District includes one County staff, but most of the operating expenses funds the County’s contract with BUP. Turnover in the County staff position resulted in FY19 and FY20 savings. Council staff notes the following about the Executive’s recommendations for this district.

Streetscape maintenance. The Executive recommends reducing the FY20 budget for streetscape maintenance by \$2,072. Executive staff state that this reduction was recommended to achieve the target reduction for the district. This recommendation is not anticipated to impact service delivery due to the BUP contract.

White Flint Downtown Advisory Committee Projects. The Executive recommended \$150,000 through the Bethesda Urban District in FY19 until White Flint is established as an urban district or a business improvement district. Currently, neither option is before the Council for consideration. The Bethesda-Chevy Chase Regional Service Center implements these funds, and the County executed a contract with Maier & Warner, LLC in FY19 to work on a strategy for branding the Pike District, marketing, identity, and special events. The total value of the contract in FY19 is \$150,000.

The Executive recommends this funding continue in FY20, minus the \$50,000 one-time expenditure in FY19 for visual branding. Executive staff notes that the current vendor has two one-year renewals to continue providing marketing and branding for the White Flint area.

There are no funding source or fund balance issues for this district in the FY20-FY25 fiscal plan. The Bethesda PLD supports 63.7% of the expenditures for this urban district in FY20, excluding the baseline transfer and expenditures. **The district's expenditures are anticipated to increase by 0.8% through the FY20-25 fiscal plan.** This minimal increase results in the PLD's transfer decreasing by 5.8% during the six-year plan due to expected growth in the urban tax revenue. The Bethesda Urban District is estimated to maintain its necessary fund balance at the end of FY19 and maintains its health throughout the FY20-25 fiscal plan.

B. Silver Spring

The Executive made no recommendations to the Silver Spring Urban District that would impact services. This urban district has six vacant positions. The Executive's recommended budget holds an Equipment Operator position vacant until December 2019 to achieve approximately \$26,000 in savings for FY20. This position is currently vacant. The remaining vacancies will be filled based on the time required to move through the placement process. In addition, three FTEs for the urban district are funded by the Silver Spring PLD to support security and resident needs in the district's garages after hours.

The Council approved a one-time transfer of \$300,000 from the Silver Spring PLD to this urban district in FY19 to accelerate sidewalk maintenance. The entire appropriation was encumbered in FY19 for this service. See ©21 for a complete list of streets that will receive maintenance from this funding, including Executive staff's ranking criteria for these locations.

The Silver Spring Urban District began FY19 with a deficit in its fund balance. The FY19-24 approved fiscal plan displayed that the district was expected to end FY18 with a fund balance near \$0, so the deficit was not unexpected, though greater than estimated. The district's fund balance will be restored in FY19 through a greater transfer of funds from its PLD.

The Silver Spring PLD's transfer accounts for 80.2% of the urban district's resources in FY20, excluding the baseline transfer and expenditures. The district's expenditures are anticipated to increase by 5.0% from FY20-FY25 based on the estimated increases to personnel expenditures in the County. The Silver Spring PLD's transfer will increase by 2.1% during the six-year plan to support the urban district's expenditures. **The proposed increase in parking fees in Silver Spring enables the PLD and urban district to maintain fiscal health through the FY20-25 fiscal plan.**

C. Wheaton

The Executive made several recommendations to this district that have service impacts in FY20. These recommendations were made to this urban district because of the amount of general fund support it receives.

Public Service Worker lapse. This position’s lapse was approved during the FY19 Savings Plan. The FY20 recommended budget for Wheaton Urban District would hold this position vacant through FY20 for savings of \$43,862. The district has been without this position for multiple fiscal years due to FY18 and FY19 savings plans.

TGIF Concert Series. The Executive’s recommendation would reduce the total number of summer concert series from six to four in FY20. The average attendance has been 75-125 attendees per concert. **Council staff recommends this as a one-time decrease for FY20 and recommends that the Council restore this funding in FY21 with the completion of the construction project.**

Seasonal flowers. The Executive recommends eliminating this service from the FY20 budget. This service updated the flowers twice a year at certain planters throughout the district. Due to previous savings plans, this service has been reduced, and therefore, the district has only been providing this service on the main streets in the district. This reduction has no impact on other landscape or streetscape maintenance for the district.

There is one funding source issue for this district. Unlike the other districts, Wheaton’s PLD accounts for 1.7% of the district’s expenditures in FY20, excluding the baseline transfer and expenditures. The Wheaton Urban District receives an additional “non-baseline” transfer from the General Fund to supplement the PLD and urban district tax. The district maintains its fiscal health through these non-baseline transfers.

Council staff recommends approval of \$9,128,438 for the Urban Districts budget.

<u>This packet contains:</u>	<u>Circle #</u>
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Urban Districts

RECOMMENDED FY20 BUDGET
\$9,128,438

FULL TIME EQUIVALENTS
58.60

☀ **FARIBA KASSIRI, DEPUTY CHIEF ADMINISTRATIVE OFFICER**

MISSION STATEMENT

Urban Districts support and enhance the County's unincorporated downtowns (Bethesda, Silver Spring, and Wheaton) as prosperous, livable urban centers by maintaining streetscape and its investments; providing additional public amenities such as plantings, seating, shelters, and works of art; promoting the commercial and residential interests of these areas; and programming cultural and community activities.

BUDGET OVERVIEW

The total recommended FY20 Operating Budget for the Urban Districts is \$9,128,438, a decrease of \$27,967 or 0.31 percent from the FY19 Approved Budget of \$9,156,405. Personnel Costs comprise 46.40 percent of the budget for 60 full-time position(s) and one part-time position(s), and a total of 58.60 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 53.60 percent of the FY20 budget.

COUNTY PRIORITY OUTCOMES

While this program area supports all seven of the County Executive's Priority Outcomes, the following are emphasized:

- ❖ **A Greener County**
- ❖ **Effective, Sustainable Government**
- ❖ **Safe Neighborhoods**
- ❖ **A Growing Economy**
- ❖ **Thriving Youth and Families**

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below (where applicable), with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY19 estimates reflect funding based on the FY19 Approved Budget. The FY20 and FY21 figures are performance targets based on the FY20 Recommended Budget and funding for comparable service levels in FY21.

Measure	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
Multi-Program Measures					
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5)	4.2	4.9	4.9	4.9	4.9
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5)	4.3	4.25	4.3	4.3	4.3

Measure	Actual	Actual	Estimated	Target	Target
	FY17	FY18	FY19	FY20	FY21
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with the "value added" of the UD Hospitality team (scale 1-5) ¹	4.5	4.5	4.5	4.5	4.5

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ACCOMPLISHMENTS

- ✓ Bethesda Urban District (BUD) worked with the Department of Permitting Services and the Department of Transportation (DOT) to coordinate the review of traffic management plans for new development, and improve communication with developers and the public over the impact during construction of the Marriott International Headquarters.
- ✓ Supported events on Veterans Plaza in the Silver Spring Urban District (SSUD) by coordinating set-up prior to each event and clearing the venue following each event.
- ✓ Wheaton Urban District (WUD) participated and supported a feasibility study for a Wheaton Arts/Cultural Facility, working with the Department of General Services (DGS), external consultants, and a stakeholder group of artists, businesses, and residents. The process included focus groups, town halls, community survey, numerous one-on-one interviews, benchmarking of other arts facilities, and a market analysis.
- ✓ As a result of an increase in pedestrian fatalities in and near Wheaton, WUD partnered with the Department of Transportation (DOT), the Montgomery County Department of Police, Maryland State Highway Administration (MSHA), Public Information Office and CountyStat for a pedestrian education and enforcement campaign that engaged residents, businesses, Westfield Mall, and various community groups. WUD continues to work with MSHA and DOT on re-engineering strategies in the Wheaton downtown area.

PROGRAM CONTACTS

Contact Ken Hartman of the Urban Districts at 240.777.8206 or Lindsay Lucas of the Office of Management and Budget at 240.777.2766 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

☀ Promotion of Community and Business Activities

This program enhances the quality of life in the Urban Districts and surrounding communities; fosters a strong, vibrant business climate within each Urban District; and creates a positive image and a sense of identity for the Districts. These goals are accomplished through sponsorship of community events that may include festivals, concerts, and parades; the installation of seasonal banners, unique signs, holiday decorations, and other amenities to give each District a sense of place; and the development and distribution of newsletters, brochures, and other promotional material highlighting the Districts. Each Urban District develops its programs with the active participation of its advisory committee or Urban District Corporation.

Program Performance Measures	Actual	Actual	Estimated	Target	Target
	FY17	FY18	FY19	FY20	FY21
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's marketing and promotion (scale 1-5)	4.8	4.8	4.8	4.8	4.8
BETHESDA URBAN DISTRICT - Average number of website sessions per month	35,000	30000	30000	30000	30000
BETHESDA URBAN DISTRICT - Number of social media followers	11,000	12,500	13,500	14,500	15,500
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's marketing and promotion (scale 1-5)	3.8	3	3.1	3.2	3.3
SILVER SPRING URBAN DISTRICT - Average number of website sessions per month	112,000	116,000	116,000	120,000	120,000
SILVER SPRING URBAN DISTRICT - Number of social media followers	6,800	11,658	12,000	13,000	14,000
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's marketing and promotion (scale 1-5)	4.1	3.75	3.8	3.8	3.8
WHEATON URBAN DISTRICT - Average number of website sessions per month	35,000	37,000	40,000	41,000	42,000
WHEATON URBAN DISTRICT - Number of social media followers	2,883	3,062	3,660	4,150	4,650

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved		
Reduce: TGIF Concert Series	3,582,418	30.95
	(10,000)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	202,103	1.00
FY20 Recommended	3,774,521	31.95

☀ Sidewalk Repair

This program provides for the removal and replacement of deteriorated concrete and brick walks and curbs in the Urban Districts.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved		
	443,969	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(300,000)	0.00
FY20 Recommended	143,969	0.00

☀ Streetscape Maintenance

This program provides maintenance of, and improvement to, the streetscape amenities within each Urban District. Various service levels include litter collection, sidewalk maintenance, trash receptacle service at least three times a week, mowing and snow removal as needed, lighting maintenance, maintenance of planted/landscaped areas, and street sweeping.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	5.0	4.9	4.9	4.9	4.9
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	3.3	3.25	3.3	3.3	3.3
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with cleanliness levels of Urban District maintained (scale 1-5)	4.7	4.8	4.8	4.8	4.8

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved		
Decrease Cost: Streetscape Maintenance	1,861,114	0.00
	(2,024)	0.00
Reduce: Street Maintenance - Seasonal Flowers	(7,151)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	(3,000)	0.00
FY20 Recommended	1,848,939	0.00

☀ Tree Maintenance

This program provides pruning, planting, fertilization, necessary spraying, replacement, watering, mulching, and tree base cleaning in the Urban Districts.

Program Performance Measures	Actual FY17	Actual FY18	Estimated FY19	Target FY20	Target FY21
BETHESDA URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	4.8	4.9	4.9	4.9	4.9
SILVER SPRING URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	3.3	3	3.0	3.2	3.5
WHEATON URBAN DISTRICT - Overall satisfaction of Urban Districts Advisory Board with urban district's landscape maintenance (scale 1-5)	4.7	4.75			

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved		
	123,885	0.00

Urban Districts

General Government

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FY20 Recommended Changes	Expenditures	FTEs
FY20 Recommended	123,885	0.00

☀ **Enhanced Security**

This program provides safeguards against property theft, vandalism, and personal security in the Silver Spring and Wheaton Urban Districts. The goal of the program is to provide an enhanced level of protection and reduce the perception of crime through the use of the Safe Team as the eyes and ears of County Police and as a uniformed visual presence to create a safe and secure environment. Safe Team members also act as "ambassadors" providing information, directions, first aid and CPR, and roadside assistance to residents, visitors, and the business community.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	1,228,088	18.35
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	63,217	(1.00)
FY20 Recommended	1,291,305	17.35

☀ **Administration**

This program provides staff support for contract administration, the Urban District Advisory Committees, and for the administration of Urban District corporations. This program also provides for budget preparation and monitoring, payment authorization, records maintenance, and the Bethesda Circulator contract.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	1,916,931	9.30
Decrease Cost: Lapse Equipment Operator Position	(25,990)	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	54,878	0.00
FY20 Recommended	1,945,819	9.30

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	%Chg Bud/Rec
URBAN DISTRICT - BETHESDA					
EXPENDITURES					
Salaries and Wages	36,936	82,729	68,128	79,822	-3.5 %
Employee Benefits	39,462	47,113	37,324	25,785	-45.3 %
Urban District - Bethesda Personnel Costs	76,398	129,842	105,452	105,607	-18.7 %
Operating Expenses	3,037,686	3,184,063	3,184,063	3,196,162	0.4 %
Urban District - Bethesda Expenditures	3,114,084	3,313,905	3,289,515	3,301,769	-0.4 %
PERSONNEL					
Full-Time	1	1	1	1	—
Part-Time	0	0	0	0	—
FTEs	1.00	1.00	1.00	1.00	—
REVENUES					
Optional Method Development	184,576	189,877	189,877	194,567	2.5 %
Property Tax	663,674	717,614	704,078	728,825	1.6 %
Urban District - Bethesda Revenues	848,250	907,491	893,955	923,392	1.8 %

URBAN DISTRICT - SILVER SPRING

EXPENDITURES					
Salaries and Wages	1,681,069	1,739,256	1,701,162	1,795,061	3.2 %
Employee Benefits	725,108	773,446	741,377	826,058	6.8 %
Urban District - Silver Spring Personnel Costs	2,406,177	2,512,702	2,442,539	2,621,119	4.3 %
Operating Expenses	1,006,121	1,340,728	1,340,728	1,117,190	-16.7 %

BUDGET SUMMARY

	Actual FY18	Budget FY19	Estimate FY19	Recommended FY20	% Chg Bud/Rec
Urban District - Silver Spring Expenditures	3,412,298	3,853,430	3,783,267	3,738,309	-3.0 %
PERSONNEL					
Full-Time	37	37	37	37	—
Part-Time	0	0	0	0	—
FTEs	34.90	34.90	34.90	34.90	—
REVENUES					
Optional Method Development	158,212	150,000	150,000	150,000	—
Property Tax	791,407	931,139	968,997	1,003,131	7.7 %
Urban District - Silver Spring Revenues	949,619	1,081,139	1,118,997	1,153,131	6.7 %

URBAN DISTRICT - WHEATON

EXPENDITURES					
Salaries and Wages	1,040,316	1,044,785	1,026,337	1,066,161	2.1 %
Employee Benefits	399,040	425,190	410,764	442,603	4.1 %
Urban District - Wheaton Personnel Costs	1,439,356	1,469,975	1,437,101	1,508,764	2.6 %
Operating Expenses	458,528	519,095	519,095	579,598	11.7 %
Urban District - Wheaton Expenditures	1,897,884	1,989,070	1,956,196	2,088,360	5.0 %
PERSONNEL					
Full-Time	22	22	22	22	—
Part-Time	1	1	1	1	—
FTEs	22.70	22.70	22.70	22.70	—
REVENUES					
Investment Income	0	7,250	0	0	-100.0 %
Property Tax	206,184	237,229	252,372	261,217	10.1 %
Urban District - Wheaton Revenues	206,184	244,479	252,372	261,217	6.8 %

DEPARTMENT TOTALS

Total Expenditures	8,424,266	9,156,405	9,028,978	9,128,438	-0.3 %
Total Full-Time Positions	60	60	60	60	—
Total Part-Time Positions	1	1	1	1	—
Total FTEs	58.60	58.60	58.60	58.60	—
Total Revenues	2,004,053	2,233,109	2,265,324	2,337,740	4.7 %

FY20 RECOMMENDED CHANGES

	Expenditures	FTEs
URBAN DISTRICT - BETHESDA		
FY19 ORIGINAL APPROPRIATION	3,313,905	1.00
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Risk Management Adjustment	62,051	0.00
Increase Cost: FY20 Compensation Adjustment	4,945	0.00
Increase Cost: Motor Pool Adjustment	2,072	0.00
Decrease Cost: Streetscape Maintenance [Streetscape Maintenance]	(2,024)	0.00
Decrease Cost: Annualization of FY19 Personnel Costs	(29,180)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY19	(50,000)	0.00
FY20 RECOMMENDED	3,301,769	1.00
URBAN DISTRICT - SILVER SPRING		
FY19 ORIGINAL APPROPRIATION	3,853,430	34.90
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY20 Compensation Adjustment	96,169	0.00
Increase Cost: Risk Management Adjustment	75,466	0.00
Increase Cost: Annualization of FY19 Personnel Costs	34,555	0.00

FY20 RECOMMENDED CHANGES

	Expenditures	FTEs
Increase Cost: Retirement Adjustment	3,683	0.00
Increase Cost: Motor Pool Adjustment	996	0.00
Decrease Cost: Lapse Equipment Operator Position [Administration]	(25,990)	0.00
Decrease Cost: Elimination of One-Time Items Approved in FY19	(300,000)	0.00
FY20 RECOMMENDED	3,738,309	34.90

URBAN DISTRICT - WHEATON

FY19 ORIGINAL APPROPRIATION	1,989,070	22.70
Changes (with service impacts)		
Reduce: Street Maintenance - Seasonal Flowers [Streetscape Maintenance]	(7,151)	0.00
Reduce: TGIF Concert Series [Promotion of Community and Business Activities]	(10,000)	0.00
Reduce: Lapse Public Service Worker Position	(43,862)	0.00
Other Adjustments (with no service impacts)		
Increase Cost: FY20 Compensation Adjustment	60,384	0.00
Increase Cost: Risk Management Adjustment	35,353	0.00
Increase Cost: Motor Pool Adjustment	31,094	0.00
Increase Cost: Annualization of FY19 Personnel Costs	19,936	0.00
Increase Cost: Event Planning - Permits	11,205	0.00
Increase Cost: Retirement Adjustment	2,331	0.00
FY20 RECOMMENDED	2,088,360	22.70

PROGRAM SUMMARY

Program Name	FY19 APPR Expenditures	FY19 APPR FTEs	FY20 REC Expenditures	FY20 REC FTEs
Promotion of Community and Business Activities	3,582,418	30.95	3,774,521	31.95
Sidewalk Repair	443,969	0.00	143,969	0.00
Streetscape Maintenance	1,861,114	0.00	1,848,939	0.00
Tree Maintenance	123,885	0.00	123,885	0.00
Enhanced Security	1,228,088	18.35	1,291,305	17.35
Administration	1,916,931	9.30	1,945,819	9.30
Total	9,156,405	58.60	9,128,438	58.60

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY19 Total\$	FY19 FTEs	FY20 Total\$	FY20 FTEs
URBAN DISTRICT - SILVER SPRING					
Parking District Services	Silver Spring Parking	0	0.00	165,230	3.00

FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
URBAN DISTRICT - BETHESDA						
EXPENDITURES						
FY20 Recommended	3,302	3,302	3,302	3,302	3,302	3,302
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	2	2	2	2	2
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	3,302	3,304	3,304	3,304	3,304	3,304

URBAN DISTRICT - SILVER SPRING

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FUTURE FISCAL IMPACTS

CE RECOMMENDED (\$000S)

Title	FY20	FY21	FY22	FY23	FY24	FY25
EXPENDITURES						
FY20 Recommended	3,738	3,738	3,738	3,738	3,738	3,738
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	30	30	30	30	30
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	3,738	3,768	3,768	3,768	3,768	3,768

URBAN DISTRICT - WHEATON

EXPENDITURES						
FY20 Recommended	2,088	2,088	2,088	2,088	2,088	2,088
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	21	21	21	21	21
These figures represent the estimated annualized cost of general wage adjustments, service increments, and other negotiated items.						
Subtotal Expenditures	2,088	2,108	2,108	2,108	2,108	2,108



Montgomery County Government

FY20-25 PUBLIC SERVICES PROGRAM: FISCAL PLAN		Bethesda Urban District					
FISCAL PROJECTIONS	FY19 ESTIMATE	FY20 REC	FY21 PROJECTION	FY22 PROJECTION	FY23 PROJECTION	FY24 PROJECTION	FY25 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0120	0.0120	0.0120	0.0120	0.0120	0.0120	0.0120
Assessable Base: Real Property (000)	5,295,600	5,484,000	5,669,300	5,846,900	6,026,300	6,213,300	6,421,900
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Assessable Base: Personal Property (000)	242,000	249,600	259,600	268,900	278,200	287,800	297,900
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
CPI (Fiscal Year)	2.2%	2.3%	2.5%	2.7%	2.7%	2.7%	2.7%
Investment Income Yield	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
BEGINNING FUND BALANCE	199,612	113,230	83,438	84,858	83,243	84,613	83,621
REVENUES							
Taxes	704,078	728,825	753,919	777,886	802,868	827,246	855,151
Charges For Services	189,877	194,567	199,490	204,876	210,408	216,089	221,923
Subtotal Revenues	893,955	923,392	953,409	982,762	1,012,476	1,043,335	1,077,074
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	2,309,178	2,348,585	2,355,749	2,328,549	2,307,252	2,279,719	2,253,819
Indirect Costs	(23,670)	(21,597)	(21,839)	(21,839)	(21,839)	(21,839)	(21,839)
Transfers From The General Fund	(23,670)	(21,597)	(21,839)	(21,839)	(21,839)	(21,839)	(21,839)
From General Fund: Baseline Services	800,318	750,318	750,318	750,318	750,318	750,318	750,318
Transfers From Special Fds: Non-Tax + ISF	800,318	750,318	750,318	750,318	750,318	750,318	750,318
Bethesda Parking District Fees	1,532,530	1,619,864	1,627,270	1,600,070	1,578,773	1,551,240	1,525,340
TOTAL RESOURCES	3,402,745	3,385,207	3,392,596	3,396,169	3,402,971	3,407,667	3,414,514
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(3,289,515)	(3,301,769)	(3,306,563)	(3,311,741)	(3,317,179)	(3,322,861)	(3,328,816)
Labor Agreement	n/a	0	(1,185)	(1,185)	(1,185)	(1,185)	(1,185)
Subtotal PSP Oper Budget Approp / Exp's	(3,289,515)	(3,301,769)	(3,307,738)	(3,312,926)	(3,318,358)	(3,324,046)	(3,330,001)
TOTAL USE OF RESOURCES	(3,289,515)	(3,301,769)	(3,307,738)	(3,312,926)	(3,318,358)	(3,324,046)	(3,330,001)
YEAR END FUND BALANCE	113,230	83,438	84,858	83,243	84,613	83,621	84,513
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	3.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

- Transfers from the Bethesda Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
- Property tax revenue is assumed to increase the six years based on an improved assessable base.
- Large assessable base increases are due to economic growth and new projects coming online.
- These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
- Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY20-25 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Silver Spring Urban District

FISCAL PROJECTIONS	FY19 ESTIMATE	FY20 REC	FY21 PROJECTION	FY22 PROJECTION	FY23 PROJECTION	FY24 PROJECTION	FY25 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0240	0.0240	0.0240	0.0240	0.0240	0.0240	0.0240
Assessable Base: Real Property (000)	3,732,200	3,865,000	3,995,700	4,120,800	4,247,200	4,379,000	4,526,100
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Assessable Base: Personal Property (000)	131,400	135,500	140,900	146,000	151,000	156,200	161,700
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
CPI (Fiscal Year)	2.2%	2.3%	2.5%	2.7%	2.7%	2.7%	2.7%
Investment Income Yield	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
BEGINNING FUND BALANCE	(50,524)	147,510	95,816	99,210	99,622	99,666	100,064
REVENUES							
Taxes	968,997	1,003,131	1,037,543	1,070,439	1,103,586	1,138,140	1,176,523
Charges For Services	150,000	150,000	153,795	157,947	162,212	166,592	171,090
Subtotal Revenues	1,118,997	1,153,131	1,191,338	1,228,386	1,265,798	1,304,732	1,347,613
INTERFUND TRANSFERS (Net Non-OP)	2,662,304	2,533,404	2,608,652	2,596,552	2,596,552	2,587,552	2,579,952
Transfers To The General Fund	(458,066)	(536,019)	(541,989)	(541,989)	(541,989)	(541,989)	(541,989)
Indirect Costs	(458,066)	(536,019)	(541,989)	(541,989)	(541,989)	(541,989)	(541,989)
Transfers From The General Fund	539,660	539,660	539,600	539,600	539,600	539,600	539,600
From General Fund: Baseline Services	539,660	539,660	539,600	539,600	539,600	539,600	539,600
Transfers From Special Fds: Non-Tax + ISF	2,780,710	2,529,843	2,611,041	2,598,941	2,598,941	2,589,941	2,582,341
From Silver Spring Parking District Fees	2,780,710	2,529,843	2,611,041	2,598,941	2,598,941	2,589,941	2,582,341
TOTAL RESOURCES	3,930,777	3,834,125	3,895,806	3,924,148	3,958,972	3,991,970	4,027,629
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(3,783,267)	(3,738,309)	(3,766,569)	(3,797,499)	(3,829,259)	(3,861,879)	(3,895,379)
Labor Agreement	n/a	0	(30,027)	(30,027)	(30,027)	(30,027)	(30,027)
Subtotal PSP Oper Budget Approp / Exp's	(3,783,267)	(3,738,309)	(3,796,596)	(3,827,526)	(3,859,286)	(3,891,906)	(3,925,406)
TOTAL USE OF RESOURCES	(3,783,267)	(3,738,309)	(3,796,596)	(3,827,526)	(3,859,286)	(3,891,906)	(3,925,406)
YEAR END FUND BALANCE	147,510	95,816	99,210	99,622	99,666	100,064	102,223
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	3.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

- Transfers from the Silver Spring District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
- Property tax revenue is assumed to increase the six years based on an improved assessable base.
- Large assessable base increases are due to economic growth and new projects coming online.
- The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
- The Non-Baseline Services transfer is necessary to maintain fund balance policy.
- These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
- Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

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FY20-25 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Wheaton Urban District

FISCAL PROJECTIONS	FY19 ESTIMATE	FY20 REC	FY21 PROJECTION	FY22 PROJECTION	FY23 PROJECTION	FY24 PROJECTION	FY25 PROJECTION
ASSUMPTIONS							
Property Tax Rate: Real Property	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Assessable Base: Real Property (000)	755,500	782,400	808,900	834,200	859,800	886,500	916,200
Property Tax Collection Factor: Real Property	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%	99.4%
Property Tax Rate: Personal Property	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Assessable Base: Personal Property (000)	36,200	37,300	38,800	40,200	41,600	43,000	44,500
Property Tax Collection Factor: Personal Property	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
CPI (Fiscal Year)	2.2%	2.3%	2.5%	2.7%	2.7%	2.7%	2.7%
Investment Income Yield	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
BEGINNING FUND BALANCE	155,270	242,247	52,840	56,708	60,152	60,400	62,401
REVENUES							
Taxes	252,372	261,217	270,241	278,833	287,514	296,523	306,503
Subtotal Revenues	252,372	261,217	270,241	278,833	287,514	296,523	306,503
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	1,790,801	1,637,736	1,911,073	1,974,181	2,043,912	2,115,912	2,189,692
Indirect Costs	(267,976)	(308,542)	(312,685)	(312,685)	(312,685)	(312,685)	(312,685)
Transfers From The General Fund	(267,976)	(308,542)	(312,685)	(312,685)	(312,685)	(312,685)	(312,685)
From General Fund: Baseline Services	2,022,240	1,909,741	2,187,221	2,250,329	2,320,060	2,392,060	2,465,840
From General Fund: Non-Baseline Services	76,090	76,090	76,090	76,090	76,090	76,090	76,090
Transfers From Special Fds: Non-Tax + ISF	1,946,150	1,833,651	2,111,131	2,174,239	2,243,970	2,315,970	2,389,750
From Wheaton Parking District Fees	36,537	36,537	36,537	36,537	36,537	36,537	36,537
TOTAL RESOURCES	2,196,443	2,141,200	2,334,154	2,309,722	2,309,578	2,472,835	2,558,596
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(1,956,196)	(2,088,360)	(2,156,707)	(2,230,831)	(2,308,439)	(2,389,695)	(2,474,770)
Labor Agreement	n/a	0	(20,739)	(20,739)	(20,739)	(20,739)	(20,739)
Subtotal PSP Oper Budget Approp / Exp's	(1,956,196)	(2,088,360)	(2,177,446)	(2,251,570)	(2,329,178)	(2,410,434)	(2,495,509)
TOTAL USE OF RESOURCES	(1,956,196)	(2,088,360)	(2,177,446)	(2,251,570)	(2,329,178)	(2,410,434)	(2,495,509)
YEAR END FUND BALANCE	242,247	52,840	56,708	56,152	60,400	62,401	63,887
END-OF-YEAR RESERVES AS A							
PERCENT OF RESOURCES	11.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Assumptions:

1. Transfers from the Wheaton Parking District are adjusted annually to fund the approved service program and to maintain an ending fund balance of approximately 2.5 percent of resources.
2. Property tax revenue is assumed to increase of the six years based on an improved assessable base.
3. Large assessable base increases are due to economic growth and new projects coming online.
4. The Baseline Services transfer provides basic right-of-way maintenance comparable to services provided countywide.
5. The Non-Baseline Services transfer is necessary to maintain fund balance policy.
6. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage inflation, future labor agreements, and other factors not assumed here.
7. Section 68A-4 of the County Code requires: a) that the proceeds from either the Urban District tax or parking fee transfer must not be greater than 90 percent of their combined total; and b) that the transfer from the Parking District not exceed the number of spaces in the Urban District times the number of enforcement hours per year times 20 cents.

FY20-25 Public Services Program: Fiscal Plan Bethesda Parking Lot District		Estimated	Recommended	Projected	Projected	Projected	Projected	Projected
		2019	2020	2021	2022	2023	2024	2025
1	Assumptions:							
2	Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
3	CPI (Fiscal Year)	2.15%	2.32%	2.53%	2.70%	2.70%	2.70%	2.70%
4	Investment Income Yield	2.30%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%
5	Beginning Fund Balance	\$ 17,600,624	\$ 16,057,015	\$ 12,373,038	\$ 13,387,838	\$ 12,653,759	\$ 11,689,175	\$ 12,678,004
6								
7	Revenues							
8	Charges for Services	\$ 15,555,081	\$ 15,555,081	\$ 15,555,081	\$ 15,555,081	\$ 15,555,081	\$ 14,755,081	\$ 14,755,081
9	Fines & Forfeits	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000	\$ 3,250,000
10	Miscellaneous	\$ 761,090	\$ 787,310	\$ 6,412,310	\$ 787,310	\$ 787,310	\$ 2,787,310	\$ 2,787,310
11	Subtotal Revenues	\$ 19,566,171	\$ 19,592,391	\$ 25,217,391	\$ 19,592,391	\$ 19,592,391	\$ 20,792,391	\$ 20,792,391
12								
13	Transfers	\$ (2,359,658)	\$ (2,331,137)	\$ (5,031,116)	\$ (3,018,273)	\$ (3,011,743)	\$ (1,979,397)	\$ (2,089,117)
14	Transfers to General Fund	\$ (427,128)	\$ (491,273)	\$ (503,846)	\$ (518,203)	\$ (532,970)	\$ (548,157)	\$ (563,777)
15	Indirect Costs	\$ (414,329)	\$ (491,273)	\$ (503,846)	\$ (518,203)	\$ (532,970)	\$ (548,157)	\$ (563,777)
16	Telecommunications NDA	\$ (12,799)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Transfers to Special Funds : Tax Supported	\$ (1,532,530)	\$ (1,619,864)	\$ (1,627,270)	\$ (1,600,070)	\$ (1,578,773)	\$ (1,551,240)	\$ (1,525,340)
18	Bethesda Urban District	\$ (1,532,530)	\$ (1,619,864)	\$ (1,627,270)	\$ (1,600,070)	\$ (1,578,773)	\$ (1,551,240)	\$ (1,525,340)
19	Transfers to Other Funds	\$ (400,000)	\$ (220,000)	\$ (2,900,000)	\$ (900,000)	\$ (900,000)	\$ 120,000	\$ -
20	Transfer to Wheaton PLD	\$ (400,000)	\$ (220,000)	\$ 100,000	\$ 200,000	\$ 200,000	\$ 120,000	\$ -
21	Transfer to Silver Spring PLD	\$ -	\$ -	\$ (3,000,000)	\$ (1,100,000)	\$ (1,100,000)	\$ -	\$ -
22	Total Resources	\$ 34,807,137	\$ 33,318,269	\$ 32,559,313	\$ 29,961,956	\$ 29,234,407	\$ 30,502,168	\$ 31,381,278
23	CIP Current Revenue Appropriation Expenditure	\$ (3,805,562)	\$ (5,906,400)	\$ (3,843,677)	\$ (3,208,200)	\$ (3,155,000)	\$ (3,155,000)	\$ (3,155,000)
24	Other CIP Revenue Appropriation Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25								
26	Appropriations/Expenditures							
27	Operating Budget	\$ (10,267,797)	\$ (10,374,862)	\$ (10,640,381)	\$ (10,943,588)	\$ (11,255,434)	\$ (11,576,167)	\$ (11,906,039)
28	Existing Debt Service	\$ (4,653,194)	\$ (4,640,400)	\$ (4,634,250)	\$ (3,104,192)	\$ (3,091,012)	\$ (3,078,709)	\$ (3,068,191)
29	Retiree Health Insurance Pre-Funding	\$ -	\$ -	\$ 470	\$ 1,420	\$ 9,850	\$ 15,780	\$ 20,080
30	Labor Agreement	\$ -	\$ -	\$ (30,068)	\$ (30,068)	\$ (30,068)	\$ (30,068)	\$ (30,068)
31	Subtotal PSP Operating Budget Appropriation	\$ (14,920,991)	\$ (15,015,262)	\$ (15,304,229)	\$ (14,076,427)	\$ (14,366,664)	\$ (14,669,164)	\$ (14,984,219)
32	Other Claims on Fund Balance	\$ (23,569)	\$ (23,569)	\$ (23,569)	\$ (23,569)	\$ (23,569)	\$ -	\$ -
33	Total Use of Resources	\$ (18,750,122)	\$ (20,945,231)	\$ (19,171,475)	\$ (17,308,190)	\$ (17,545,233)	\$ (17,814,164)	\$ (18,139,219)
34	Year End Fund Balance	\$ 16,057,015	\$ 12,373,038	\$ 13,387,838	\$ 12,653,759	\$ 11,689,175	\$ 12,678,004	\$ 13,242,059
35	Bond Restricted Reserve	\$ (7,947,468)	\$ (8,571,342)	\$ (8,829,945)	\$ (8,896,619)	\$ (8,961,636)	\$ (9,027,651)	\$ (9,097,409)
36	Year End Available Fund Balance	\$ 8,109,547	\$ 3,801,696	\$ 4,557,893	\$ 3,757,149	\$ 2,727,539	\$ 3,650,353	\$ 4,144,650
37	Available Fund Balance As A Percent of Next Year's							
38	PSP Expenses	54%	25%	32%	26%	19%	24%	28%
39	Target Balance	\$ 3,753,816	\$ 3,826,057	\$ 3,519,107	\$ 3,591,666	\$ 3,667,291	\$ 3,746,055	\$ 3,746,055

Assumptions:

1. The cash balance includes funds required to be held by the District to cover Bond Covenants. Bond coverage (annual net revenues over debt service requirements) is maintained at about 226 percent in FY20. The minimum requirement is 125 percent.
2. Revenue for the air rights lease for Garage 49 is assumed in FY19 through FY25.
3. Revenue growth in FY24 projected as a result of increased occupancy of existing facilities associated with the Marriott development.
4. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
5. The Parking Lot Districts have a fund balance policy target equal to 25 percent of the following year's projected operating budget expenses.
6. The other claims on fund balance represents the OPEB liability five year allocation (GASB 75).

11

FY20-25 Public Services Program: Fiscal Plan Silver Spring Parking Lot District							
	Estimated	Recommended	Projected	Projected	Projected	Projected	Projected
	2019	2020	2021	2022	2023	2024	2025
1 Assumptions							
2 Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
3 CPI (Fiscal Year)	2.15%	2.32%	2.53%	2.70%	2.70%	2.70%	2.70%
4 Investment Income Yield	2.30%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%
5 Beginning Fund Balance	\$ 16,891,415	\$ 8,777,412	\$ 5,767,419	\$ 7,397,774	\$ 7,117,991	\$ 6,461,696	\$ 4,334,534
6 Revenues							
8 Charges for Services	\$ 10,663,333	\$ 13,440,413	\$ 15,040,413	\$ 15,040,413	\$ 15,040,413	\$ 15,040,413	\$ 15,040,413
9 Fines & Forfeits	\$ 1,897,689	\$ 1,897,689	\$ 1,897,689	\$ 1,897,689	\$ 1,897,689	\$ 1,897,689	\$ 1,897,689
10 Miscellaneous	\$ 435,120	\$ 226,457	\$ 168,799	\$ 210,863	\$ 203,644	\$ 186,712	\$ 131,831
11 Subtotal Revenues	\$ 12,996,142	\$ 15,564,559	\$ 17,106,901	\$ 17,148,965	\$ 17,141,746	\$ 17,124,814	\$ 17,069,933
12 Transfers							
13 Transfers to General Fund	\$ (3,340,130)	\$ (3,083,000)	\$ (178,227)	\$ (2,082,147)	\$ (2,098,623)	\$ (3,206,569)	\$ (3,216,398)
14 Indirect Costs	\$ (559,420)	\$ (553,157)	\$ (567,186)	\$ (583,206)	\$ (599,682)	\$ (616,628)	\$ (634,057)
15 To RSC	\$ (472,228)	\$ (548,157)	\$ (562,186)	\$ (578,206)	\$ (594,682)	\$ (611,628)	\$ (629,057)
Telecommunications NDA	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)
17 Transfers to Special Funds: Tax Supported	\$ (82,192)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19 Silver Spring Urban District	\$ (2,780,710)	\$ (2,529,843)	\$ 388,959	\$ (1,498,941)	\$ (1,498,941)	\$ (2,589,941)	\$ (2,582,341)
21 Transfer from Bethesda PLD	\$ (2,780,710)	\$ (2,529,843)	\$ (2,611,041)	\$ (2,598,941)	\$ (2,598,941)	\$ (2,589,941)	\$ (2,582,341)
22	\$ -	\$ -	\$ 3,000,000	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -
23 Total Resources	\$ 26,547,427	\$ 21,258,971	\$ 22,696,093	\$ 22,464,592	\$ 22,161,114	\$ 20,379,941	\$ 18,188,069
24 CIP Current Revenue Appropriation Expenditure	\$ (6,395,593)	\$ (3,800,000)	\$ (3,000,000)	\$ (2,700,000)	\$ (2,700,000)	\$ (2,700,000)	\$ (2,700,000)
25 Appropriations/Expenditures							
26 Operating Budget	\$ (11,355,567)	\$ (11,672,697)	\$ (12,246,431)	\$ (12,595,403)	\$ (12,954,320)	\$ (13,323,463)	\$ (13,703,126)
27 Labor Agreement	\$ -	\$ -	\$ (33,373)	\$ (33,373)	\$ (33,373)	\$ (33,373)	\$ (33,373)
Retiree Health Benefits Pre-Funding	\$ -	\$ -	\$ 340	\$ 1,030	\$ 7,130	\$ 11,430	\$ 14,540
29 Subtotal FSP Operating Budget Appropriation	\$ (11,355,567)	\$ (11,672,697)	\$ (12,279,464)	\$ (12,627,746)	\$ (12,980,563)	\$ (13,345,406)	\$ (13,721,959)
30 Other Claims on Fund Balance	\$ (18,855)	\$ (18,855)	\$ (18,855)	\$ (18,855)	\$ (18,855)	\$ -	\$ -
31 Total Use of Resources	\$ (17,770,815)	\$ (15,491,552)	\$ (15,298,319)	\$ (15,346,601)	\$ (15,699,418)	\$ (16,045,406)	\$ (16,421,959)
32 Year End Available Fund Balance	\$ 8,777,412	\$ 5,767,419	\$ 7,397,774	\$ 7,117,991	\$ 6,461,696	\$ 4,334,534	\$ 1,766,110
33 Available Fund Balance As A Percent of Next Year's PSP Expenses	75%	47%	59%	55%	48%	32%	13%
35 Target Balance	\$ 2,918,174	\$ 3,069,866	\$ 3,156,937	\$ 3,248,141	\$ 3,336,352	\$ 3,430,490	\$ 3,430,490

Assumptions:

1. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
2. Increases to revenue from FY21-25 are based on a combination of increased hours of enforcement in lots and garages and overall rates, with the details to be determined in collaboration with the Silver Spring Chamber of Commerce and the County Council.
3. The Parking Lot Districts have a fund balance policy target equal to 25 percent of the following year's projected operating budget expenses.
4. The other claims on fund balance represents the OPEB liability five year allocation (GASB 75).

12

FY20-25 Public Services Program: Fiscal Plan Wheaton Parking Lot District		Estimated	Recommended	Projected	Projected	Projected	Projected	Projected
		2019	2020	2021	2022	2023	2024	2025
1	Assumptions							
2	Indirect Cost Rate	18.23%	20.45%	20.45%	20.45%	20.45%	20.45%	20.45%
3	CPI (Fiscal Year)	2.15%	2.32%	2.53%	2.70%	2.70%	2.70%	2.70%
4	Investment Income Yield	2.30%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%
5	Beginning Fund Balance	\$ 973,824	\$ 917,671	\$ 606,532	\$ 419,011	\$ 522,541	\$ 485,877	\$ 475,079
7	Revenues							
8	Charges for Services	\$ 725,000	\$ 850,000	\$ 1,525,000	\$ 1,975,000	\$ 1,975,000	\$ 1,975,000	\$ 1,975,000
9	Fines & Forfeits	\$ 476,000	\$ 476,000	\$ 476,000	\$ 476,000	\$ 476,000	\$ 476,000	\$ 476,000
10	Miscellaneous	\$ 19,440	\$ 21,885	\$ 15,649	\$ 10,810	\$ 13,482	\$ 12,536	\$ 12,257
11	Subtotal Revenues	\$ 1,220,440	\$ 1,347,885	\$ 2,016,649	\$ 2,461,810	\$ 2,461,482	\$ 2,463,536	\$ 2,463,257
13	Transfers	\$ 288,852	\$ 102,845	\$ (221,285)	\$ (323,700)	\$ (326,184)	\$ (248,738)	\$ (131,366)
14	Transfers to General Fund	\$ (74,611)	\$ (80,618)	\$ (84,748)	\$ (87,163)	\$ (89,647)	\$ (92,201)	\$ (94,829)
15	Indirect Costs	\$ (70,547)	\$ (80,618)	\$ (84,748)	\$ (87,163)	\$ (89,647)	\$ (92,201)	\$ (94,829)
16	Telecommunications NDA	\$ (4,064)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Transfers to Special Funds : Tax Supported	\$ 363,463	\$ 183,463	\$ (136,537)	\$ (236,537)	\$ (236,537)	\$ (156,537)	\$ (36,537)
18	Wheaton Urban District	\$ (36,537)	\$ (36,537)	\$ (36,537)	\$ (36,537)	\$ (36,537)	\$ (36,537)	\$ (36,537)
20	Transfer from Bethesda PLD	\$ 400,000	\$ 220,000	\$ (100,000)	\$ (200,000)	\$ (200,000)	\$ (120,000)	\$ -
22	Total Resources	\$ 2,483,116	\$ 2,368,401	\$ 2,401,895	\$ 2,557,121	\$ 2,660,839	\$ 2,700,674	\$ 2,806,971
24	CIP Current Revenue Appropriation Expenditure	\$ (156,000)	\$ (157,000)	\$ (157,000)	\$ (157,000)	\$ (245,000)	\$ (245,000)	\$ (245,000)
26	Appropriations/Expenditures							
27	Operating Budget	\$ (1,405,909)	\$ (1,601,333)	\$ (1,817,315)	\$ (1,869,101)	\$ (1,922,363)	\$ (1,977,142)	\$ (2,033,482)
	Retiree Health Insurance Pre-Funding	\$ -	\$ -	\$ 50	\$ 140	\$ 1,020	\$ 1,630	\$ 2,070
	Labor Agreement	\$ -	\$ -	\$ (5,083)	\$ (5,083)	\$ (5,083)	\$ (5,083)	\$ (5,083)
28	Subtotal PSP Operating Budget Appropriation	\$ (1,405,909)	\$ (1,601,333)	\$ (1,822,348)	\$ (1,874,044)	\$ (1,926,426)	\$ (1,980,595)	\$ (2,036,495)
29	Other Claims on Fund Balance	\$ (3,536)	\$ (3,536)	\$ (3,536)	\$ (3,536)	\$ (3,536)	\$ -	\$ -
30	Total Use of Resources	\$ (1,565,445)	\$ (1,761,869)	\$ (1,982,884)	\$ (2,034,580)	\$ (2,174,962)	\$ (2,225,595)	\$ (2,281,495)
32	Year End Available Fund Balance	\$ 917,671	\$ 606,532	\$ 419,011	\$ 522,541	\$ 485,877	\$ 475,079	\$ 525,475
	Available Fund Balance As A Percent of Next Year's							
33	PSP Expenses	57%	33%	22%	27%	25%	23%	26%
34	Target Balance	\$ 400,333	\$ 455,587	\$ 468,511	\$ 481,606	\$ 495,149	\$ 509,124	\$ 509,124

Assumptions:

1. These projections are based on the Executive's Recommended Budget and include the revenue and resource assumptions of that budget. FY21-25 expenditures are based on the "major, known commitments" of elected officials and include negotiated labor agreements, estimates of compensation and inflation cost increases, the operating costs of capital facilities, the fiscal impact of approved legislation or regulations, and other programmatic commitments. They do not include unapproved service improvements. The projected future expenditures, revenues, and fund balance may vary based on changes to fee or tax rates, usage, inflation, future labor agreements, and other factors not assumed here.
2. Increases to revenue from FY21-25 are based on the completion of the Wheaton Revitalization Program in FY20, and a combination of increased hours of enforcement in lots and garages and overall rates starting in FY21, with the details to be determined in collaboration with the Wheaton Chamber of Commerce and the County Council.
3. The Parking Lot Districts have a fund balance policy target equal to 25 percent of the following year's projected operating budget expenses.
4. The other claims on fund balance represents the OPEB liability five year allocation (GASB 75).

13

Recommended Allocation of Baseline and Enhanced Maintenance Services

<u>Countywide Baseline Services¹</u>	<u>Frequency</u>	<u>Enhanced Urban District Services²</u>	<u>Frequency</u>
BETHESDA			
• Litter Collection	5x/week	• Litter Collection	3x/day 5 days/week
• Street Sweeping	3x/week		
• Sidewalk Washing	2x/year		
• Roadside Mowings	12x/year		
• Emptying Trash Receptacles	2x/week	• Empty Trash Receptacles	4x/week
• Street Tree Maintenance	as needed (on an 8 year cycle)	• Inspection, Mulching, Pruning, and Planting	daily inspections and semi-annual maintenance
SILVER SPRING			
• Litter Collection	5x/week	• Litter Collection	2x/day (Mon-Fri) 1x/day Sat.
• Street Sweeping	3x/week		
• Sidewalk Washing	2x/year		
• Roadside Mowings	12x/year		
• Emptying Trash Receptacles	2x/week	• Empty Trash Receptacles	4x/week
• Street Tree Maintenance	as needed (on an 8 year cycle)	• Mulching, Pruning, and Planting	annual maintenance
WHEATON			
• Litter Collection	5x/week		
• Street Sweeping	3x/week		
• Sidewalk Washing	2x/year		
• Roadside Mowings	12x/year		
• Emptying Trash Receptacles	2x/week	• Emptying Trash Receptacles	3x/week
• Street Tree Maintenance	As needed (on an 8 year cycle)	• Mulching, pruning, and planting	annual maintenance

¹ Baseline services are based on urban district services detailed in the FY 89 Recommended Operating Budget. Countywide baseline services should also include snow removal, lighting maintenance, and sidewalk and curb replacement.

² Enhanced services levels are based on urban district contracts and information provided by the Bethesda Urban Partnership.



OUR MISSION:
Working to enhance the economic prosperity of greater Silver Spring through robust promotion of our member businesses and unrelenting advocacy on their behalf.

**Montgomery County FY20 Operating Budget
Monday, April 8, 2019**

Council President Navarro, members of the Council: Jane Redicker, President of the Greater Silver Spring Chamber of Commerce. Our Chamber represents more than 440 employers, mostly small businesses, and several non-profit organizations, that provide more than 17,000 jobs in greater Silver Spring and surrounding areas in Montgomery County. Thank you for the opportunity to comment on the proposed FY20 Operating Budget.

My comments this afternoon focus on one critical need: the continued investment in assuring a clean and safe Silver Spring. This can be accomplished by addressing four specific budget areas – the Silver Spring Urban District, the Silver Spring Parking Lot District, Health & Human Services budget for Progress Place and Homeless Services, and the Montgomery County Police.

Silver Spring Urban District

We believe that Silver Spring is at a tipping point. The overall population of Central Business District has grown by 23% since 2010, and more rental apartments are about to come on line. The number of people on our streets during the day has grown by some 1,000 employees, guests, and others in that same time. Happily, our nighttime economy continues to grow, bringing more and more customers to our restaurants and entertainment venues. Unfortunately, in the past year, we have also experienced a growth in the number of homeless and other vulnerable individuals in our community, in part as a result of the closure of a number of facilities in the District of Columbia. Even more unfortunate, the increase in our homeless population has been accompanied by an increasing number of individuals having mental health issues, who are impacting the quality of life on our sidewalks, in our businesses, in the library and other public places. Yet, the budget for the services that keep our community clean and safe has not kept pace with this growth. In fact, it has remained flat, at best.

For these reasons we join the Silver Spring Urban District Advisory Committee (SSUDAC) in asking the County give priority to bringing the FY20 Urban District operating budget in line with current needs and future growth. Now is NOT the time to reduce investment in assuring a “Clean and Safe” Silver Spring. As our population continues to grow, as we welcome potential businesses and investors to consider moving into what will soon be the former Discovery Building, presenting a “Clean and Safe” community will become even more critical.

With the SSUDAC, we recommend a budget that addresses the following:

1. Clean – Trash and litter removal
2. Clean – Replacing damaged trash cans
3. Clean – Painting damaged streetlight pole bases
4. Clean – providing public toilets and expand Urban District crew work hours to clean up after those who are using our public spaces for personal hygiene and toileting
5. Safe – Repairing broken and damaged pedestrian sidewalks
6. Safe – Expanding night and weekend presence of Urban District “Red Shirts”
7. Safe – Increasing police presence, especially during the late evening hours, to assure a safe nighttime economy
8. Safe – Increasing security in parking garages, by adding nighttime security coverage at least until patrons have gotten back to their cars

Workers, shoppers, visitors, and residents walk the sidewalks throughout the day and into the night. They see the broken sidewalks, the bases of the street light poles where the paint has been etched away by road-treatment chemicals, litter on the sidewalk, rusty, battered, and broken, and often-overflowing trash cans (especially on weekend nights) waiting to be emptied. We often hear the words shabby or scuffed when people talk about Silver Spring. We hear people wonder where the "Red Shirts" are when they were detailed to work on something else.

Our "Red Shirts" do an excellent job of with the resources currently available, but there are not enough work hours in their days to keep up with the jobs that need to be done.

The personnel budget for the Urban District needs to be increased by an additional shift, in order to:

- **Devote extra work hours to picking up litter and collecting trash** – Last year the Urban District terminated a contract for another group to empty trash and recycling cans throughout the Central Business District. Now, to save money, the Urban District staff handles the collection. That takes work hours and a vehicle away from other Urban District work and out of Silver Spring to the Transfer Station.
- **Address the challenges brought by an increased presence of homeless individuals in our community** – While the County has done much to address the problems of many of our homeless residents, Silver Spring has seen an increase in their numbers in the past year. Our Urban District folks have developed good working relationships with the agencies that provide shelter and other services and often make referrals. Nevertheless, Urban District staff, every day, deal with people sleeping in a business entrance in the morning or on the sidewalk in mid-day, collecting the cardboard they leave behind, and **six times a day** power-wash urine pools from pedestrian tunnels that connect north and south Silver Spring under the railroad overpass. Keeping up with the workload requires extra work hours.
- **Keep Veterans Plaza clean and attractive for the many users, events and activities both day and night throughout the week** – It's worth noting that keeping the area around the Civic Building and Veterans Plaza clean and safe will assure that it continues to attract these activities and events that bring revenue into the County's coffers.
- **Be "on duty" later into the evening to support the Nighttime Economy** – Urban District "Red Shirts" are less expensive than police and can be deployed to be a comforting presence as customers and workers are going home and back to their cars at the end of a night out in Silver Spring.
- **Repair and paint the damaged light poles** – Because the County's Department of Transportation was not able to address this last year, the Urban District sought and received permission to repaint them. Additional work hours are needed to paint and control traffic; doing so will reassert the message that the government cares and is in control.
- **Repair broken sidewalks** – A multi- year sidewalk repair project began in FY19 at \$300,000.00 per year. This project is not yet completed and will need to continue to be a part of general maintenance in order to keep up with future inevitable damage to sidewalks.

Further, the Urban District operating budget needs additional revenue to replace broken, rusty, damaged trash cans. The Urban District budget for FY19 had included an allocation to replace 50 trash cans in that year, and 50 more the following year, but that plan was shifted to FY20 and FY21. It's time to invest in replacing those cans, which, at a cost of approximately \$1,000 per trash can, will require an additional \$50,000 for FY20.

Parking Lot District Budget

While the proposed budget for the Silver Spring Parking Lot District might work for DOT's financials, it does not work for Silver Spring. It reflects a \$2.6 million increase in fee revenue, including a hike in the cost of the Parking Convenience Sticker used for garage parking and a more than 100% (possibly as much as 300%)

increase in the cost of parking on the street. However, these price increases are not accompanied by an increase in services that would justify such steep rate hikes. That's just wrong.

Silver Spring's nighttime economy has attracted an increasing number of patrons for our restaurants and our entertainment venues. Our leadership feels strongly that any increase in fees within the PLD must be accompanied by increased security in County garages late into the evening when patrons and employees are returning to their vehicles. The current situation where one security person travels between all the garages through the early evening hours is not sufficient. Having security personnel in the garages late at night not only gives a sense of safety but can also serve to prevent criminal and other activity. We are asking that any increase in parking fees go to cover the cost of additional security in all the garages late into the evening. Further, we recognize that the increases proposed for the PLD will not be sufficient to support this request.

Second, while the per-hour increases in the garages and on the lots is probably not out of line and will not cause patrons to stay away from Silver Spring, the proposal to increase on-street parking rates by a potential 300% is cause for alarm. We cannot support that steep an increase, even with the understanding that the goal is to encourage turnover by making it more expensive to park in certain places. Likewise, the proposed 125% increase for parking at meters on most streets is even cause for concern. We have members that rely on on-street parking for their customers and some of these members have customers that will need to park for longer than one hour and are not in a position to use one of the less expensive lots or garages.

Third, while some Silver Spring residents and employees of our businesses will not be happy about it, we support the proposal to keep the gates down in County garages 24/7. Allowing some to take advantage of "free" parking by exiting the garages only when the gates are up robs the Silver Spring PLD, and the County, of needed revenue. Unfortunately, DOT does not know just how much revenue is being lost through this practice. We wonder whether that amount would be sufficient to provide at least some of the funds needed for additional security, or at least slow down the rate of increase in parking charges. We strongly suggest that DOT institute this practice sooner rather than later and determine just how much new revenue would be realized before implementing rate increases or any extension of enforcement hours and days, as is proposed for future years.

In 2015 and 2016, the Silver Spring PLD made loans totaling \$3 million to the Bethesda PLD. The original \$1.5 million was supposed to be repaid in 2016, but instead, an additional \$1.5 million was loaned. Per the six-year fiscal plan, that was supposed to be returned in 2018. Repayment has now been delayed until 2021. The return of even part of that loan could either reduce the necessary fee increases, or go a long way to provide security for our nighttime economy.

In summary, we asked DOT for the following in the coming year:

- Institute a policy where gates in all the garages remain down 24/7.
- Delay any fee increases until learning how much revenue will be generated from leaving the gates down 24/7.
- Provide detailed information on the cost of extending security into the nighttime hours.
- Assure that any recommendations for fee increases be used only to expand security.
- Support Silver Spring's nighttime economy, and bringing more dollars into the County's income stream, by allocating additional DOT funds to support our security needs.
- Schedule repayment of all or part of the \$3 million that was loaned to the Bethesda PLD.

Montgomery County Police

While understand that police resources are stretched thin throughout the County, and the number of new recruits is less than in previous years, we ask that you support bringing additional officers to Silver Spring. As we have noted, our day and nighttime population is growing, coupled with an increase in the number of individuals who threaten the safety and security of our residents, businesses and customers, but the number of officers per person has not kept pace. We need dollars for additional law enforcement to assure that those who prey on the staff and clients of Progress Place, the staff and patrons of our wonderful Silver Spring Library, and those who visit,

work, and make their homes in Silver Spring do not become victim to those who are violent and disruptive whether due to mental health issues or substance abuse.

Progress Place and other Homeless Services

We support programs that support our the homeless among us, especially programs that help to place these individuals into permanent housing. Progress Place is a wonderful asset in our community. However, when it was planned, there was no thought given to the need for security inside and in the surrounding area.

Silver Spring needs to be a safe, secure, and welcoming place for all. Unfortunately, we seem to be experiencing a noticeable increase in the number of individuals are disruptive and even dangerous – either because of substance abuse, mental health challenges, or other issues. This is increasing and is unsafe for employees, patrons, business owners, and many of those who our wonderful services like Shepherd's Table and Progress Place seek to help. We don't have all the answers. We have been working with a group of residents, non-profit service providers, and county representatives to find solutions that work for everyone. You will hear more testimony this week from others who will outline specific requests. We support those requests for increased funding to secure Progress Place and to create a safe place where those who have no place to go between meals can spend the day.

In conclusion, we ask you to please support these efforts that will keep Silver Spring attractive, comfortable, "clean and safe." Revenue shortfalls bring the temptation to constrain budget and effort, but businesses, investors, and residents will be looking at Silver Spring more than ever this year, particularly as we seek to find a new tenant or tenants to fill the former Discovery building. What they see will influence their decisions and the County's revenue picture for years to come.



WHEATON URBAN DISTRICT ADVISORY COMMITTEE

Marc Elrich
County Executive

Luisa Montero-Diaz
Director

April 16, 2019

Hon. Nancy Navarro
President, Montgomery County Council
100 Maryland Avenue
Rockville, MD 20850

Dear County Council President Navarro:

On behalf of the Wheaton Urban District Advisory Committee (WUDAC) and the residents of Wheaton, we commend and thank you for your unwavering commitment to the growth and development of Wheaton. This communication responds to the current FY20 budget process and provides an overview of our concerns moving forward to support the \$170+ million-dollar investment in the Wheaton Revitalization Project and beyond.

Recognizing the need to trim the outlays to meet Wheaton Urban District's budget reduction target cuts, we endorse the CE's recommendations for the FY20 budget as it pertains to the current operations of the Wheaton Urban District. We support the reinstatement of the TGIF concert series and understand the need to provide the current level of support to the community with less resources in FY20.

However, moving forward in the FY21 budget process, we want to ensure you are aware of the necessary budgetary additions that will be needed to make the new Town Plaza functional and to realize the benefit to the community originally envisioned. In a letter to Executive Elrich dated March 7, 2019, WUDAC identified several areas of concern as the budget process unfolds. We direct your attention to that letter (attached) and add the following comments in summary.

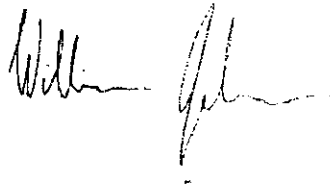
We support the County Executive and the Chief Administrative Officer's efforts to focus future budgets based on project priorities rather than across the board percentages. In that spirit, we want to reiterate two issues:

- WUD is disproportionately impacted by across-the-board cuts because our revenue source is the General Fund. Thus, our Urban District is unfairly penalized in comparison to the other County UD's when there are across the board savings plans or budget cuts.
- We anticipate a significant increase in the FY21 allocations for WUD to help ensure the viability of the County's investment in the Wheaton Revitalization Project. Specifically, additional funds are necessary to operate and maintain the physical changes to the Town Plaza, Reedie Drive and remaining Lot13 undeveloped land. Additional resources need to be allocated to:

- o Manage and Program the new Town Plaza
- o Coordinate with County Departments and Agencies including M-NCPPC, Recreation, CUPF, etc.
- o Manage and encourage utilization of A & E District designation
- o Continue development and inclusion in the CIP for Wheaton Community Cultural Arts Facility based on Feasibility Study and POR progress
- o Purchase infrastructure equipment including Lighting, Sound and Marley-type Stage, etc. for new Town Plaza stage area

We appreciate the ongoing support of the County Executive, Council President and Councilmembers of Wheaton, and encourage the Council to continue to support the needs of this vital community as we move forward into the next budget process. Implementing economic development resources as well as A & E District program management resources (whether internal or third party) will help to continue the momentum. We look forward to more specific and further dialogue related to the FY21 Operational Budget.

Thank you,



William Jelen, WUDAC Chair

cc: County Executive Marc Eirich
County Councilmembers:
Councilmember Sidney Katz
Councilmember Tom Hucker
Councilmember Hans Riemer
Councilmember Craig Rice
Councilmember Gabe Albornoz
Councilmember Evan Glass
Councilmember Will Jawando
Councilmember Andrew Friedson

Silver Spring Urban District – Sidewalk Maintenance

Street	Type	Visibility (5=high, 1=low)	Estimated Cost (5= low, 1= high)	Ease of Work (5=easy, 1= hard)
Fenton St.	Sidewalk	5	4	4
Fenton St.	Sidewalk	3	5	5
Selim Rd.	Sidewalk	5	4	4
Fenton St.	Sidewalk	2	5	5
Fenton St.	Sidewalk	2	5	5
Fenton St.	Sidewalk/Sign?	3	5	4
Georgia Ave.	Sidewalk	4	4	4
Georgia Ave.	Sidewalk	4	4	4
Georgia Ave.	Trash Can	4	3	5
Gist Ave.	Sidewalk	4	4	4
Philadelphia Ave.	Sidewalk	4	4	4
Spring St.	Sidewalk	2	5	5
Colesville Rd.	Sidewalk	2	4	5
Colesville Rd.	Sidewalk	5	3	3
Fenton St.	Sidewalk	5	3	3
Fenton St.	Sidewalk	1	5	5
Fenton St.	Sidewalk	5	4	2
Fenton St.	Sidewalk	1	5	5
Fenton St.	Sidewalk/Tree pit?	5	3	3
Fenton St.	Tree Pit	5	3	3
Fenton St.	Tree Pit	5	3	3