



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Keith Levchenko, Senior Legislative Analyst  
**Purpose:** To introduce agenda item – no vote expected  
**Keywords:** #FY21SavingsPlan and CIP Amendments

**ADDENDUM**  
AGENDA ITEM #2M  
July 7, 2020  
**Introduction**

## SUBJECT

County Executive Recommended FY21 Savings Plan - Amendments to the FY21-26 Capital Improvements Program (CIP)

## DESCRIPTION/ISSUE

- On July 6, the County Executive transmitted a revised spending plan for FY21 which includes changes to the FY21 Operating Budget as well as ten amendments to County Government projects in the FY21-26 CIP.
- The recommended amendments to the FY21-26 CIP require introduction by the Council on July 7 in order to provide for the required notice for a public hearing on July 28, 2020.
- Public hearing and action are scheduled for July 28, 2020.

### This report contains:

- |   |            |
|---|------------|
| • July 6, 2020 Transmittal Memorandum from the County Executive<br>"Recommended Revised FY21 Spending Plan" | Pages 1-4  |
| • Draft Resolution  | Page 5     |
| • Amended FY21-26 Project Description Forms   | Pages 6-23 |

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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Marc Elrich  
County Executive

**MEMORANDUM**

July 6, 2020

TO: Sidney Katz, President, County Council

FROM: Marc Elrich, County Executive 

SUBJECT: FY21 Recommended Revised Spending Plan

The purpose of this memorandum is to transmit my initial Recommended Fiscal Year 2021 Revised Spending Plan for Montgomery County Government departments and other tax-supported agencies. The attached plan identifies savings of approximately \$33.5 million from the County Government's Operating Budget. When the outside agencies are included, the savings total increases to \$38.3 million. In addition, \$27.7 million in savings from the County's Capital Budget have also been identified. Given the ongoing and unpredictable impacts of COVID-19 on the public health and economic vitality of our community, it is likely that we will need to enact additional spending revisions throughout the fiscal year in response to these challenges.

As you will notice, there are proposed savings for both Montgomery College and the Housing Opportunities Commission. However, there are no reductions included for the Montgomery County Public Schools or the Maryland-National Park and Planning Commission (MNCPPC) at this time. Working with the school system's leadership, I have determined that it would be premature to identify savings from our public schools. Once MCPS has determined the plan for the next school year, we will work with them to determine what savings might be possible given the operational changes they are making. The MNCPPC will be forwarding possible reductions later this week upon the Commission's review of their staff's recommendations.

In addition to these reductions, I will be transmitting to the Council under a separate memorandum a supplemental appropriation to support our joint efforts to reimagine public safety and advance racial justice in Montgomery County. These new expenditures will allow us to facilitate community engagement in this critical work.

As we move forward, we must recognize there are still several unknown variables that will impact County government finances, including the lasting impact of COVID-19 on the County's economy and our tax revenues, the need to maintain funds in reserve to address another potential wave of COVID-19, and whether there will be additional relief from the Federal government. This fiscal uncertainty has been exacerbated by the failure of President Trump and his Republican allies in the U.S. Senate to pass additional relief for state and local governments or extending unemployment benefits for those most impacted by this crisis.

Across the country, states and local governments are struggling to deliver vital services to residents and help communities recover, while adjusting to a significant decline in revenues. Unlike other recessions, however, it is unlikely we will be able to climb our way out of this fiscal crisis without additional Federal aid, unless we decimate the services that are so desperately needed by County residents. Do not get me wrong, we are grateful for the aid that the Federal government has already provided to Maryland and Montgomery County to help us navigate these uncertain times, and I am greatly appreciative of our State's Congressional delegation for their continued assistance and leadership. Simply put, however, without additional aid from the Federal government, deep and draconian spending reductions may well be needed in order for us to balance our budget. These reductions will have lasting and significant impacts on County residents, businesses, and employees.

At the July 1st Board of Public Works (BPW) meeting, the Governor proposed \$672 million in FY21 reductions to the State budget – of these, the BPW approved \$413 million in reductions. The Governor also presented an additional \$844.9 million in reductions for future spending, including \$724.6 million that will require the approval of the General Assembly. Many of these reductions carry significant service impacts and impact aid to local governments, community colleges, and school systems. In response to the proposed reductions, Senators Ben Cardin and Chris Van Hollen wrote to the Governor, Comptroller, and Treasurer to urge caution in adopting the cuts as the Senators are hopeful additional aid will pass the U.S. Senate. Additionally, the further cuts proposed by Gov. Hogan should not be considered absent a broader financial plan that includes consideration of how the State's reserves/rainy day funds can be used to offset cuts that would seriously impact services. Reserves have been set aside for exactly this kind of fiscal crisis, and they need to be part of a solution – preservation of reserve levels while cutting important services would be counter-productive.

As I informed the Council in mid-June, I directed all County departments to identify savings of six percent against their approved FY21 tax-supported operating budget, and we have examined capital projects to determine if any savings can be realized. I also requested that outside agencies identify tax-supported savings that could be used to help us navigate these fiscally uncertain times.

While many of the items put forward by the departments would result in significant service impacts, I am heeding the caution voiced by our U.S. Senators. This initial revised spending plan that I am recommending recognizes savings in the operating and capital

budgets that will not drastically impact services at this time and focus on cuts that are justified by changes in the scope of our operations due to COVID, as well as opportunities to achieve more efficient use of resources. The County will also use Federal coronavirus aid as much as permissible to offset the fiscal impact of this recession to continue to deliver vital services to our County's residents and help our economy recover.

At this time, I am recommending only minor reductions to the Department of Health and Human Services. This Department is on the front lines in responding to the health crisis, and it will need as much flexibility as possible to respond to this public health emergency. Again, our residents should be advised that unless more aid comes from the Federal government in the near future, deep and draconian reductions may become necessary for many County government functions, including health and human services.

Capital budget amendments were developed to reduce the need for PAYGO and Current Revenue funding in the CIP. The attached amendments acknowledge County project savings of \$3,061,000, delays in Purple Line related projects yielding a \$19,723,000 net reduction of FY20 and FY21 funding requirements, and a deferral of replacement bus purchases totaling \$4,770,000. The Housing Opportunities Commission has approved a \$125,000 reduction in their Supplemental Funds for Deeply Subsidized HOC Owned Units project. The Maryland National Capital Park and Planning Commission appears to be ready to contribute \$628,000 to these efforts. Commission staff recommended recognizing a \$100,000 implementation delay in the Ovid Hazen Wells project and recommended \$528,000 in reductions in a number of level of effort projects that were increased in the May approved CIP with Board action scheduled for July 9th. If the level of effort reductions are taken, the FY21 budgets will still be significantly above prior approved levels. Montgomery County Public Schools and Montgomery College will evaluate potential contributions for later consideration.

The hiring freeze and procurement freeze exemption process that I instituted on March 18th will continue for the duration of this crisis and will provide us with additional fiscal oversight. I will provide the Council with additional revised spending plans in the future, as our fiscal situation necessitates.

In addition, the Chief Administrative Officer has begun work on a cost efficiency study to broadly evaluate the service delivery model of each department. Among the several goals of the study is to identify a minimum of 100 vacant positions across the Executive Branch that can be eliminated during the first quarter of the fiscal year. We are finalizing the selection of a consultant to work with a study group of six county government leaders. More details about the study will be shared with the Council later this month.

In the meantime, I urge the Council to work with the Executive Branch to ensure that our spending remains equitable, prudent, and socially responsible. I look forward to working with you and your colleagues as we navigate this unparalleled and turbulent period in our County's history.

ME:rsm

Attachments

c: County Council Members  
Marlene Michaelson, Executive Director, Montgomery County Council  
Andrew Kleine, Chief Administrative Officer  
Richard S. Madaleno, Director, Office of Management and Budget  
Michael Coveyou, Director, Department of Finance

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

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By: Council President at the Request of the County Executive

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**SUBJECT:** FY21 Revised Spending Plan - Amendments to the FY21-26 Capital Improvements Program - Montgomery County Government Ten County Government Capital Projects

**Background**

1. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
2. On July 6, 2020, the County Executive transmitted recommended amendments to ten projects in the FY21-26 Capital Improvements Program as part of an FY21 revised spending plan.
3. Notice of public hearing was given and a public hearing was held.

**Action**

The County Council for Montgomery County, Maryland, approves the following actions:

1. The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description forms

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council



# White Oak Science Gateway Redevelopment Project (P361701)

**Category**  
**SubCategory**  
**Planning Area**

General Government  
Economic Development  
Colesville-White Oak and Vicinity

**Date Last Modified**  
**Administering Agency**  
**Status**

03/08/20  
General Services  
Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2021	1821	921	300	200	800	200	200	200	200	-	-	-
Site Improvements and Utilities	4719	8,779	3,089	1610	2,000	-	-	-	-	-	-	-	-
Construction		40,000	-	-	-	40,000	800	2,500	8,000	10,000	6,200	12,500	-
Other	160	280	12	140	210	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>47,060</b>	<b>4,022</b>	<b>3,138</b>	<b>40,800</b>	<b>1,000</b>	<b>2,700</b>	<b>8,200</b>	<b>10,200</b>	<b>6,200</b>	<b>12,500</b>	-	-	-
	46,960		2,138										

## FUNDING SCHEDULE (\$000s)

Current Revenue: General	180	-	180	-	-	-	-	-	-	-	-	-	-
G.O. Bonds	43,600	4,810	832	1970	2,075	40,800	1,000	2,700	8,200	10,200	6,200	12,500	-
PAYGO		3,190	3,190	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>47,060</b>	<b>4,022</b>	<b>3,138</b>	<b>40,800</b>	<b>1,000</b>	<b>2,700</b>	<b>8,200</b>	<b>10,200</b>	<b>6,200</b>	<b>12,500</b>	-	-	-
	46,960		2,138										

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	(800)	Year First Appropriation	FY17
Appropriation FY 22 Request	-	Last FY's Cost Estimate	48,960
Cumulative Appropriation	48,560		
Expenditure / Encumbrances	5,429		
Unencumbered Balance	43,131		

## PROJECT DESCRIPTION

This program provides for the planning and development coordination activities by the County necessary to implement the redevelopment of the 110-acre previously County-owned parcel on Industrial Parkway in White Oak (Site II). The site will be redeveloped in conjunction with the adjacent 170-acre parcel in a public-private partnership as one, comprehensive and coordinated 280-acre bioscience-focused mixed-use community per the approved White Oak Science Gateway (WOSG) Master Plan. The project includes \$40 million to assist with the funding needed to construct master-planned roads A-106, B-5 and improvements to FDA Boulevard. Additionally, funds for demolition of existing structures and site clearing activities, as well as costs for County staff to coordinate multiple activities, are included in the project.

## LOCATION

Silver Spring, Maryland

## ESTIMATED SCHEDULE

The County completed demolition of the existing structures and site clearing activities. The County's development partner presented a development schedule to Council in July 2019.

## COST CHANGE

Cost decrease due the transfer of County staff costs for coordination activities to the operating budget and demolition cost savings.

## PROJECT JUSTIFICATION

In 2014, the Montgomery County Council approved the new White Oak Science Gateway Master Plan. The Plan establishes a vision for transforming what has been an industrial area into a denser, mixed-use commercial and residential center in which people can walk to work, shops, and transit. The County's initiative includes using both previously County-owned property (Site II) and privately-owned property as a public-private partnership and leveraging existing relationships with the adjacent Food and Drug Administration (FDA) campus to advance development activities in the Master Plan. Specialized services are required for the complex land assemblage and disposition actions associated with implementation of Stage I development requirements. Staff time and services are required to manage and coordinate efforts to develop detailed staging plans, manage demolition and clean-up activities, design infrastructure, and to negotiate transactions with development partners. The proposed 280-acre development is large-scale, long-term and transformational. It will be a catalyst for desired revitalization and redevelopment in the White Oak sector area and elsewhere in the Eastern portion of Montgomery County. The project will create job opportunities throughout White Oak and the Eastern portion of Montgomery County and will expand the tax base.

## FISCAL NOTE

In FY17, a supplemental appropriation for \$47.2M in G.O. Bonds was approved for this project. Project schedule has been adjusted to reflect implementation

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schedule.

## **COORDINATION**

Department of Transportation, Department of Finance, Office of Management and Budget, Department of Housing and Community Affairs, Department of Permitting Services, Maryland Department of the Environment, and M-NCPPC





## 2nd District Police Station (P471200)

**Category**  
**SubCategory**  
**Planning Area**  
**Required Adequate Public Facility**

**Public Safety**  
**Police**  
**Bethesda-Chevy Chase and Vicinity**  
**Yes**

**Date Last Modified**  
**Administering Agency**  
**Status**

12/12/19  
General Services  
Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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### EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,126	1,126	-	-	-	-	-	-	-	-
Site Improvements and Utilities	6	6	-	-	-	-	-	-	-	-
Construction	84	84	-	-	-	-	-	-	-	-
Other	4,755	4,504	251	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>6,871</b>	<b>5,720</b>	<b>251</b>	-	-	-	-	-	-	-

5971

### FUNDING SCHEDULE (\$000s)

G.O. Bonds	5971	6,871	5,720	251	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>5971</b>	<b>6,871</b>	<b>5,720</b>	<b>251</b>	-	-	-	-	-	-

5971

### OPERATING BUDGET IMPACT (\$000s)

Maintenance	210	35	35	35	35	35	35
Energy	228	38	38	38	38	38	38
<b>NET IMPACT</b>	<b>438</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	-	Year First Appropriation	FY12
Appropriation FY 22 Request	-	Last FY's Cost Estimate	6,871
Cumulative Appropriation	6,871		
Expenditure / Encumbrances	5,724		
Unencumbered Balance	1,147		

### PROJECT DESCRIPTION

This project provides for the County's estimated share of costs for a replacement district station for the 2nd Police District serving the Bethesda-Chevy Chase area and portions of Potomac and Silver Spring. The remainder of the project costs will be paid by a developer in return for acquiring the existing police station site from the County after the new station is built. The station will be a 32,200 gross square feet, four-story facility with parking located in the adjacent Parking Lot District (PLD) Garage 35, with direct connection to the new station.

### LOCATION

4823 Rugby Avenue, Bethesda, MD 20814

### ESTIMATED SCHEDULE

The station was completed and operational in FY18. Environmental remediation of the former 2nd District site will be completed in FY20.

### PROJECT JUSTIFICATION

The current 2nd District Police Station was constructed over 50 years ago and serves the Bethesda-Chevy Chase area and portions of Potomac and Silver Spring. The current 21,700 gross square feet station is too small for staff and programmatic requirements and requires major building repairs and upgrades. A 2005 County Maintenance report outlined a need for \$200,000 in deferred maintenance; heating, ventilation, and air conditioning (HVAC) deficiencies; and security concerns. Continued population growth and development in the area also support the need for a new facility.

### OTHER

A developer was selected via a Request for Qualifications and Development Proposals process. A General Development Agreement (GDA) with the selected developer has been executed. The GDA includes the terms by which the developer will design and build the facility in accordance with County requirements and outlines the exchange of the new station property for the old station property.

### FISCAL NOTE

The County's contribution will be covered by the funding previously approved and paid to the developer in FY15. An adjustment was made to the upfront payment to the Parking Lot District (PLD) to reflect the net increase in leased spaces.

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**DISCLOSURES**

A pedestrian impact analysis has been completed for this project.

**COORDINATION**

Department of Police, Police Facilities, Department of General Services, Department of Permitting Services, Department of Technology Services, Bethesda-Chevy Chase Regional Services Center, Bethesda Parking Lot District (PLD)

# Elmhirst Parkway Bridge (Bridge No. M-0353) (P501420)

**Category**  
**SubCategory**  
**Planning Area**

**Transportation**  
**Bridges**  
**Bethesda-Chevy Chase and Vicinity**

**Date Last Modified**  
**Administering Agency**  
**Status**

**01/04/20**  
**Transportation**  
**Preliminary Design Stage**

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	110	484	110	0	84	-	-	-	-	-	-
Land	0	48	-	0	48	-	-	-	-	-	-
Site Improvements and Utilities	-	4	-	-	4	-	-	-	-	-	-
Construction	2,027	2,048	2,027	0	48	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,264</b>	<b>2,141</b>	<b>0</b>	<b>440</b>	-	-	-	-	-	-	-
	2,141										

## FUNDING SCHEDULE (\$000s)

Federal Aid	1,481	1,481	-	-	-	-	-	-	-	-	-
G.O. Bonds	680	760	680	0	440	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>2,264</b>	<b>2,141</b>	<b>0</b>	<b>440</b>	-	-	-	-	-	-	-
	2,141										

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	-	Year First Appropriation	FY15
Appropriation FY 22 Request	-	Last FY's Cost Estimate	2,251
Cumulative Appropriation	2,251		
Expenditure / Encumbrances	2,141		
Unencumbered Balance	110		

## PROJECT DESCRIPTION

This project provides for the replacement of the existing Elmhirst Parkway Bridge over Tributary to Rock Creek. The existing bridge, built in 1940, is a single span structural plate arch under fill carrying a 19'-0" roadway and 10'-0" grass shoulders on each side. The proposed replacement bridge includes a single span precast concrete arch structure under fill with a 22'-0" roadway and 8'-6" grass shoulders on each side. The project includes approach roadway work at each end of the bridge as necessary to tie-in to the existing roadway. The bridge and road will be closed to vehicular and pedestrian traffic during construction. The existing Elmhirst Bike path will remain open during the construction.

## LOCATION

The project site is located approximately 400 feet north of the intersection of Elmhirst Parkway with Cedar Lane in Bethesda.

## CAPACITY

The roadway Average Daily Traffic (ADT) is 600 and the roadway capacity will not change as a result of this project.

## ESTIMATED SCHEDULE

The design of the project is expected to finish in Summer 2014. The construction is scheduled to start in Spring 2016 and be completed in Winter 2017.

## PROJECT JUSTIFICATION

The proposed replacement work is necessary to provide a safe roadway condition for the traveling public. The 2011 bridge inspection revealed that there is severe steel corrosion with areas of 100 percent section loss along the arch springlines. The steel structural plate arch is rated in poor condition and the bridge is considered structurally deficient. The bridge is weight restricted and school buses are denied a waiver to cross the bridge due to safety concerns. Based on experiences with similar type structures in this condition the structure needs to be replaced as soon as possible or the roadway may be closed. Elmhirst Parkway is located in the Bethesda-Chevy Chase Master Plan area. Elmhirst Parkway is the main entrance that extends north from Cedar Lane at the Locust Hill Estates neighborhood. Elmhirst Parkway Bridge is not considered historic but is located on the boundary of Maryland Inventory of Historic Properties Survey No. M:35-120. A review of impacts to pedestrians, bicyclists and the requirements of the ADA (American with Disabilities Act of 1991) has been performed and addressed by this project. Streetlights, crosswalks, sidewalk ramps, bikeways and other pertinent issues are being considered in the design of the project to ensure pedestrian safety.

## OTHER

The design costs for this project are covered in the Bridge Design project (No. 509132).

## FISCAL NOTE

The costs of bridge construction and construction management for this project are eligible for up to 80 percent Federal Aid. \$57,000 transfer in FY16 from Father Hurley Boulevard project (No. 500516).

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## DISCLOSURES

A pedestrian impact analysis has been completed for this project.

## COORDINATION

Federal Highway Administration - Federal Aid Bridge Replacement/Rehabilitation Program Maryland State Highway Administration Maryland Department of Environment Maryland Historical Trust Maryland National Capital Park and Planning Commission Montgomery County Department of Permitting Services, Utilities, and Bridge Design PDF (No. 509132).



# Highway Noise Abatement (P500338)

**Category**  
**SubCategory**  
**Planning Area**

Transportation  
Roads  
Countywide

**Date Last Modified**  
**Administering Agency**  
**Status**

05/17/20  
Transportation  
Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,183	1,089	23	-	-	-	-	-	-	-
Land	28	28	-	-	-	-	-	-	-	-
Construction	1,736	1,736	-	-	-	-	-	-	-	-
Other	9	9	23	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,936</b>	<b>2,862</b>	<b>74</b>	-	-	-	-	-	-	-

## FUNDING SCHEDULE (\$000s)

G.O. Bonds	2,936	2,862	23	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>2,936</b>	<b>2,862</b>	<b>74</b>	-	-	-	-	-	-	-

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	-	Year First Appropriation	FY03
Appropriation FY 22 Request	-	Last FY's Cost Estimate	2,836
Cumulative Appropriation	2,936		
Expenditure / Encumbrances	2,879		
Unencumbered Balance	57		

## PROJECT DESCRIPTION

This project provides funds for the study and prioritization of noise abatement measures along publicly owned and maintained roads in Montgomery County, except freeways. Once the need and priority of the abatement measures are established, funding is provided for their design and construction.

## PROJECT JUSTIFICATION

Residents regularly request noise abatement measures along County and State roads. The purpose of this project is to respond to these requests in accordance with the Transportation Noise Abatement Policy. Requests would result in noise studies that would determine the need, whether the requested location meets the noise criteria for abatement measures, determination of its priority, and future design and construction. The Highway Noise Abatement Policy was developed by the Noise Abatement Task Force in 2001. The Policy establishes criteria for evaluating the need for noise abatement along publicly maintained roads.

## OTHER

This project was conceived through participation on the Noise Abatement Task Force that developed a policy and criteria for evaluating the need and appropriateness of requests for noise abatement along publicly maintained roads in Montgomery County. The project allows for the implementation of the policy established through this Task Force by providing funds for the study and prioritization of requests and the implementation of noise abatement measures.

During FYs21-22, DOT will reevaluate how the criteria for this program should be revised, or whether to eliminate the program.

## FISCAL NOTE

There may be contributions from impacted and benefited property owners in the future as specified in the Policy. In FY12, \$21,000 was transferred to Advance Reforestation (CIP #500112). Expenditures will continue indefinitely.

## DISCLOSURES

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

## COORDINATION

Maryland-National Capital Park and Planning Commission, Department of Environmental Protection, Department of Permitting Services, Maryland State Highway Administration

*Cost Change*  
*Cost savings are being recognized.*

# FY21 Savings Plan

## Wheaton Library and Community Recreation Center (P361202)

Category  
SubCategory  
Planning Area  
Required Adequate Public Facility

Culture and Recreation  
Libraries  
Kensington-Wheaton  
Yes

Date Last Modified  
Administering Agency  
Status

05/17/20  
General Services  
Under Construction

Total	Thru FY19	FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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### EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	11,002	10,203	1,300	-	-	-	-	-	-	-
Site Improvements and Utilities	738	124	814	-	-	-	-	-	-	-
Construction	54,181	48,570	7,511	-	-	-	-	-	-	-
Other	3,278	1,219	2,059	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>69,859</b>	<b>58,276</b>	<b>11,583</b>	-	-	-	-	-	-	-

### FUNDING SCHEDULE (\$000s)

Current Revenue: General	877	-	877	-	-	-	-	-	-	-
G.O. Bonds	28,575	18,169	10,706	-	-	-	-	-	-	-
PAYGO	42,107	42,107	-	-	-	-	-	-	-	-
State Aid	200	-	200	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>69,859</b>	<b>58,276</b>	<b>11,583</b>	-	-	-	-	-	-	-

### OPERATING BUDGET IMPACT (\$000s)

Maintenance	3,150	525	525	525	525	525	525
Energy	2,274	379	379	379	379	379	379
Program-Staff	188	31	31	31	31	31	31
Program-Other	414	69	69	69	69	69	69
Offset Revenue	(300)	(50)	(50)	(50)	(50)	(50)	(50)
<b>NET IMPACT</b>	<b>5,724</b>	<b>954</b>	<b>954</b>	<b>954</b>	<b>954</b>	<b>954</b>	<b>954</b>
<b>FULL TIME EQUIVALENT (FTE)</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>

### APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	(1,000)	Year First Appropriation	FY12
Appropriation FY 22 Request	-	Last FY's Cost Estimate	70,859
Cumulative Appropriation	70,859		
Expenditure / Encumbrances	66,227		
Unencumbered Balance	5,632		

### PROJECT DESCRIPTION

This project provides for a combined facility to include the new Wheaton Library, a used book store run by a non-profit, with proceeds benefiting Montgomery County Public Libraries, and the Wheaton Community Recreation Center. Included in the scope is the development of the Program of Requirements (POR) and conceptual design followed by full design services and construction of the facility. The Library and the Recreation Center are comparable to libraries and recreation centers of similar service needs with efficiencies of area and program made possible due to the shared use of spaces such as lobbies, meeting rooms, restrooms, and parking which reduces the overall space requirements and provides for greater efficiencies and reduced operational costs. The Department of General Services (DGS) and Maryland-National Capital Park and Planning Commission (M-NCPPC) have developed a Memorandum of Understanding (MOU) for the combined use of the Library/Recreation Center building, and the Park. The services formerly provided at the existing Wheaton Neighborhood Recreation Youth Center, will be replaced by the new Community Recreation Center. The demolition of the structure allows full use of the Park green space to support the community programs to be offered by the M-NCPPC and the Department of Recreation. The project provides for a new road access from the relocated Hermitage Avenue.

### LOCATION

Located at the corner of Georgia and Arcola Avenues, Wheaton, Maryland.

### ESTIMATED SCHEDULE

The facility concept study was completed in 2013. Design started in 2013 and completed in Spring of 2016. Construction started in Fall of 2016 and the facility opened to the public in September 2019.

### COST CHANGE \$2,000,000

The project has realized \$1,000,000 in FY20 savings.

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## PROJECT JUSTIFICATION

The Wheaton Library is one of the busiest libraries in Montgomery County, with over 490,000 items circulated and more than 381,000 visits by the public in FY13. The used book store, operated by the Friends of the Library, and a satellite office of the Gilchrist Center are located on the lower level. There are serious moisture problems and the building does not meet current mechanical, safety, and building codes. The mechanical, elevator, and HVAC systems are outdated and worn, and they are not energy efficient. The facility was opened in 1960 and was renovated in 1983. It is in need of space reconfiguration to meet current library information needs. The Department of Recreation has operated the existing Wheaton Recreation Center, owned by the M-NCPPC, for many years. As early as 1997, this facility was designated for replacement with a larger full-service facility, originally included in Facility Planning and Site Evaluation projects as the Kemp Mill (later Wheaton/Kemp Mill) Community Recreation Center. In the 2005 update to the Recreation Department's facility plan and in the FY07-12 CIP, a "Wheaton Area Recreation Facilities" study was included in the MCG Facility Planning Project #308768 for this purpose. That study included site and structure, stabilization and design development for future renovation, remodeling, and expansion of the Wheaton Neighborhood Recreation Center - Rafferty to provide an additional recreation facility to complement the existing facility. After review of the Rafferty component, space limitations, utility and plumbing challenges did not make it feasible to complete the project on its current site. A decision was made to pursue an alternative combined facility.

## FISCAL NOTE

Other cost includes \$300,000 for the library collection.

## DISCLOSURES

A pedestrian impact analysis has been completed for this project. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## COORDINATION

Department of General Services, Department of Libraries, Department of Recreation, Department of Transportation, Maryland-National Capital Park and Planning Commission, State Highways, Mid-County Regional Services Center, Washington Suburban Sanitary Commission, and Pepco. Special Projects Legislation (Bill No. 34-14) was adopted by Council June 17, 2014.



# Bethesda Metro Station South Entrance

(P500929)

**Category** Transportation  
**SubCategory** Mass Transit (MCG)  
**Planning Area** Bethesda-Chevy Chase and Vicinity

**Date Last Modified** 08/04/19  
**Administering Agency** Transportation  
**Status** Under Construction

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,919	1,756	13	150	50	50	50	-	-	-
Land	29	-	29	-	-	-	-	-	-	-
Site Improvements and Utilities	5,453	-	4,119	1,334	1,027	307	-	-	-	-
Construction	90,801	62,115	6,043	34,705	5,355	21,035	6,930	5,811	-	-
Other	12,000	-	3,350	8,650	2,650	6,000	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>110,202</b>	<b>63,871</b>	<b>30,842</b>	<b>45,489</b>	<b>7,394</b>	<b>7,663</b>	<b>435</b>	<b>1,132</b>	<b>21</b>	<b>-</b>
			1,468	44,863	24,762	13,287	5,661	1,132	21	

## FUNDING SCHEDULE (\$000s)

G.O. Bonds	91,051	44,720	30,842	45,489	7,394	7,663	435	-	-	-
Impact Tax	6,159	6,159	-	-	-	-	-	-	-	-
Revenue Bonds: Liquor Fund	12,992	12,992	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>110,202</b>	<b>63,871</b>	<b>30,842</b>	<b>45,489</b>	<b>7,394</b>	<b>7,663</b>	<b>435</b>	<b>1,132</b>	<b>21</b>	<b>-</b>
			1,468	44,863	24,762	13,287	5,661	1,132	21	

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	7,391	Year First Appropriation	FY09
Appropriation FY 22 Request	7,663	Last FY's Cost Estimate	110,202
Cumulative Appropriation	94,713		
Expenditure / Encumbrances	83,406		
Unencumbered Balance	11,307		

## PROJECT DESCRIPTION

This project provides access from Elm Street west of Wisconsin Avenue to the southern end of the Bethesda Metrorail station. The Metrorail Red Line runs below Wisconsin Avenue through Bethesda more than 120 feet below the surface, considerably deeper than the Purple Line right-of-way. The Bethesda Metrorail station has one entrance, near East West Highway. The Metrorail station was built with accommodations for a future southern entrance. The Bethesda light rail transit (LRT) station would have platforms located just west of Wisconsin Avenue on the Georgetown Branch right-of-way. This platform allows a direct connection between LRT and Metrorail, making transfers as convenient as possible. Six station elevators would be located in the Elm Street right-of-way, which would require narrowing the street and extending the sidewalk. The station would include a new south entrance to the Metrorail station, including a new mezzanine above the Metrorail platform, similar to the existing mezzanine at the present station's north end. The mezzanine would use the existing knock-out panel in the arch of the station and the passageway that was partially excavated when the station was built in anticipation of the future construction of a south entrance.

## ESTIMATED SCHEDULE

Construction started in FY18. Construction will be coordinated and implemented as part of the State Purple Line Project and will be completed when the Purple Line construction is complete.

## OTHER

Part of Elm Street west of Wisconsin Avenue will be closed for a period during construction.

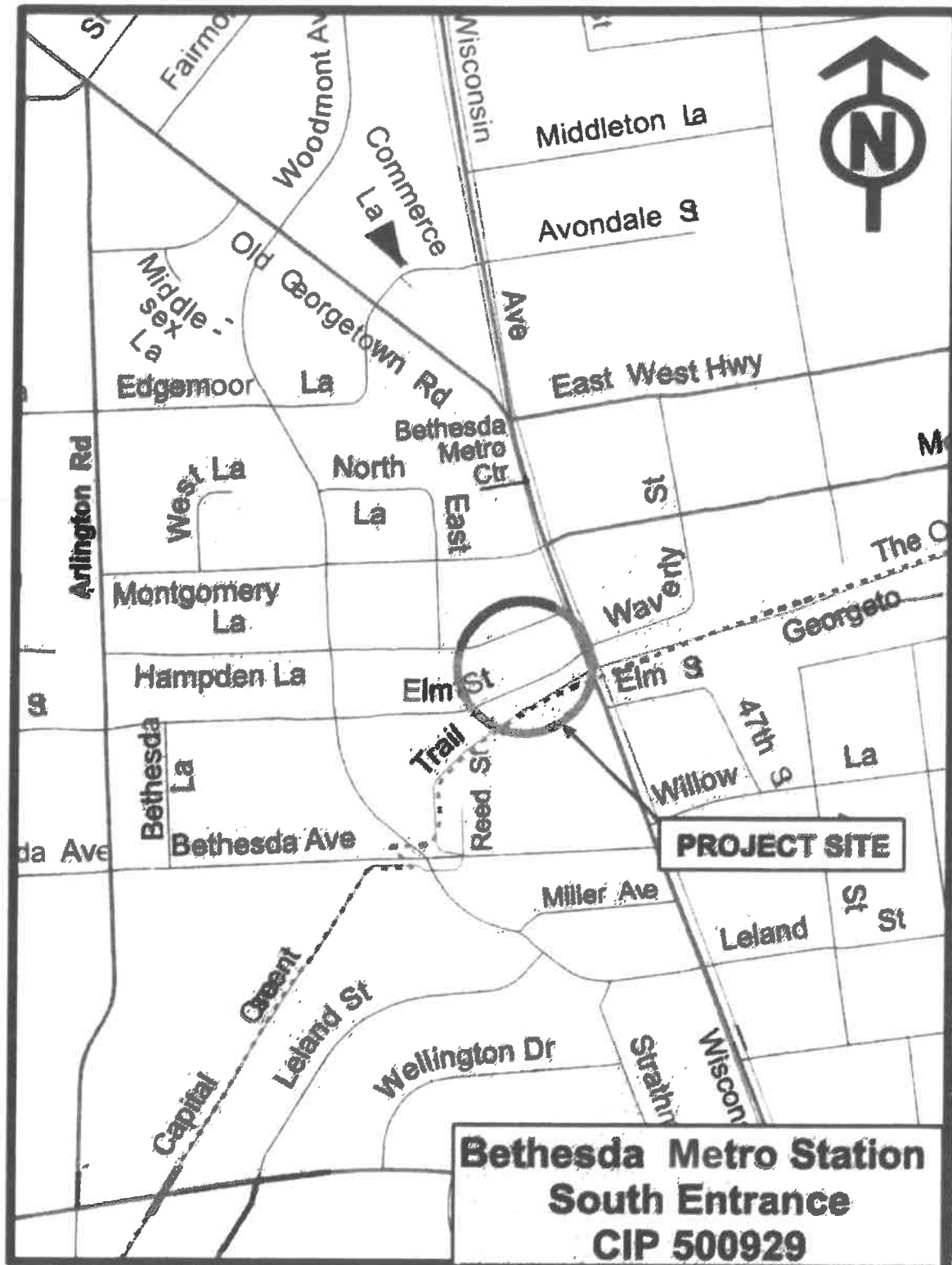
## FISCAL NOTE

The funds for this project were initially programmed in the State Transportation Participation project. Appropriation of \$5 million for design was transferred from the State Transportation Participation project in FY09. The project schedule and cost estimates were updated in FY17 as a result of the MTA's proposed Public Private Partnership for the Purple Line and reflects the actual bid by the Concessionaire. The expenditure schedule also reflects a negotiated cash flow arrangement with MTA for FY17-19, allowing a deferral of \$6 million per year to FY20-22. Schedule updated to reflect estimated Purple Line schedule in FY18. In FY18, a funding switch was made to increase Revenue Bonds: Liquor Fund appropriation and decrease GO Bonds appropriation by \$7,992 million. In FY19, a shift in \$3.5 million in GO Bonds from FY21 to FY19 was done to reflect an updated MTA billing schedule. In FY21, the schedule was revised again based on actual progress and MTA's latest revised cash flow projection.

## COORDINATION

Maryland Transit Administration, WMATA, Maryland-National Capital Park and Planning Commission, Bethesda Lot 31 Parking Garage project, Department of Transportation, Department of General Services, Special Capital Projects Legislation [Bill No. 31-14] was adopted by Council June 17, 2014.







# Capital Crescent Trail (P501316)

**Category**  
**SubCategory**  
**Planning Area**

Transportation  
Pedestrian Facilities/Bikeways  
Countywide

**Date Last Modified**  
**Administering Agency**  
**Status**

05/17/20  
Transportation  
Under Construction

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	10,841	1,090	2,731	5,520	40	40	40	-	2,700	2,700	1,500
Land	873	415	468	-	-	-	-	-	-	-	-
Site Improvements and Utilities	2,308	8	-	2,000	12,132	4,813	3,308	-	1,000	1,000	300
Construction	97,725	33,576	-2,479	58,028	2,848	4,167	89	680	47,889	17,800	10,800
Other	4,350	-	-	4,350	1,350	3,000	-	-	17,315	-	-
<b>TOTAL EXPENDITURES</b>	<b>116,097</b>	<b>35,089</b>	<b>47,544</b>	<b>64,944</b>	<b>4,238</b>	<b>4,207</b>	<b>89</b>	<b>-</b>	<b>21,000</b>	<b>21,500</b>	<b>12,400</b>

## FUNDING SCHEDULE (\$000s)

G.O. Bonds	104,989	27,470	44,085	54,944	4,238	4,207	89	-	21,000	21,500	12,400
Impact Tax	11,088	7,619	710	2,769	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>116,097</b>	<b>35,089</b>	<b>47,544</b>	<b>64,944</b>	<b>4,238</b>	<b>4,207</b>	<b>89</b>	<b>-</b>	<b>21,000</b>	<b>21,500</b>	<b>12,400</b>

## OPERATING BUDGET IMPACT (\$000s)

Maintenance	20	35	-	-	-	5	40	10	10	
Energy	20	35	-	-	-	5	40	10	10	
<b>NET IMPACT</b>	<b>40</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>80</b>	<b>20</b>	<b>20</b>	

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	4,238	Year First Appropriation	FY15
Appropriation FY 22 Request	4,207	Last FY's Cost Estimate	61,197
Cumulative Appropriation	52,853		
Expenditure / Encumbrances	44,928		
Unencumbered Balance	7,727		

## PROJECT DESCRIPTION

This project provides for the funding of the Capital Crescent trail, including the main trail from Woodmont Avenue in Bethesda to Silver Spring as a largely 12-foot-wide hard-surface hiker-biker path, connector paths at several locations, a new bridge over Connecticut Avenue, a new underpass beneath Jones Mill Road, a new tunnel beneath Wisconsin Avenue, supplemental landscaping and amenities, and lighting at trail junctions, underpasses, and other critical locations.

## ESTIMATED SCHEDULE

The surface trail is scheduled for construction in FY21. Construction of the tunnel under Wisconsin Avenue to start in summer of 2024 with completion in late fall/early winter of 2026. Construction will be coordinated and implemented as part of the State Purple Line Project and will be completed when the Purple Line construction is complete.

## COST CHANGE

Funds added for design and construction of tunnel under Wisconsin Avenue.

## PROJECT JUSTIFICATION

This trail will be part of a larger system to enable non-motorized traffic in the Washington, DC region. This trail will connect to the existing Capital Crescent Trail from Bethesda to Georgetown, the Metropolitan Branch Trail from Silver Spring to Union Station, and the Rock Creek Bike Trail from northern Montgomery County to Georgetown. The trail will serve pedestrians, bicyclists, joggers, and skaters, and will be compliant with the Americans with Disabilities Act of 1990 (ADA), the Bethesda CBD Sector Plan, and the Purple Line Functional Master Plan. The project will help the County achieve its Vision Zero goals to reduce deaths and serious injuries on County roadways to zero by 2030.

## FISCAL NOTE

The project schedule and cost estimates were updated in FY17 as a result of the MTA's proposed public-private partnership for the Purple Line and reflects the actual bid by the Concessionaire. In FY21, the schedule was revised again based on actual progress and MTA's latest revised cash flow projection.

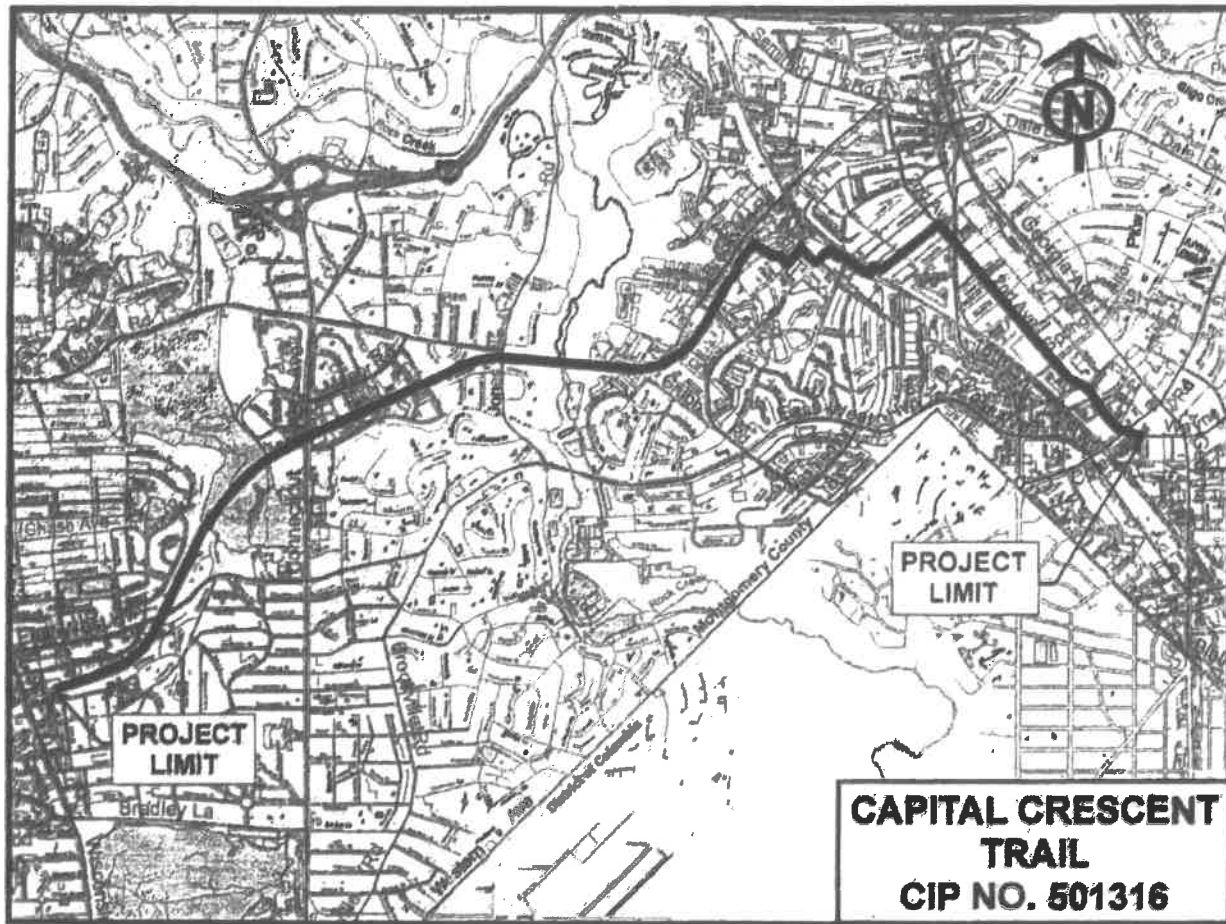
## DISCLOSURES

A pedestrian impact analysis has been completed for this project.

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## COORDINATION

Maryland Transit Administration, Maryland Department of Transportation, State Highway Administration, Maryland-National Capital Park and Planning Commission, Bethesda Bikeway and Pedestrian Facilities, Coalition for the Capital Crescent Trail, CSX Transportation, Washington Metropolitan Area Transit Authority. Special Capital Projects Legislation [Bill No. 32-14] was adopted by Council by June 17, 2014.



# Silver Spring Green Trail

(P509975)

<b>Category</b>	Transportation	<b>Date Last Modified</b>	10/20/19
<b>SubCategory</b>	Pedestrian Facilities/Bikeways	<b>Administering Agency</b>	Transportation
<b>Planning Area</b>	Silver Spring and Vicinity	<b>Status</b>	Under Construction

Total	Firm FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,426	1,207	119	100	50	50	-	-	-	-
Land	7	7	-	-	-	-	-	-	-	-
Site Improvements and Utilities	5	5	-102	284	120	112	-	-	-	-
Construction	536	354	94	94	77	44	45	6	1	-
Other	1	1	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,975</b>	<b>1,574</b>	<b>210</b>	<b>484</b>	<b>427</b>	<b>64</b>	-	-	-	-

## FUNDING SCHEDULE (\$000s)

Current Revenue: General	235	235	17	384	170	162	45	6	1	-
G.O. Bonds	982	461	210	484	427	64	-	-	-	-
PAYGO	848	848	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>1,975</b>	<b>1,574</b>	<b>210</b>	<b>484</b>	<b>427</b>	<b>64</b>	-	-	-	-

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	127	Year First Appropriation	FY99
Appropriation FY 22 Request	64	Last FY's Cost Estimate	1,975
Cumulative Appropriation	1,784		
Expenditure / Encumbrances	1,661		
Unencumbered Balance	123		

## PROJECT DESCRIPTION

This project provides for an urban trail along the selected Purple Line alignment along Wayne Avenue in Silver Spring. A Memorandum of Understanding (MOU) will be established between the County and the Maryland Transit Administration (MTA) to incorporate the design and construction of the trail as a part of the design and construction of the Purple Line. The pedestrian and bicycle use along this trail supplements the County transportation program. The funding provided for the trail includes the design, property acquisition, and construction of the trail through the Silver Spring Central Business District (CBD), along the northern side of Wayne Avenue from Fenton Street to the Sligo Creek Hiker-Biker Trail. This trail is part of a transportation corridor and is not a recreation area of State or local significance. The trail will include an 8 to 10 foot wide bituminous shared use path, lighting, and landscaping. The trail will provide access to the Silver Spring Transit Station via the Metropolitan Branch and the future Capital Crescent Trail.

## PROJECT JUSTIFICATION

This project will create an important link through Silver Spring to the Silver Spring Transit Center and will provide connectivity to other trails and mitigate congestion on area roads.

## OTHER

This project also supports the County Executive's Vision Zero initiative which aims to reduce injuries and fatalities on all roads.

## FISCAL NOTE

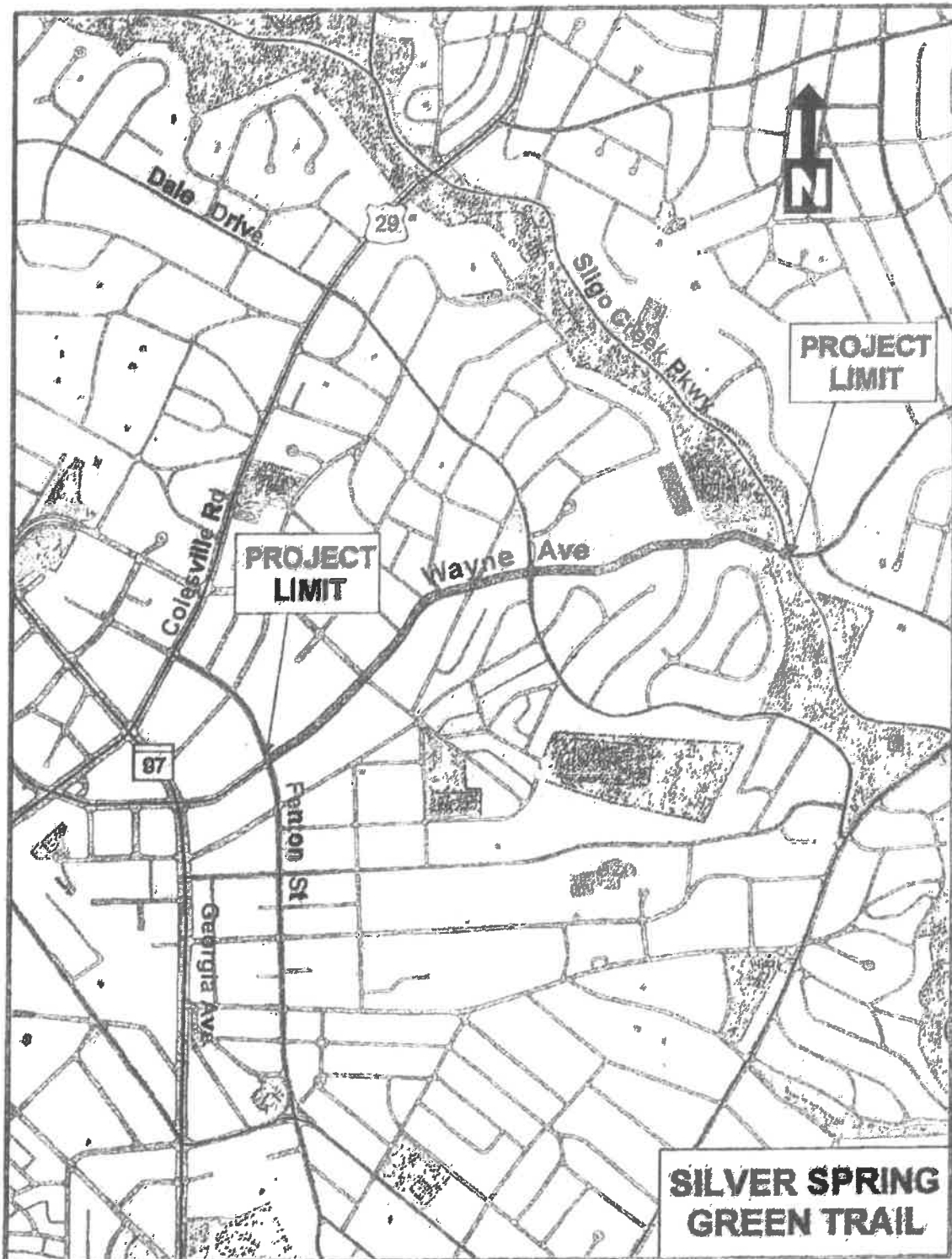
The project schedule and cost estimate were updated in FY17 as a result of the MTA's proposed Public Private Partnership for the Purple Line and reflect the actual bid by the Concessionaire. In FY21, the schedule was revised again based on actual progress and MTA's latest revised cash flow projection.

## DISCLOSURES

A pedestrian impact analysis has been completed for this project.

## COORDINATION

Maryland-National Capital Park and Planning Commission, Maryland State Highway Administration, Washington Metropolitan Area Transit Authority, Utility Companies, Silver Spring Chamber of Commerce, Silver Spring Transportation Management District, Maryland Transit Administration





# Ride On Bus Fleet (P500821)

Category  
SubCategory  
Planning Area

Transportation  
Mass Transit (MCG)  
Countywide

Date Last Modified  
Administering Agency  
Status

05/13/20  
Transportation  
Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Other	279,364	152,415	38,314	88,825	16,791	9,432	24,083	21,552	6,300	10,467	-
<b>TOTAL EXPENDITURES</b>	<b>279,364</b>	<b>152,415</b>	<b>38,314</b>	<b>88,825</b>	<b>16,791</b>	<b>9,432</b>	<b>24,083</b>	<b>21,552</b>	<b>6,300</b>	<b>10,467</b>	<b>-</b>

## FUNDING SCHEDULE (\$000s)

Contributions	820	430	390	-	-	-26,853	-	-	-	-	-
Current Revenue: Mass Transit	118,737	24,938	17,174	78,825	13,478	7,432	22,083	19,552	4,300	8,467	-
Fed Stimulus (State Allocation)	6,560	6,560	-	-	100,000	-	-	-	-	-	-
Federal Aid	51,880	32,968	9,314	8,800	1,800	1,800	1,800	1,800	1,800	1,800	-
G.O. Bonds	966	966	-	-	-	-	-	-	-	-	-
Impact Tax	2,360	2,360	-	-	-	-	-	-	-	-	-
Short-Term Financing	81,321	74,685	6,636	-	-	-	-	-	-	-	-
State Aid	16,740	9,540	4,800	2,400	400	400	400	400	400	400	-
<b>TOTAL FUNDING SOURCES</b>	<b>279,364</b>	<b>152,415</b>	<b>38,314</b>	<b>88,825</b>	<b>16,791</b>	<b>9,432</b>	<b>24,083</b>	<b>21,552</b>	<b>6,300</b>	<b>10,467</b>	<b>-</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	12,021	16,791	Year First Appropriation	FY09
Appropriation FY 22 Request		9,432	Last FY's Cost Estimate	263,088
Cumulative Appropriation		180,729		
Expenditure / Encumbrances		168,609		
Unencumbered Balance		22,120		

## PROJECT DESCRIPTION

This project provides for the purchase of replacement and additional buses in the Ride On fleet in accordance with the Division of Transit Services' bus replacement plan and the Federal Transportation Administration's service guidelines.

## ESTIMATED SCHEDULE 5

FY21: 10 electric and 14 small diesel; FY22: 13 full-size hybrid; FY23: 12 full-size hybrid, 24 small diesel, and 7 microtransit; FY24: 8 full-size hybrid and 32 small diesel; FY25: 12 large diesel; FY26: 18 CNG and 1 small diesel

## COST CHANGE

Cost decrease is due to the type and number of buses due for replacement.

## PROJECT JUSTIFICATION

The full-size transit buses have an expected useful life of twelve years. Smaller buses have an expected useful life of ten years. Microtransit buses have an expected life of four years.

## OTHER

MCDOT has applied for grants to cover the incremental cost of additional electric buses and is exploring ways to further accelerate the replacement of the fleet with electric buses. If successful, it is expected that the number of small diesels in FY21 would be reduced in favor of electric buses. Electric buses comprise 40 percent of new bus purchases in FY21 and could increase further if the Department of Transportation is successful on two (Federal and State) bus grant applications. This exceeds standards compared to most other transit agencies. For example, California, considered a leader in zero bus emissions implementation, recently enacted a regulation that will require all large transit agencies to include at least 25 percent zero emission buses in their new bus purchases beginning in 2023.

## DISCLOSURES

Expenditures will continue indefinitely. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

## COORDINATION

Department of General Services, Maryland Transit Administration





# Supplemental Funds for Deeply Subsidized HOC Owned Units Improvements (P091501)

**Category** Housing Opportunities Commission  
**SubCategory** Housing (HOC)  
**Planning Area** Countywide

**Date Last Modified** 12/31/19  
**Administering Agency** Housing Opportunities Commission  
**Status** Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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## EXPENDITURE SCHEDULE (\$000s)

Other	15,000	4,536	2,964	7,500	1,250	1,250	1,250	1,250	1,250	1,250	-
<b>TOTAL EXPENDITURES</b>	<b>15,000</b>	<b>4,536</b>	<b>2,964</b>	<b>7,500</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>-</b>

## FUNDING SCHEDULE (\$000s)

Current Revenue: General	15,000	4,536	2,964	7,500	1,250	1,250	1,250	1,250	1,250	1,250	-
<b>TOTAL FUNDING SOURCES</b>	<b>15,000</b>	<b>4,536</b>	<b>2,964</b>	<b>7,500</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>1,250</b>	<b>-</b>

## APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	1,250	Year First Appropriation	FY15
Appropriation FY 22 Request	1,250	Last FY's Cost Estimate	12,500
Cumulative Appropriation	7,500		
Expenditure / Encumbrances	-		
Unencumbered Balance	7,500		

## PROJECT DESCRIPTION

Typical improvements include, but are not limited to, replacement of roofs, windows and doors; improvements to unit interiors such as kitchen and bathroom modernization; replacement of major mechanical, electrical, plumbing systems and equipment; appliance replacement; life-safety improvements; site improvements such as fencing, site lighting, landscaping, and sidewalk and parking lot replacement. In the FY 15-20 Capital Improvements Program this project was expanded to allow these funds to be used for deeply subsidized HOC owned unit improvements on public housing units with both pre- and post- conversion.

## COST CHANGE

The increase is due to the addition of FY25 and FY26 funding *partially offset by FY21 savings plan reductions*

## PROJECT JUSTIFICATION

These properties are original MPDUs that are owned by HOC and are subject to Commission imposed or financing restrictions, or are subject to extended use restrictive covenants in accordance with the Low Income Housing Tax Credit (LIHTC) program which requires continued affordability. Given the age of the properties, they now need comprehensive renovation but lack the net operating income to generate sufficient proceeds to both retire the existing debt and fund the vital renovations. Montgomery County has a higher property standard than the Federal government. In addition, neighbors in the communities with the units expect the properties to be well maintained. Many of these units are scattered throughout the County in communities governed by Home Owner Associations (HOAs), and some have higher standards than the County code. Additional funding is necessary if HOC units are to be maintained at levels consistent with community norms and standards. In an effort to stay true to its mandate to provide decent, safe, and sanitary housing to low- and moderate-income residents in Montgomery County and to ensure that its properties and communities are maintained at a level consistent with community norms, HOC will use a combination of its own funds and County funds to make capital improvements to this housing stock.

## FISCAL NOTE

The Commission's portfolio includes hundreds of income-restricted scattered site units throughout the County, most approximately 30 years of age. Many of these units were acquired into a Low Income Housing Tax Credit limited partnership more than 15 years ago and are subject to continued affordability restrictions under the LIHTC program. All units in the limited partnerships have now been contributed to HOC making HOC the sole owner of these units. Finally, other units are simply older Moderately Priced Dwelling Units (MPDUs) that continue to be restricted to households of low- and moderate-income. With significant debt remaining on those units, the net operating income from these affordably priced units cannot support both the repayment of that debt and the additional proceeds needed to complete a comprehensive scope of renovation, which includes new windows, roof replacement, installation of energy-efficient heating and air conditioning systems, electrical and plumbing repairs, new flooring, new lighting, new cabinetry, installation of energy-efficient appliances, and new bathrooms.

## DISCLOSURES

Expenditures will continue indefinitely.

## COORDINATION

Maryland Department of Housing and Community Development, Department of Housing and Community Affairs.