



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Keith Levchenko, Senior Legislative Analyst  
**Purpose:** To receive testimony/final action - vote expected  
**Keywords:** #DEP and Tree Planting

AGENDA ITEM #9  
January 17, 2023  
**Public Hearing/Action**

## SUBJECT

Supplemental Appropriation to the County Government's FY23 Operating Budget, Department of Environmental Protection (DEP) - \$750,000 for Tree Planting (Source of Funds: Tree Canopy Conservation Account)

## EXPECTED ATTENDEES

- Frank Dawson, Chief, Watershed Restoration Division, Department of Environmental Protection (DEP)
- Laura Miller, Forest Conservation Coordinator, Watershed Restoration Division, DEP

## DESCRIPTION

- On December 6, 2022, the County Council received a request from the County Executive for an FY23 supplemental appropriation for \$750,000 to fund additional tree planting as part of DEP's Tree Montgomery Program.
- Action is scheduled for immediately after the public hearing.

## DISCUSSION

- The County's Tree Montgomery program provides for the planting of shade trees for free on private property, HOA lands, multi-family properties, businesses, public and private schools, and county facilities. Through FY22, 7,459 trees had been installed through this program.
- The program is funded in the DEP General Fund Operating Budget with revenue from the Tree Canopy Conservation Account that was established under Bill 35-12, adopted by the Council in July 2013. This account includes fees collected in lieu of tree planting when development requires a sediment control permit under Chapter 19 of the County Code.<sup>1</sup>
- Since its inception, the annual dedicated expenditures for this program have grown from \$250,000 in FY16 to \$750,000 per year in FY23. The number of trees planted has also steadily grown.
- As noted in the Montgomery County Tree Canopy Law Annual Report, the average cost per tree planted through FY21 was \$429. This number has edged up over time as a higher proportion of trees are now receiving an aftercare package. For example, in FY22, trees were installed at locations where aftercare could not be provided by the property owners including schools, county facilities, and two multi-family communities in equity target areas.
- FY23 Tree Montgomery planting expenditures include the \$750,000 in funding from the Tree Canopy Conservation Account plus \$183,000 in carryover funds from FY22 and \$139,000 in State

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<sup>1</sup> For more background on the Tree Canopy Law and Tree Montgomery program, please see the [Montgomery County Tree Canopy Law Annual Report](#).

grant funds for a total of \$1,072,000 available to spend. This funding is covering the planting of 2,512 (trees for an average cost per tree of \$426.

- The supplemental request will provide sufficient funding to cover additional tree planting (DEP has noted that is ready to order another 1,100 trees) and include some carryover funding<sup>2</sup> into FY24.
- Revenue from the Tree Canopy Conservation Account is dedicated to tree planting.<sup>3</sup> The account had a \$2.2 million balance at the end of FY22 (with \$807k in revenue generated in FY22), so there are sufficient resources to cover this supplemental appropriation request.

## COUNCIL STAFF RECOMMENDATION

- Council Staff recommends approval of the supplemental appropriation request as transmitted by the County Executive.

### This report contains:

- December 6, 2022 Transmittal from the County Executive
  - Draft Resolution ©1-2
  - Transmittal Letter ©3

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<sup>2</sup> Carryover funding is needed each year to ensure funds for replacement trees and trees that could not be installed in the prior season, summer watering, and early orders.

<sup>3</sup> Other expenses to support tree planting activities under the Tree Canopy Law (e.g., County Arborist, outreach staff, outreach materials, etc.) are paid for by funding sources other than the Tree Canopy Conservation Account.

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

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: Council President at the Request of the County Executive

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**SUBJECT:** Supplemental Appropriation #23-58 to the FY23 Operating Budget  
Montgomery County Government Department of Environmental Protection  
Tree Canopy Conservation, \$750,000

**Background**

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY23 Operating Budget appropriation increases for the Department of Environmental Protection:

<b><u>Personnel Services</u></b>	<b><u>Operating Expenses</u></b>	<b><u>Capital Outlay</u></b>	<b><u>Total</u></b>	<b><u>Source of Funds</u></b>
	\$750,000		\$750,000	Tree Canopy Conservation Fund

3. This increase is needed because all available funds have been encumbered and committed. So far in FY23, more than \$915,000 of the available \$933,000 has been encumbered and committed to 2,250 new tree orders, replacements, and watering in August 2022. The Tree Canopy Law, Section 55-10(b) of the County Code, established the Tree Canopy Fund to administer a shade tree planting program to spend the funds from the dedicated account. Shade tree planting through the Tree Montgomery program fulfills the County's requirements to comply with this requirement in the Tree Canopy Law and is also an

important part of the County's climate goals. At the end of FY22, the Tree Canopy Conservation account balance was \$2,169,584.

4. The County Executive has recommended a supplemental appropriation to the FY23 Operating Budget in the amount of \$750,000 for the Department of Environmental Protection and specify that the source of funds will be the Tree Canopy Conservation fund.
5. Notice of a public hearing was given, and a public hearing was held on January 17, 2023.

**Action**

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

1. A supplemental appropriation to the FY23 Operating Budget of the Department of Environmental Protection is approved as follows:

<b><u>Personnel Services</u></b>	<b><u>Operating Expenses</u></b>	<b><u>Capital Outlay</u></b>	<b><u>Total</u></b>	<b><u>Source of Funds</u></b>
	\$750,000		\$750,000	Tree Canopy Conservation Fund

2. The County Council declares that this action is necessary to act without delay in the public interest, and that this appropriation is needed to meet the critical need.

This is a correct copy of Council action.


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Judy Rupp  
Clerk of the Council

MEMORANDUM

December 6, 2022

TO: Evan Glass, President  
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Supplemental Appropriation #23-58 to the FY23 Operating Budget  
Montgomery County Government Department of Environmental Protection  
Tree Canopy Conservation, \$750,000

I am recommending a supplemental appropriation to the FY23 Operating Budget of the Department of Environmental Protection in the amount of \$750,000 for the Tree Canopy Conservation budget. This appropriation will fund the Tree Montgomery program for the remainder of FY23.

This increase is needed because all available funds have been encumbered and committed. So far, in FY23, more than \$915,000 of the available \$933,000 has been encumbered and committed to 2,250 new tree orders, replacements, and watering in August 2022. The Tree Canopy Law, Section 55-10(b) of the County Code, established the Tree Canopy Fund to administer a shade tree planting program to spend the funds from the dedicated account. Shade tree planting through the Tree Montgomery program fulfills the County's requirements to comply with this requirement in the Tree Canopy Law and is also an essential part of the County's climate goals. At the end of FY22, the Tree Canopy Conservation account balance was \$2,169,584.

I recommend that the County Council approve this supplemental appropriation in the amount of \$750,000 and specify the source of funds as the Tree Canopy Conservation account, Fund 006.

I appreciate your prompt consideration of this action.

ME:rh

Enclosure: Supplemental Appropriation #23-58

cc: Michael Coveyou, Director, Department of Finance  
Jennifer Bryant, Director, Office of Management and Budget  
Adriana Hochberg, Acting Director, Department of Environmental Protection  
Vicky Wan, Acting Deputy Director, Department of Environmental Protection



OFFICE OF RACIAL EQUITY AND SOCIAL JUSTICE


Marc Elrich  
County Executive

Tiffany Ward  
Director and Chief Equity Officer

**MEMORANDUM**

January 13, 2023

To: Jennifer Bryant, Director  
Office of Management and Budget

From: Tiffany Ward, Director  
Office of Racial Equity and Social Justice 

Re: Racial Equity and Social Justice Impact Assessment (REIA) for Supplemental  
Appropriation (SA) #23-58 Tree Canopy Fund

- I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #23-58 *Tree Canopy Fund* is well positioned to advance racial equity and social justice in Montgomery County given that it significantly reduced barriers to tree planting on residential and in other non-right-of-way. areas. However, available information and prioritization required under the Tree Canopy Law make it difficult to determine whether tree equity gaps are well addressed with this program.
- II. **BACKGROUND:** The purpose of Supplemental Appropriation #23-58 is to respond to the demand for tree planting under the County's Tree Canopy Law, Section 55-10 (b) of the County Code. This supplemental appropriation will fund the Tree Montgomery Program, enabling tree planting for the remainder of FY23.

Multiple disciplines have concluded that urban tree cover produces many benefits to the environment and communities, but inequalities in the distribution of urban tree cover prevent those benefits from being equitably shared. As with other indicators of well-being, structural inequities produce racial and ethnic disparities in outcomes. American Forest, the creator of the Tree Equity Score, explains “with few exceptions, trees are sparse in socioeconomically disadvantaged and neighborhoods of color and more prominent in wealthier, whiter neighborhoods. Redlining policies, dating back to the 1930s, helped lay the groundwork for this inequity.”<sup>1</sup> In the case of tree replacement, it's important to note that in a 2021 study conducted by researchers from the Nature Conservancy, the relationship between tree coverage in urban areas and factors like income and

race/ethnicity was statistically significant<sup>2</sup>. In fact, the study concluded that the strongest predictor of the difference in tree cover between high- and low-income blocks was income inequality, noting that urbanized areas with greater income inequality had greater differences in tree cover between high and low-income blocks<sup>3</sup>.

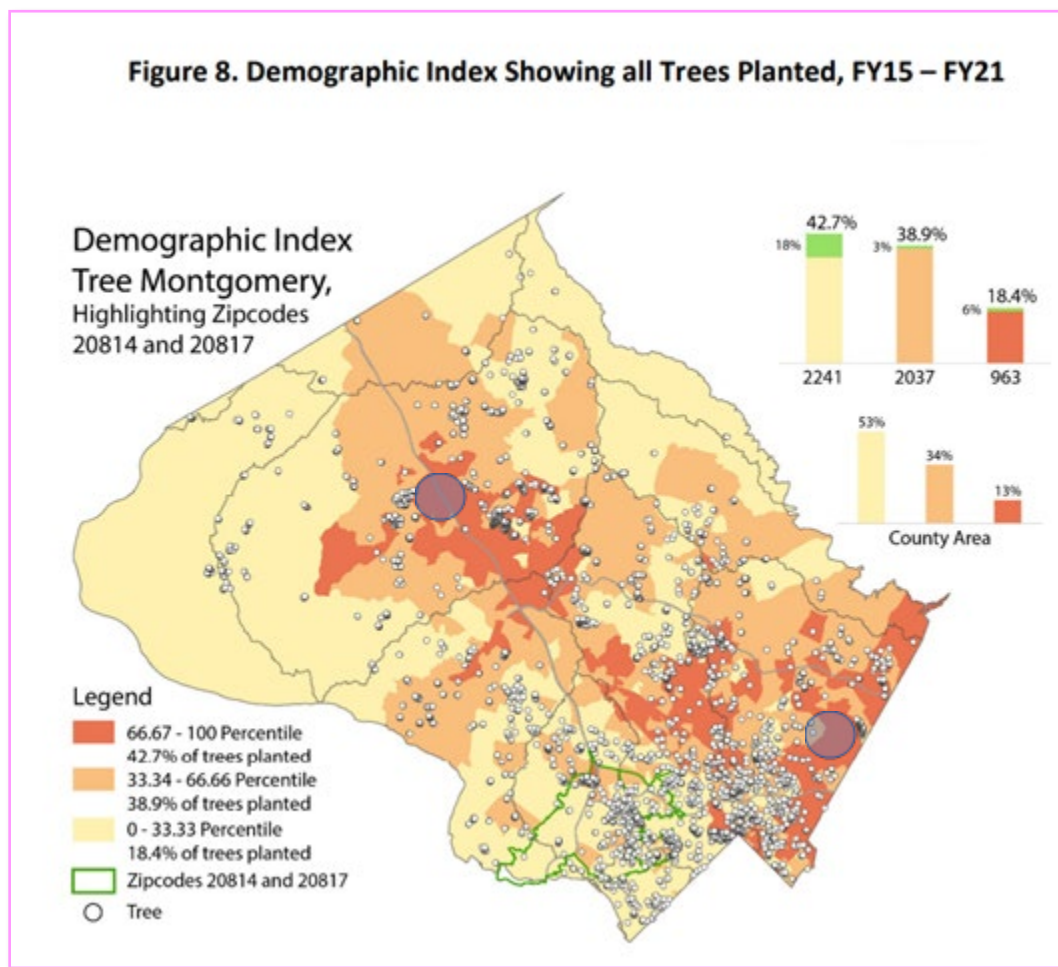
ORESJ has analyzed supplemental appropriations (#22-29 and #23-18) related to the Street Tree Planting Fund. In the REIAs<sup>4</sup> it produced, ORESJ highlighted an absence of demographic data and income characteristics about the neighborhoods where tree replacement is taking place as well as limited information about the factors considered in the tree replacement process. ORESJ also recommended the use of a tool like the Tree Equity Score<sup>5</sup> to bring tree equity gaps into sharper focus and inform targeted outreach and or replacement efforts.

In contrast with the Street Tree Planting Fund, the Tree Montgomery program monitors, and reports (via annual report) the placement and distribution of trees using a demographic index map. While the Tree Canopy Law requires prioritizing planting efforts in areas where development occurs<sup>6</sup>, the program also uses a demographic index and zip codes to monitor the distribution of trees. Based on its 2021 Annual Report, the most tree planting took place in areas of the county in the 66.7-100 percentile (the highest percentile) of the demographic index. *See the data analysis section for an excerpt from the 2021 Annual Report.* At the time of this analysis, ORESJ did not have access to the methodology used in the demographic index or underlying data. However, the map and annual report more generally indicate that the Tree Montgomery Program may be considering some of the tree inequities previously described.

To further center racial equity and social justice in the process of tree planting and monitoring the program, ORESJ recommends the following:

1. To measure outcomes, the program could overlay its existing planted trees map with the Tree Equity Score to determine whether there are locations where a tree canopy gap exists. Locations with low tree equity scores and lower percentages of total tree planting should be targeted for additional community engagement and outreach. While there is no financial barrier to requesting a shade tree, other barriers to accessing the program may exist including a lack of targeted outreach. It appears few if any trees have been planted in certain areas of East County and areas west of Gaithersburg (noting that the program doesn't operate within Gaithersburg or Rockville city limits). The program could conduct outreach, community focus groups, and an analysis of tree canopy to understand whether there is an unmet need and if any barriers exist.
2. In terms of process, the Tree Canopy Law requires prioritizing planting efforts in areas where development occurs. Areas of development are not necessarily congruent with areas experiencing the largest tree equity gaps, so this aspect of the law likely needs attention. Where possible additional prioritization factors that center on racial equity should be considered. This would bring the law and program into closer alignment with Bill 44-20 and likely reduce tree equity gaps in the County.

### III. DATA ANALYSIS:



**Note:** Areas highlighted in Blue appear to be in the highest percentile of the diversity index and have what appear to be lower percentages of trees planted. This assessment is based on visual analysis, not on the underlying data; however, it appears these areas may present opportunities for further inquiry to determine if there is an unmet need or if there is overlap with areas receiving a low tree equity score.

cc: Adriana Hochberg, Acting Director, Department of Environmental Protection  
Ken Hartman, Director, Strategic Partnerships, Office of the County Executive