



MCPB Agenda Item: 12  
March 23, 2023

## MEMORANDUM

**Date:** March 21, 2023

**To:** Montgomery County Planning Board

**VIA:** Michael F. Riley, Director of Parks <sup>MR</sup>  
Miti Figueredo, Deputy Director, Administration <sup>MF</sup>  
Andrew Frank, Chief, Park Development Division <sup>AF</sup>

**FROM:** Ron Peele, CIP/Budget Administrator, Park Development Division <sup>RP</sup>

**SUBJECT:** Briefing: County Executive's Recommended Biennial FY23-28 Capital Improvements Program and FY24 Capital Budget for the Department of Parks

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### Planning Board Recommendation

Approve non-recommended delay of \$3.0M in County General Obligation (GO) Bonds to Beyond Six Years (BSY) for Legacy Open Space PDF #018710 and transmit to County Council (Council). Please note this is an increase over the \$1.5M non-recommended delay presented to the Planning Board on February 9, 2023.

### Background and County Executive Recommendation

- On May 26, 2022, the Council adopted the Montgomery Parks FY23-28 CIP with a total 6-year budget of \$274,747,000.
- On November 29, 2022, the Council approved a Supplemental Appropriation to the FY23-28 CIP for the new Bethesda Lots 10-24 Parks PDF P872302 with a total 6-year budget of \$9,432,000 funded with a combination of State aid, intergovernmental contributions, and Bethesda Park Impact Payments.
- On January 17, 2020, the County Executive (CE) issued his Recommended CIP, which added an Affordability PDF that decreased GO Bonds by \$500K each year between FY26 and FY28, for a total reduction of \$1.5M.
- On February 27, 2023, the PHED Committee voted to recommend rejection of the CE's affordability reduction to the full Council.
- On March 15, 2023, the CE released his Recommended FY24 Operating Budget, which included a revised Affordability PDF to further reduce Parks CIP by another \$1.5M in GO Bonds. The additional cuts are in FY24-FY28, and the full \$3.0M cut is reflected on the attached M-NCPPC Affordability Reconciliation PDF (P871747).



### Staff Response to County Executive Recommendation

The County Council requested all departments affected by the revised affordability measure submit their responses by March 31, 2023. The Parks Department reviewed this additional requested funding reduction and found it even more challenging this time to absorb these cuts without impacting our intended work program. However, to remain as responsive as possible for the first affordability reduction, we have decided to apply the cuts to the same PDF that was identified in response to the first release of the County Executive’s recommended budget on January 17, 2023. The PDF we are applying the reductions to is Legacy Open Space (PDF P018710). The funding has been shifted into the Beyond Six Years (BSY) to balance the FY23-28 CIP with the Affordability PDF. A breakdown of how the reductions will be applied is below:

		FY24	FY25	FY26	FY27	FY28	Total
<b>1st CE Reduction</b>	<b>1/19/2023</b>	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 1,500
<b>2nd CE Reduction</b>	<b>3/15/2023</b>	\$ 250	\$ 500	\$ 250	\$ 250	\$ 250	\$ 1,500
<b>Total</b>		\$ 250	\$ 500	\$ 750	\$ 750	\$ 750	\$ 3,000

The impact of this reduction constrains the amount of funding we will have for this land acquisition program and reduces our ability to execute acquisition transactions as opportunities arise. This may require Parks to request a future Supplemental Appropriation if an important timely acquisition occurs, and available funds are not sufficient. The Legacy Open Space Functional Master Plan RP was approved and adopted in 2001 to help preserve the best remaining open spaces in the County to serve our growing population. Since its start, the Legacy Open Space program has protected over 3,850 acres through acquisition into parkland to preserve watersheds, significant ecosystems, heritage resources, trail and wildlife corridors, rural lands, and important urban open spaces.

### What is next?

Council will reconcile all the funding recommendations and public input in April. Council adoption of the FY24 Capital Budget and amended FY23-28 CIP is expected to occur in late May.

Please note that the Parks Department has also been working with the County’s State delegation to request additional funding through the Legislative Budget Initiative (LBI) programs, which we expect to include in the FY23-28 CIP prior to Council adoption.

### Attachments

- M-NCPPC Affordability Reconciliation PDF (P871747)
- Redlined Legacy Open Space PDF (P018710)



# M-NCPPC Affordability Reconciliation (P871747)

<b>Category</b>	M-NCPPC	<b>Date Last Modified</b>	03/13/23
<b>SubCategory</b>	Development	<b>Administering Agency</b>	M-NCPPC
<b>Planning Area</b>	Countywide	<b>Status</b>	Ongoing

Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
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### EXPENDITURE SCHEDULE (\$000s)

Construction	(3,000)	-	-	(3,000)	-	(250)	(500)	(750)	(750)	(750)	-
<b>TOTAL EXPENDITURES</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>-</b>	<b>(250)</b>	<b>(500)</b>	<b>(750)</b>	<b>(750)</b>	<b>(750)</b>	<b>-</b>

### FUNDING SCHEDULE (\$000s)

G.O. Bonds	(3,000)	-	-	(3,000)	-	(250)	(500)	(750)	(750)	(750)	-
<b>TOTAL FUNDING SOURCES</b>	<b>(3,000)</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>-</b>	<b>(250)</b>	<b>(500)</b>	<b>(750)</b>	<b>(750)</b>	<b>(750)</b>	<b>-</b>

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

Appropriation FY 24 Request	(250)	Year First Appropriation	FY16
Cumulative Appropriation	-	Last FY's Cost Estimate	-
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

### PROJECT DESCRIPTION

This project reconciles the Maryland National-Capital Park and Planning Commission's CIP request with the County Executive's recommendation based on affordability considerations.

### COST CHANGE

Additional affordability adjustments are needed to balance the CIP due to reductions in recordation taxes.



# Legacy Open Space (P018710)

<b>Category</b>	M-NCPPC	<b>Date Last Modified</b>	10/25/22 Redlined on 2/3/23 Redlined on 3/20/23
<b>SubCategory</b>	Acquisition	<b>Administering Agency</b>	M-NCPPC
<b>Planning Area</b>	Countywide	<b>Status</b>	Ongoing

	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
<b>EXPENDITURE SCHEDULE (\$000s)</b>											
Land	91,491	72,118	2,851	4,164	570	516 <del>700</del>	352 <del>724</del>	1,094	915	717 <del>913</del>	12,867
				<del>5,344</del>				<del>1,313</del>	<del>1,124</del>	<del>1,350</del>	<del>11,367</del>
				<del>6,655</del>				<del>1,750</del>	<del>1,561</del>		<del>9,867</del>
Other	8,509	6,399	610	991	250	184 <del>250</del>	122 <del>250</del>	156 <del>187</del>	146 <del>187</del>	133 <del>187</del>	-
				<del>1,311</del>				<del>250</del>	<del>250</del>	<del>250</del>	
				<del>1,500</del>							
<b>TOTAL EXPENDITURES</b>	<b>100,000</b>	<b>78,517</b>	<b>3,461</b>	<b>5,155</b>	<b>820</b>	<b>700</b>	<b>950</b>	<b>474</b>	<b>974</b>	<b>1,250</b>	<b>1,061</b>
				<del>6,655</del>				<del>1,500</del>	<del>1,311</del>	<del>1,100</del>	<del>11,367</del>
				<del>8,155</del>				<del>2,000</del>	<del>1,811</del>	<del>1,600</del>	<del>9,867</del>

<b>FUNDING SCHEDULE (\$000s)</b>											
Contributions	938	938	-	-	-	-	-	-	-	-	-
Current Revenue: General	11,934	10,494	610	530	50	150	115	115	100	-	300
G.O. Bonds	54,274	36,076	2,502	3,359	500	250 <del>500</del>	59 <del>559</del>	850 <del>1,100</del>	850 <del>1,100</del>	850 <del>1,100</del>	12,337
				<del>6,359</del>				<del>1,600</del>	<del>1,600</del>	<del>1,600</del>	<del>10,837</del>
											<del>9,337</del>
M-NCPPC Bonds	10,796	8,951	349	1,266	270	300	300	285	111	-	230
PAYGO	17,855	17,855	-	-	-	-	-	-	-	-	-
POS-Stateside (M-NCPPC Only)	200	200	-	-	-	-	-	-	-	-	-
Program Open Space	4,003	4,003	-	-	-	-	-	-	-	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>100,000</b>	<b>78,517</b>	<b>3,461</b>	<b>5,155</b>	<b>820</b>	<b>700</b>	<b>474</b>	<b>1,250</b>	<b>1,061</b>	<b>850</b>	<b>12,867</b>
				<del>6,655</del>		<del>950</del>	<del>974</del>	<del>1,500</del>	<del>1,311</del>	<del>1,100</del>	<del>11,367</del>
				<del>8,155</del>				<del>2,000</del>	<del>1,811</del>	<del>1,600</del>	<del>9,867</del>

<b>APPROPRIATION AND EXPENDITURE DATA (\$000s)</b>			
Appropriation FY 24 Request	950	Year First Appropriation	FY01
Cumulative Appropriation	82,798	Last FY's Cost Estimate	100,000
Expenditure / Encumbrances	78,517		
Unencumbered Balance	4,281		

## PROJECT DESCRIPTION

The Legacy Open Space initiative identifies open space lands that should be acquired and interpreted because of exceptional natural or cultural value to current and future generations of Montgomery County residents. The project funds acquisition (in-fee and easement) of open-space lands of countywide significance. Priorities are updated during each CIP cycle but remain flexible to allow the Montgomery County Planning Board to address development threats, opportunity acquisitions, and joint funding opportunities. The County Council encourages the Commission to seek supplemental appropriations if approved CIP funding is insufficient. Non-County funding sources are expected to contribute significantly to the Legacy Open Space program. Contributions will appear in the PDF Expenditure and Funding Schedules only if the contribution is spent by the County or M-NCPPC. Donations of land or non-County funded payments that go directly to property owners are not included. The combination of these non-County and County funds have resulted in the successful protection of over 5,400 acres of open space in the County, including over 3,850 acres of new parkland.

## COST CHANGE

Addition of FY27-28, and Beyond Six Year costs adjusted to maintain the historical project balance of \$100 million.

## PROJECT JUSTIFICATION

The Vision 2030 Strategic Plan for Parks and Recreation in Montgomery County (2010) and the 2017 Park, Recreation and Open

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Space (PROS) Plan recommend placing priority on conservation of natural open spaces, protection of heritage resources, providing critical urban open spaces, and expanded interpretive activities in parks. Legacy Open Space: Open Space Conservation in the 21<sup>st</sup> Century, approved by the Montgomery County Planning Board in October 1999. Legacy Open Space Functional Master Plan adopted by the County Council in July 2001.

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## FISCAL NOTE

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Reduction in FY22 Current Revenue: General from non-recommended reductions, and G.O. Bonds were reduced in FY23-25 and slipped to FY26 for fiscal capacity. FY18 reduction of \$100k in Current Revenue to reflect the FY18 Savings Plan. Modifications reflect Resolution 19-322 that was approved December 10, 2019 after the Department's CIP submission in November, 2019. The resolution provided a transfer of funds to the Acquisition: Non-Local Parks CIP project related to the acquisition of park land in Wheaton.

## DISCLOSURES

Expenditures will continue indefinitely. M-NCPPC 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

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Park Acquisitions 872301, Acquisition: Local Parks 767828, Acquisition: Non-Local Parks 998798, ALARF: M-NCPPC 727007, Bethesda Park Impact Payment PDF 872002, Restoration of Historic Structures 808494, State of Maryland.

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