



MCPB Date: 7/25/2024

Agenda Item #4

MEMORANDUM

DATE: July 17, 2024

TO: Montgomery County Planning Board

VIA: Jason K. Sartori, Planning Director ✓
Bridget Broullire, Acting Deputy Director BB

FROM: Karen Warnick, Division Chief, Management Services KAW

SUBJECT: FY25 Budget Amendment and Transfer

STAFF RECOMMENDATION:

Approval of the Request for FY25 Budget Amendment and Transfer.

BACKGROUND:

A new headquarters for Montgomery Planning and Parks Departments to be called Silver Place was conceived and initially planned in the early 2000s. At that time, the Planning Department set aside funds for unknown expenses that come with all new construction projects. After the plan for Silver Place was set aside, the Planning Department strategically kept these funds in reserve for when they would be needed for the new headquarters built in Wheaton.

In the FY21 budget, the Planning Department asked to appropriate \$500,000 of these funds to assist a child care vendor with buildout costs associated with a child care facility on the 3rd floor of the Wheaton Headquarters (WHQ). The funds from the Silver Place were transferred to the Capital Equipment Internal Service Fund (ISF).

The Montgomery County government recognized the benefit of situating and operating a child care facility at the WHQ and agreed to contribute \$1,000,000 for the buildout costs and \$500,000 for the startup costs. In June 2022, the Montgomery County government signed a Memorandum of Understanding (MOU) with the Commission agreeing to transfer the funds to the Commission upon the selection of a successful proposer. This MOU is the County's approval to spend the funds. See attached MOU.

In Fall 2023, the Commission issued a Request for Proposals (RFP), and we now have a viable vendor for the child care facility. On July 16, 2024, the Commission sent an invoice to the county requesting the transfer of the \$1.5M (see attached).

In anticipation of these funds, the Commission created a WHQ Child Care Account within the WHQ Building Fund with activity codes for 1) the buildout and startup funds to be used by the selected vendor during project development and 2) the operating funds to collect rent and pay for operating expenses.

After the award and prior to the contract execution with the child care vendor, the \$500,000 from the Capital Equipment ISF and the \$1.5M from the county (total \$2M) must be in the WHQ Building Fund and appropriated.

REQUEST APPROVAL OF THE FY25 BUDGET AMENDMENT AND TRANSFER:

Today, the Planning Department is requesting approval to:

1. Transfer \$500,000 from the Capital Equipment ISF to the WHQ Building Fund.
2. Recognize the \$1.5M from the county and to place it in the WHQ Building Fund.
3. Appropriate \$2M in the WHQ Building Fund to provide assistance for the buildout and startup costs for the child care facility on the 3rd floor.

These transactions comply with Commission Practice 3-60, Budget Adjustments (Amendments and Transfers).

Approved by the Planning Board: _____ Date: _____
Artie Harris, Planning Board Chair

Attachments:

1. Memorandum of Understanding (MOU) between the Commission and the County obligating the transfer of \$1.5M for the Child Care Buildout and Startup
2. Invoice to County requesting the transfer of \$1.5M – Sent on July 16, 2024

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