

MEMORANDUM

November 3, 2021

TO: Health and Human Services Committee

FROM: Linda McMillan, Senior Legislative Analyst
Vivian Yao, Legislative Analyst

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and Special Appropriation to the FY22 Capital Budget; Montgomery County Government; Department of Health and Human Services; Emergency Homeless Shelter (No. P602103); \$2,455,000 (Source of Funds: General Obligation Bonds)

PURPOSE: Worksession; vote expected

Expected for this session:

Dr. Raymond Crowel, Director, Department of Health and Human Services (DHHS)
David Dise, Director, Department of General Services (DGS)
Amanda Harris, Chief, Services to End and Prevent Homelessness (DHHS)
Greg Ossont, Deputy Director, DGS

Just prior to this item, the HHS Committee will have had an update on the progress of the Nebel Street shelter and the changes to the emergency homeless shelter system once the Nebel Street shelter opens. **Because of the critical nature of this project and the accelerated project schedule, this amendment and special appropriation is being brought to the Committee for review and recommendation prior to its introduction at Council. It will be introduced on November 9, 2021 and a public hearing is scheduled for November 30 at 1:30 p.m., tentatively followed by action. The Committee can choose to hold additional review if needed.**

Background

The Council first approved funding for this project (\$1 million) on December 8, 2020.¹ This authorized the County to move forward with the purchase of a building or buildings in order to

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https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2020/20201208/20201208_2M.pdf

meet current need and future projections for emergency shelter space. A single building was identified with sufficient space. On April 20, 2021, the Council approved an additional \$13.647 million for the design and construction of the renovations to move forward on a timeline that will have the facility occupied in January 2022.² The Department of General Services has created a project page on its website to monitor the progress of this project. It shows the construction end date as December 31, 2021.

<https://www.montgomerycountymd.gov/DGS-BDC/BCC/602103.html>

The description includes the following:

Montgomery County Department of General Services (DGS) purchased a two-story building located at 11600 Nebel Street in North Bethesda to provide congregation, meals, and medical and case management services.

The two-story 30,000 square foot building will be renovated and changed from Commercial Office Use to a Homeless Shelter with 200 beds Sleeping areas, Bathing, Eating, Computer, and Administrative Space.

This facility will ensure that a full complement of homeless services is available to the men seeking emergency shelter in Montgomery County.

The new renovation will provide a complete HVAC/Electrical Systems and Domestic Water will be upsized to meet the new demand for the Potable water and Fire Sprinklers. New elevator will be installed to accommodate the vertical transportation for the new building.

Additional request for funding (received October 29, 2021)

As the project has moved quickly the other funding actions were not able to take into account certain costs that were not fully known or not expected, the most significant being the need for roof replacement. There will be additional work after the opening for things such as energy sustainability, landscaping, signage that cannot occur prior to the January occupancy.

The main items that have caused the need for additional funding are:

- Specialized inspections and regulatory testing requirements, additional architectural and engineering services
- Roof replacement and structural elements
- Electrical and mechanical supplemental labor and temporary equipment
- IT/Network, Security, Cabling, and Infrastructure
- Utility connection coordination, specialized inspections and supervision
- Bed furniture, linens, kitchen and laundry appliances

² https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2021/20210420/20210420_60.pdf

- Interior interpretative signage and wayfinding
- Moving services

The memo from the County Executive, resolution and Project Description Form are attached at © 1-4.

Council staff recommends approval.




OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

October 29, 2021

TO: Tom Huckler, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and
Special Appropriation # SA-22MCG-01 the FY22 Capital Budget
Montgomery County Government
Department of Health and Human Services
Emergency Homeless Shelter (No. P602103), \$2,455,000

I am recommending a special appropriation to the FY22 Capital Budget and amendment to the FY21-26 Capital Improvements Program in the amount of \$2,455,000 for the Emergency Homeless Shelter (No. P602103).

This special increase is needed to complete the construction of the new shelter because the current facility located on Taft Court in Rockville, will no longer be available starting January 2022. In addition, due to COVID-19, the maximum occupancy at each County shelter has decreased to accommodate social distancing requirements. The facility will provide space for congregation, meal service, medical, and case management offices.

I recommend that the County Council approve this special appropriation and amendment to the FY21-26 Capital Improvements Program in the amount of \$2,455,000 and specify the source of funds as GO Bonds.

I appreciate your prompt consideration of this action.

ME:ll

Attachment: Amendment to the FY21-26 Capital Improvements Program and Special Appropriation # SA-22MCG-01

Cc: Dr. Raymond L. Crowel, Psy.D., Director, Department of Health and Human Services
David Dise, Director, Department of General Services
Jennifer R. Bryant, Director, Office of Management and Budget

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY21-26 Capital Improvements Program and
Special Appropriation # SA-22MCG-01 to the FY22 Capital Budget
Montgomery County Government
Department of Health and Human Services
Emergency Homeless Shelter (No. P602103), \$2,455,000

Background

1. Section 308 of the Montgomery County Charter provides that a special appropriation: (a) may be made at any time after public notice by news release; (b) must state that the special appropriation is necessary to meet an unforeseen disaster or other emergency or to act without delay in the public interest; (c) must specify the revenues necessary to finance it; and (d) must be approved by no fewer than six members of the Council.
2. 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.
3. The County Executive recommends the following capital project appropriation increases as following:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	602103	Construction	\$2,455,000	G.O. Bonds

4. This increase is needed to complete construction of the shelter as the current facility that provides shelter service, located on Taft Court in Rockville, will no longer be available starting January 2022. In addition, due to COVID-19, the maximum occupancy at each County shelter has decreased to accommodate social distancing requirements. The facility will provide space for congregation, meal service, medical offices, and case management offices.
5. The County Executive recommends an amendment to the FY21-26 Capital Improvements Program and a supplemental appropriation in the amount of \$2,455,000 for Emergency Homeless Shelter (No. P602103) and specifies that the source of funds will be GO Bonds.
6. Notice of public hearing was given and a public hearing was held.

Action

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

The FY21-26 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Emergency Homeless Shelter	602103	Construction	\$2,455,000	G.O. Bonds

1. The County Council declares that this action is necessary to meet an unforeseen disaster or other emergency, and that this appropriation is needed to meet the emergency.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq., Clerk of the Council

Emergency Homeless Shelter (P602103)

Category	Health and Human Services	Date Last Modified	05/03/21
SubCategory	Health and Human Services	Administering Agency	General Services
Planning Area	Rockville	Status	Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	1,371	-	-	1,371	90	1,156	125	-	-	-	-
Land	5,497	-	-	5,497	5,497	-	-	-	-	-	-
Construction	10,184	-	-	10,184	426	9,758	-	-	-	-	-
Other	50	-	-	50	-	50	-	-	-	-	-
TOTAL EXPENDITURES	17,102	-	-	17,102	6,013	10,964	125	-	-	-	-

FUNDING SCHEDULE (\$000s)											
Community Development Block Grant	5,497	-	-	5,497	5,497	-	-	-	-	-	-
G.O. Bonds	11,605	-	-	11,605	516	10,964	125	-	-	-	-
TOTAL FUNDING SOURCES	17,102	-	-	17,102	6,013	10,964	125	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)			
Appropriation FY 22 Request	-	Year First Appropriation	FY21
Supplemental Appropriation Request	2,455	Last FY's Cost Estimate	-
Cumulative Appropriation	14,647		
Expenditure / Encumbrances	-		
Unencumbered Balance	14,647		

PROJECT DESCRIPTION

This project includes acquisition and construction of a building to provide congregation, meals, and medical and case management services.

LOCATION

11600 Nebel Street, Rockville Maryland

ESTIMATED SCHEDULE

The work is planned to be completed by the end of calendar year 2021.

PROJECT JUSTIFICATION

The County facilities supporting homeless sheltering and associated services are insufficient for the current population and future projection. And due to COVID-19, the maximum occupancy at each County homeless shelter has decreased to allow for social distancing and spacing of beds. This project will acquire an existing building and retrofit the facility to include space for congregation, meal service, medical offices, and case management offices. The current facility that provides these services for men, located at Taft Court in Rockville, will no longer be available starting spring of 2021. Space in recreation centers that has been used to house men and women during the pandemic must be replaced so the recreation centers can re-open once the pandemic eases to the point programs can resume. This facility will ensure that a full complement of homeless services are available to the men and women seeking emergency shelter in Montgomery County.

FISCAL NOTE

FY21 supplemental in Community Development Block Grant for the amount of 5,497,000, G.O Bonds for the amount of \$9,150,000
FY22 supplemental in G.O. Bonds for the amount of \$2,455,000.

COORDINATION

Department of Health and Human Services, Department of General Services