



THE PRINCE GEORGE'S COUNTY GOVERNMENT

Office of Audits and Investigations


March 22, 2022

FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Isabel Williams 
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-007-2021 Addition of Two Capital Projects and Supplementary Appropriations
(DR-2)

CB-007-2022 (*Proposed and presented by:* The Chair of the Council at the request of the County Executive)

Assigned to the Committee of the Whole

AN ACT CONCERNING THE ADDITION OF TWO CAPITAL PROJECTS AND SUPPLEMENTARY APPROPRIATIONS IN THE APPROVED FISCAL YEAR for the purpose of adding two capital projects, Cheverly Building Replacement (3.70.0004) and Warm Nights Homeless Shelter (8.31.0005) in the Approved Fiscal Year 2022 - 2027 Capital Program; providing supplementary appropriations to the Medical Unit Renovation and Expansion project (4.56.0005), Suitland Manor (8.90.0003), Addison Road/Capitol Heights Metro Corridor (8.90.0002), Stadium Upgrades (4.77.0082), Brandywine Road Club Priority Projects (4.66.0053), MS4/NPDES Compliance & Restoration (5.54.0019), Flood Protection and Drainage Improvement (5.54.0005), Major Reconstruction Program (DPW&T) (5.66.0003), Clean Water Partnership NPDES/MS4 (5.54.0018), Cheverly Building Replacement (3.70.0004) and Warm Nights Homeless Shelter (8.31.0005); and amending the Approved Fiscal Year 2022 - 2027 Capital Improvement Program with regard to expenditures and financing beyond the budget year.

Fiscal Summary

Direct Impact:

Expenditures:

- Increases total Capital Program expenditures by \$78,913,000, with \$55,800,000 of the funding coming from the American Recovery Plan. An increase of \$36,409,000 is seen for FY 2022; \$35,251,000 for FY 2023; \$6,690,000 for FY 2024; and \$563,000 for FY 2025.

Revenues:

- Reflects supplemental appropriations in the amount of \$55,800,000 in Federal grant funding related to the American Recovery Plan for capital improvement projects
- \$23,113,000 from a combination of other sources

Indirect Impact:

None likely.

Legislative Summary:

CB-007-2022, presented by Chair Hawkins at the request of the County Executive, was presented on February 22, 2022, and referred to the Committee of the Whole (COW). CB-007-2022 would add two capital projects, Cheverly Building Replacement (3.70.0004) and Warm Nights Homeless Shelter (8.31.0005) in the Approved Fiscal Year 2022-2027 Capital Program. Additionally, the legislation provides supplementary appropriations to the following projects: Medical Unit Renovation and Expansion project (4.56.0005); Suitland Manor (8.90.0003); Addison Road/Capitol Heights Metro Corridor (8.90.0002); Stadium Upgrades (4.77.0082); Brandywine Road Club Priority Projects (4.66.0053); MS4/NPDES Compliance & Restoration (5.54.0019); Flood Protection and Drainage Improvement (5.54.0005); Major Reconstruction Program (DPW&T) (5.66.0003); Clean Water Partnership NPDES/MS4 (5.54.0018); Cheverly Building Replacement (3.70.0004) and Warm Nights Homeless Shelter (8.31.0005).

Current Law/Background:

Section 814 of the County Charter authorizes transfers of appropriations between general classifications of expenditures, in excess of \$250,000, upon recommendation of the County Executive. Section 815 of the County Charter allows the Council, upon the recommendation of the County executive, by legislative act, to make additional or supplemental appropriations from

revenue received from anticipated sources. Prince George’s County Code (the “Code”) Section 10-110 governs budget appropriation adjustments. The County Code requires the approval for the Council for supplemental appropriations upon the recommendation of the County Executive.

Resource Personnel:

- Stanley A. Earley, Office of Management and Budget
 - DeAnna Baker-Mims, Office of Management and Budget
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Discussion/Policy Analysis:

CB-007-2022 provides supplementary appropriations from additional revenue received that was not reflected in the FY 2022 Approved Capital Budget. The additional revenue consists of grant funds, additional developer contributions, and American Recovery Plan (ARP) funding. The supplemental appropriations are in the amount of \$549,000 in grant funding for the Medical Unit Renovation and Expansion (4.56.0005), \$250,000 in grants for the Suitland Manor project (8.90.0003), \$250,000 in grants for the Addison Road project (8.90.0002), \$4,964,000 in additional developer contributions for the Brandywine Road Club project (4.66.0053) and \$12,200,000 in grants from the State of Maryland’s budget for the Stadium Upgrades project (4.77.0082).

ARP funds are appropriated to two new capital projects as follows: \$20,000,000 for Cheverly Building Replacement project (3.70.0004), \$5,000,000 for Warm Nights Homeless Shelter project (8.31.0005). The Cheverly Building Replacement funds the building and/or renovation of a building to provide full service clinical, behavioral, health and dental health services in order to better serve clinical mental health and substance abuse needs. The Warm Nights Homeless Shelter project funds the purchase and/or renovation of building of a new expansion facility to permanently add critical emergency shelter beds for persons experiencing homelessness. The facility will provide up to 65 overflow shelter beds in one or more fixed locations.

The remainder of the ARP funds appropriated in this Bill are to existing projects, for which the aggregate additional appropriation is as follows: \$17,435,000 for MS4/NPDES Compliance and Restoration project (5.54.0019), \$6,065,000 for Flood Protection and Drainage Improvement project (5.54.0005) and \$7,300,000 for Major Reconstruction Program (DPW&T) project (5.66.0003). Project descriptions, justifications, and project summaries are attached to the Bill as Schedules A through K.

Fiscal Impact:

Direct Impact:

The legislation increases the funding for the specified projects by \$78,913,000 over FY 2022, 2023, 2024, and 2025, with \$55,800,000 of these supplemental appropriations coming from federal

grant funds from the American Recovery Plan, and the remaining \$23,113,000 being derived from a combination of grant funds, increased developer contributions, and other sources. The distribution across specific projects and fiscal years is illustrated in the table below:

| Project Description | Project # | Schedule | 2022 | 2023 | 2024 | 2025 |
|--|-----------|----------|---------------------|---------------------|--------------------|------------------|
| Med. Unit Renovation/Expansion | 4.56.0005 | A | \$549,000 | 0 | 0 | 0 |
| Suitland Manor | 8.90.0003 | B | \$250,000 | 0 | 0 | 0 |
| Addison Rd./Capitol Heights Metro Corridor | 8.90.0002 | C | \$250,000 | 0 | 0 | 0 |
| Stadium Upgrades | 4.77.0082 | D | \$12,200,000 | 0 | 0 | 0 |
| Brandywine Road Club Priority Projects | 4.66.0053 | E | \$4,964,000 | 0 | 0 | 0 |
| Cheverly Building Replacement | 3.70.0004 | F | \$5,000,000 | \$15,000,000 | 0 | 0 |
| Warm Nights Homeless Shelter | 8.31.0005 | G | \$3,000,000 | \$5,000,000 | 0 | 0 |
| Major Reconstruction Program | 5.66.0003 | H | \$980,000 | \$3,670,000 | \$1,850,000 | 0 |
| MS4/NPDES Compliance and Restoration | 5.54.0019 | I | \$4,311,000 | \$9,576,000 | \$3,340,000 | \$208,000 |
| Flood Protection and Drainage | 5.54.0005 | J | \$2,205,000 | \$2,005,000 | \$1,500,000 | \$355,000 |
| Clean Water Partnership NPDES/MS4 | 5.54.0018 | K | \$2,700,000 | 0 | 0 | 0 |
| TOTAL | | | \$36,409,000 | \$35,251,000 | \$6,690,000 | \$563,000 |

Indirect Impact:

None.

Appropriated in the Current Fiscal Year Budget:

No.

Effective Date of Proposed Legislation

The proposed Act shall take effect forty-five (45) calendar days after it becomes law.

If you require additional information, or have questions about this fiscal impact statement, please call me.