

DA07
Department of Aging – Capital

Capital Budget Summary

Grant and Loan *Capital Improvement Program*
(\$ in Millions)

Program	2018 Approp.	2019 Approp.	2020 Request	2021 Estimate	2022 Estimate	2023 Estimate	2024 Estimate
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Senior Centers Capital Program	\$0.946	\$1.600	\$0.818	\$1.600	\$1.600	\$1.600	\$1.600
Total	\$0.946	\$1.600	\$0.818	\$1.600	\$1.600	\$1.600	\$1.600

Fund Source	2018 Approp.	2019 Approp.	2020 Request	2021 Estimate	2022 Estimate	2023 Estimate	2024 Estimate
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GO Bonds	\$0.946	\$1.600	\$0.818	\$1.600	\$1.600	\$1.600	\$1.600
Total	\$0.946	\$1.600	\$0.818	\$1.600	\$1.600	\$1.600	\$1.600

GO: general obligation

Summary of Recommended Bond Actions

	<u>Funds</u>
1. Senior Centers Capital Grant Program	\$818,000

Approve.

Program Description

The Senior Centers Capital Grant Program (SCCGP) provides financial assistance to local governments for the planning, acquisition, design, construction, renovation, improvement, and capital equipping of senior centers. Currently, there are 115 senior centers in the State that provide core health, social, nutrition, education, and recreational services. Programs beyond these core services are determined by the needs and preferences of the population served by the center.

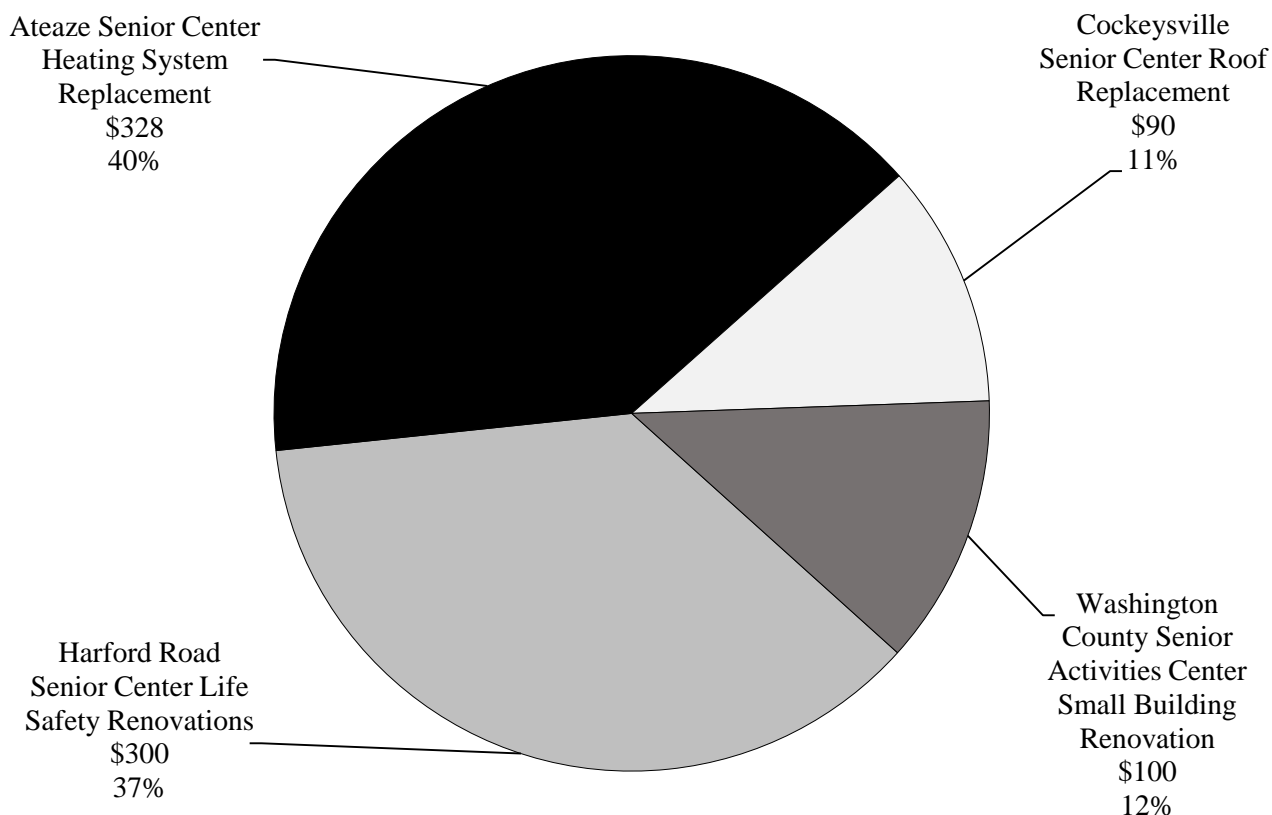
To be considered for funding, total project costs must be at least \$100,000. The State may provide a grant of up to 50% of the project cost, not to exceed \$800,000 in any 15-year period, after the application of any federal grants received for the project. The Board of Public Works may authorize a grant that exceeds 50% of the project cost, after any federal grant is applied, under certain circumstances. Local governments are required to match State funds for a project on a dollar-for-dollar basis. Local governments can receive grants for multiple projects at a given senior center, so long as the sum of grants made for any single senior citizen activities center does not exceed \$800,000 in any 15-year period.

Prior to fiscal 2019, there was a lifetime limit of \$800,000 in SCCGP funding for any senior center. Chapter 116 of 2017 altered this limit to the current standard of \$800,000 in any 15-year period. Given the effective date of Chapter 116 and the schedule by which capital projects are programmed in the *Capital Improvement Program* (CIP) for the upcoming fiscal year, fiscal 2020 represents the first year in which funds are programmed under the new terms. The Harford Road Senior Center in Baltimore City benefits from this change as the center had previously met the lifetime limit on project funds; the CIP programs \$300,000 in funds for a grant in fiscal 2020.

Budget Overview

The fiscal 2020 budget provides \$818,000 in general obligation bonds for four projects through the SCCGP, which is estimated to leverage \$1.27 million in local matching funds. **Exhibit 1** shows the projects programmed in the CIP as well as the value of the grant proposed for each project. Three local governments are represented in the fiscal 2020 CIP – Baltimore City and Baltimore and Washington counties. Baltimore County receives the largest amount of funds programmed in the CIP at \$418,000, or 51%, of the total fiscal 2020 funds.

Exhibit 1
Senior Centers Capital Grant Program – Projects With Programmed Funds
Fiscal 2020
(\$ in Thousands)



Source: Department of Budget and Management, Fiscal 2020 *Capital Improvement Program*

If approved, the Harford Road Senior Center will have no remaining capacity under the funding limit established for the SCCGP as total authorizations for all projects would equal \$800,000 over the 15-year statutory timeframe. Further, the State share for the remaining projects identified in the CIP are all funded at 50% of the total project cost; as such, these projects would be ineligible to receive future awards from the SCCGP, provided the total cost for each project does not increase further. However, the three facilities would be eligible for additional grants to support other qualifying projects as additional capacity under the \$800,000 program funding limit exists for each facility.

Harford Road Senior Center Life Safety Renovations Project (Baltimore City)**Authorization Uses
(\$ in Millions)**

Fund Uses	Prior Approp.	FY 2020 Request	Future Estimated	Estimated Total
Acquisition	\$0.435	\$0.000	\$0.000	\$0.435
Construction	0.600	1.050	0.000	1.650
Total	\$1.035	\$1.050	\$0.000	\$2.085

**Authorization Sources
(\$ in Millions)**

Fund Source				
State: 38.37%	\$0.500	\$0.300	\$0.000	\$0.800
Matching Fund: 61.63%	0.535	0.750	0.000	1.285
Total	\$1.035	\$1.050	\$0.000	\$2.085

The Harford Road Senior Center requires renovations to address life safety issues and deteriorating conditions. Currently, the facility is equipped with an inadequate fire alarm system and poor insulation. In addition, various entrances and exits are not compliant with the Americans with Disabilities Act (ADA), and wheelchair access through the main corridor is challenging. Finally, members are limited in the space that they can use in the facility due to poor lighting and outdated electrical outlets. As a result of the deteriorating condition of the facility, the city advises that there is reduced interest to attend programs at the senior center.

Renovations include a new roof, installation of a hardwired fire alarm system and fire-rated doors and lighting, new flooring and windows, improved accessibility at entryways to the building, plumbing and accessibility renovations to the bathrooms, raising of ceilings in the facility, and installation of proper insulation. The estimated total project cost is \$2.085 million with \$800,000, or 38.37%, in State funds. The fiscal 2020 State capital budget includes \$300,000 for construction efforts. Once renovations are completed, the Harford Road Senior Center anticipates that membership will grow by 20% to 25%; further, the facility will be able to add new programs, including telehealth and evidence-based health self-management programs.

Ateaze Senior Center Heating System (Baltimore County)**Authorization Uses
(\$ in Millions)**

Fund Uses	Prior Approp.	FY 2020 Request	Future Estimated	Estimated Total
Planning	\$0.000	\$0.082	\$0.000	\$0.082
Construction	0.000	0.574	0.000	0.574
Total	\$0.000	\$0.656	\$0.000	\$0.656

**Authorization Sources
(\$ in Millions)**

Fund Source				
State: 50.00%	\$0.000	\$0.328	\$0.000	\$0.328
Matching Fund: 50.00%	0.000	0.328	0.000	0.328
Total	\$0.000	\$0.656	\$0.000	\$0.656

The Ateaze Senior Center, located in Dundalk, Maryland, requires renovations to the heating system and associated piping. The current boilers, radiators, and pipes have exceeded life expectancy, resulting in numerous and costly repairs. In the last year, the system malfunctioned 15 times, requiring programs to be canceled or rescheduled.

The estimated total project cost is \$656,000 with \$328,000, or 50%, in fiscal 2020 State funds. State funds will be used for both planning and construction on this project. The Department of Legislative Services notes that construction for this project is anticipated to begin in late fiscal 2020 and continue through the second quarter of fiscal 2021. As such, this project presents itself as a candidate for design costs with deferral of construction funds until fiscal 2021. In this scenario, State funds could be appropriated for the full cost of design (\$80,000) with forward funding of construction costs by the local government. Budgeting for the project in this way would reduce fiscal 2020 grants issued through the SCCGP by \$248,000, or 30.3%, of the total allowance for the program. However, plans to make cuts to this project should consider the potential for project delay and the impact that this may cause. Weather permitting, the senior center may move out-year construction activities forward into fiscal 2020, requiring greater funds for construction work performed in that year. Further, any delay in funding in fiscal 2021 could delay construction into the winter months when reliable heating is most needed.

Cockeysville Senior Center – Roof Replacement (Baltimore County)

**Authorization Uses
(\$ in Millions)**

Fund Uses	Prior Approp.	FY 2020 Request	Future Estimated	Estimated Total
Planning	\$0.000	\$0.034	\$0.000	\$0.034
Construction	0.000	0.146	0.000	0.146
Total	\$0.000	\$0.180	\$0.000	\$0.180

**Authorization Sources
(\$ in Millions)**

Fund Source				
State: 50.00%	\$0.000	\$0.090	\$0.000	\$0.090
Matching Fund: 50.00%	0.000	0.090	0.000	0.090
Total	\$0.000	\$0.180	\$0.000	\$0.180

The roof of the Cockeysville Senior Center has reached the end of its life, requiring over 40 documented repairs in the last year. In some cases, leaks in the roof above program rooms have caused unsafe conditions, requiring the cancellation of programs and activities due to the increased fall risk.

The estimated total project cost is \$180,000 with \$90,000, or 50%, in fiscal 2020 State funds. State funds will be used for both planning and construction on this project. It is anticipated that the construction will begin in spring 2020 and will end before the close of the fiscal year.

Washington County Senior Activities Center Expansion – Small Building Renovation (Washington County)

Authorization Uses (\$ in Millions)

Fund Uses	Prior Approp.	FY 2020 Request	Future Estimated	Estimated Total
Construction	\$0.000	\$0.200	\$0.000	\$0.200
Total	\$0.000	\$0.200	\$0.000	\$0.200

Authorization Sources (\$ in Millions)

Fund Source				
State: 50.00%	\$0.000	\$0.100	\$0.000	\$0.100
Matching Fund: 50.00%	0.000	0.100	0.000	0.100
Total	\$0.000	\$0.200	\$0.000	\$0.200

The Washington County Senior Activities Center plans to expand into a small building on the site of its current campus. The building formerly served as a garage and is planned to serve as the new fitness center, freeing up space for programs and activities in the main complex. Space for exercise facilities and senior programs at the Washington County Senior Activities Center is inadequate to properly serve the current membership of the senior center, which is estimated to be at least 1,600 individuals of which 1,300 are active members.

Renovations to the building include the installation of two ADA-compliant restrooms and an ADA-compliant entryway; heating, ventilation, and air conditioning equipment; upgraded electrical systems; and other construction as necessary to convert the space into a fitness facility. The estimated total project cost is \$200,000 with \$100,000, or 50%, in fiscal 2020 State funds. State funds will be used for the construction phase. When completed, the finished building will be 88.8% efficient with 2,366 net square feet of usable space. This renovation is not anticipated to have any significant impact on the operations of the current center as the building being renovated is not currently used for senior center activities.

GO Bond Recommended Actions

1. Approve \$818,000 in general obligation bond funds for the Senior Centers Capital Grant Program.