

RI00
Community College Facilities Grant Program – Capital
Maryland Higher Education Commission

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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Community College Construction Grant Program	\$57.552	\$60.095	\$74.010	\$80.000	\$80.000	\$80.000	\$80.000
Garett College – Community Education and Performing Arts Center	0.000	0.000	5.500	5.500	0.000	0.000	0.000
Total	\$57.552	\$60.095	\$79.510	\$85.500	\$80.000	\$80.000	\$80.000

Fund Source	2018 Approp.	2019 Approp.	2020 Request	2021 Estimate	2022 Estimate	2023 Estimate	2024 Estimate
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GO Bonds	\$57.552	\$60.095	\$79.510	\$85.500	\$80.000	\$80.000	\$80.000
Total	\$57.552	\$60.095	\$79.510	\$85.500	\$80.000	\$80.000	\$80.000

GO: general obligation

Note: Chapters 687 and 688 of 2018 created a Community College Facilities Renewal Grant Program, which provides grants to community colleges for capital improvements, repairs, and deferred maintenance. Each year, the Governor must appropriate to the program 5% of the annual appropriation for the Community College Construction Grant Program. For fiscal 2020, this amounts to \$3.8 million, which is provided as general fund pay-as-you-go. This funding receives its own analysis (RI0005).

Key Observations

- ***More Funding for the Community College Construction Grant Program:*** Funding for the Community College Construction Grant Program (CCCGP) in fiscal 2020 totals \$74.0 million, which grows by \$13.9 million when compared to fiscal 2019, or a 23.2% increase. This includes funding for two new projects, though these projects are not strictly for academic purposes or workforce development.
- ***Split Funded Projects:*** Most CCCGP projects in fiscal 2020 are being split funded over a two- or three-year period based on planned monthly project cash flow expenditure.
- ***Garrett College Project Funded as Miscellaneous Grant:*** Funding for the Community Education and Performing Arts Center at Garrett College is included as a miscellaneous grant project in fiscal 2019 with a preauthorization for fiscal 2020. This project previously received funding from the State for planning as a community college construction project with a 50/50 State and local split. Therefore, the Department of Legislative Services (DLS) recommends lowering the preauthorization for the project in fiscal 2021 to fulfill the State’s original obligation to fund 50% of total costs.

Summary of Recommended Bond Actions

Funds

1. Community College Construction Grant Program

Approve the fiscal 2020 allowance of \$74.0 million for the Community College Construction Grant Program.
2. Garrett College – Community Education and Performing Arts Center

Approve the fiscal 2020 allowance of \$5.5 million for the Garrett College – Community Education and Performing Arts Center miscellaneous grant program.
3. SECTION 12 – Maryland Higher Education Commission – Community College Construction Grant Program

Approve the preauthorization for the Community College Construction Grant Program for \$60.3 million in fiscal 2021.

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4. SECTION 12 – Miscellaneous – Garrett College – Community Education and Performing Arts Center -\$3,950,000 P1

Reduce the preauthorization to reflect a State obligation to provide 50% of total funding for the Garrett College – Community Education and Performing Arts Center miscellaneous grant project.

5. SECTION 13 – Maryland Higher Education Commission – Community College Construction Grant Program

Approve the preauthorization of \$31.2 million for the Community College Construction Grant Program in fiscal 2022.

6. SECTION 14 – Maryland Higher Education Commission – Community College Construction Grant Program

Approve the preauthorization of \$8.2 million for the Community College Construction Grant Program in fiscal 2023.

Total Preauthorization Reductions/Additions **-\$3,950,000**

Program Description

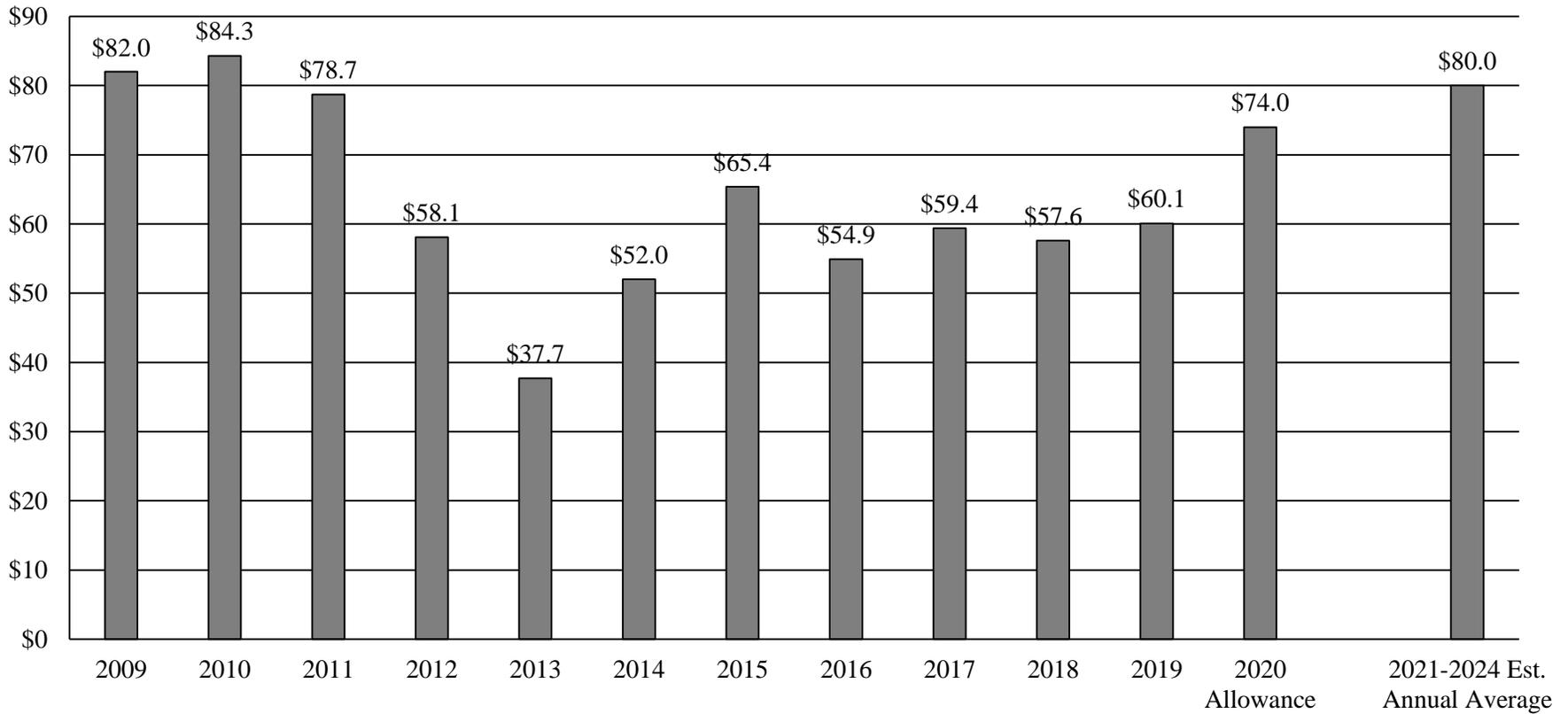
The CCCGP assists counties in improving the facilities and infrastructure of locally operated community colleges. For regional colleges, State support may total up to 75% of project costs, while other community colleges may receive between 50% and 70% of costs from the State, depending on the wealth of the jurisdiction, per Education Article, § 11-105(j). Under current guidelines, priority projects are those that incorporate certain project types, project phases, and facility categories. Additional factors include inventory status, age of facilities, funding history, and overall college priority. The combination of factors reflects the complexity of elements that impact project viability and funding priority. The Maryland Higher Education Commission (MHEC) adopted slightly revised prioritization rules in February 2014 to ensure that the model used is in line with PlanMaryland and Green Building concepts. Every community college project must also address workforce shortage concerns and institutional capacity for the project. MHEC also oversees the cost-sharing formula for counties. Projects carry their assigned State share, without change, through the life of the project. Colleges must provide a guarantee that local funding is in place for a project before it is included in the capital budget.

Budget Overview

The fiscal 2020 capital budget provides \$74.0 million for the CCCGP to fund 11 projects at 11 community colleges. This amount is \$13.9 million, or 23.2%, greater than State support authorized in fiscal 2019. **Exhibit 1** shows how funding levels have changed since fiscal 2009. Funding levels peaked during the period from fiscal 2009 through 2011 with a high of \$84.3 million in fiscal 2010. Authorization levels declined in fiscal 2012 through 2016 due to State and local fiscal constraints. The fiscal 2020 increase is the largest increase for the CCCGP since fiscal 2014.

Exhibit 2 shows the proposed projects listed in priority order as determined by the Maryland Association of Community Colleges (MACC). The exhibit includes the project phase for which fiscal 2020 funding would be used, how much funding for the project has been preauthorized for fiscal 2020, how much the new funding for the project in fiscal 2020 compares to what was preauthorized, and how much is being preauthorized in the 2019 capital budget bill in the out-years. Actual capital project spending in fiscal 2020 totals approximately \$75.0 million, but a program fund balance transfer of \$1.0 million requires only \$74.0 million in new general obligation bonds to be authorized. The balance accumulates if actual spending on previously approved projects comes in lower than the amount authorized. The leftover funds are recycled to new projects in the next capital budget.

Exhibit 1
Community College Construction Grant Program
Fiscal 2009-2024 Est.
(\$ in Millions)



Note: Does not include funding for Baltimore City Community College, as that college’s capital funding receives a separate authorization in the capital budget, or funding for the Community College Facilities Renewal Grant Program.

Source: Department of Budget and Management

Exhibit 2
Community College Construction Grant Program State Funding
MACC Priority Order
Fiscal 2020-2023
(\$ in Millions)

<u>MACC Priority Order</u>	<u>Community College</u>	<u>Project Name</u>	<u>Project Phase</u>	<u>Preauthorized MCCBL of 2018 for 2020</u>	<u>New Funding</u>	<u>Total Funds 2020</u>	<u>Preauthorized 2021</u>	<u>Preauthorized 2022</u>	<u>Preauthorized 2023</u>
1	Anne Arundel	Health Sciences and Biology Building	C	\$27.500	-\$4.843	\$22.657	\$19.994		
2	College of Southern Maryland	Hughesville Health Science Center	C	9.979	-2.663	7.316	3.000		
3	Baltimore County	Essex Health Careers and Technology Building	C,E	13.365	3.957	17.322			
4	Carroll	Systemic Renovation	C		0.227	0.227			
5	Allegany	Technology Building Renovation: Phase 2	C, E		1.128	1.128	4.161	\$1.401	
6	Washington	Center for Business and Entrepreneurial Studies	C		2.777	2.777	1.001		
7	Frederick	Building E Renovation and Addition	C,E		2.538	2.538			

<u>MACC Priority Order</u>	<u>Community College</u>	<u>Project Name</u>	<u>Project Phase</u>	Preauthorized MCCBL of 2018 for 2020	New Funding	Total Funds 2020	Preauthorized 2021	Preauthorized 2022	Preauthorized 2023
8	Montgomery	Catherine and Isiah Leggett Math and Science Center	C		6.500	6.500	23.000	6.121	
9	Howard	Mathematics and Athletics Complex	P		1.412	1.412			
10	Harford	Chesapeake Welcome Center Renovation and Addition	P		0.857	0.857			
11	Prince George's	Marlboro Hall Renovation and Addition	C		12.276	12.276	9.104	23.632	\$8.188
Total				\$50.844	\$24.166	\$75.010	\$60.260	\$31.154	\$8.188
Program Balance/ Surplus as Introduced						-\$1.000			
Total Governor's Proposed Budget						\$74.010			

C: construction, renovation, or demolition
 E: movable equipment and furniture
 MACC: Maryland Association of Community Colleges
 MCCBL: Maryland Consolidated Capital Bond Loan
 P: planning or design

Source: Department of Budget and Management; Maryland Association of Community Colleges

Split Funding and Preauthorizations

The CCCGP continues to split fund the construction phase of projects in fiscal 2020. Funding levels are based on project cash flow analyses by the Department of Budget and Management, meaning that project funding may be divided over a number of fiscal years to provide funding only as needed to service the construction contract for the project to stay on schedule. This is a common practice for large capital projects, and six community college projects included in the fiscal 2020 capital budget bill are split funded.

Preauthorizations signal intent from the State that more funding is forthcoming to complete a project that enables institutions to sign multi-year contracts with construction service vendors. The preauthorizations total approximately \$60.3 million, or 75.3%, of the \$80.0 million planned for fiscal 2021 in the 2019 *Capital Improvement Program* (CIP). This leaves only \$19.7 million in unallocated funds for new projects or contingencies in fiscal 2021 based on current plans. The projects funded in fiscal 2020 are estimated to receive approximately \$175.9 million in future State funding support. While this can be spread out over several fiscal years based on project schedules, it leaves little room to accommodate new projects, even at the anticipated \$80.0 million funding level.

New Facilities Renewal Grant Program

Chapters 687 and 688 of 2018 created a new Community College Facilities Renewal Grant Program. This program is administered by MHEC and provides grants for improvements, repairs, and deferred maintenance projects at the 16 community colleges in the State, including Baltimore City Community College. This 2019 CIP provides \$3.8 million for the program through general fund pay-as-you-go. Further discussion of the Community College Facilities Renewal Grant Program can be found in a separate analysis for the program (RI0005).

Fiscal 2020 Capital Projects

- ***Allegany County – Technology Building Renovation, Phase II – \$1.128 Million for Construction and Equipment:*** Funding is included for Phase II of renovations, which includes renovations to Pods A and C of the 43-year-old Technology Building on the main campus of the Allegany College of Maryland. The aim of this renovation is to create more modern classroom and laboratory spaces, whereas Phase I focused on the lobby space (Pod B) that connects these two spaces. The renovation will bring the teaching spaces in line with modern standards for the curricula comprising the many programs housed in the Technology Building. The renovations total 35,283 net assignable square footage (NASF), including 4,532 NASF in classroom space, 15,624 NASF in laboratory space, and 11,240 NASF in office space.

The total cost for the project is estimated to be \$12.0 million, which is \$4.2 million less than previous estimates. The budgeted State share is \$8.3 million, or 69.2%. In fiscal 2019, the State provided \$656,000 for planning, while the realized total planning cost required only \$452,000

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of State funding. The recommendation applies the \$204,000 difference toward the State share of fiscal 2020 construction funding. This project receives preauthorizations of \$4.2 million in fiscal 2021 and \$1.4 million in fiscal 2022 in the Capital Budget Bill. Design is expected to be completed by August 2019; construction is expected to begin in November 2019 and last for two years.

- ***Anne Arundel County – Health Sciences and Biology Building – \$22.657 Million for Construction:*** Funding is included for continued site work in support of the Health Sciences and Biology Building project at the Anne Arundel Community College (AACC). The building will centralize academic programs and the department of biology into a single state-of-the-art Health Sciences and Biology Building with sufficient space to handle anticipated enrollment growth. Site work in this phase includes demolishing the Lila R. Schwartz Building and the indoor pool to make room for the footprint of the new building. Phase 2 site work will make revisions to the loop road that surrounds the campus. The new space is required to address a shortage of adequate laboratory and instruction space for the health sciences and biology programs on campus, a problem for which the American Society of Health-System Psychiatrists has twice cited for AACC. The new building will comprise 106,188 NASF of which 17,340 NASF is dedicated to classroom space, 64,260 NASF is dedicated to laboratory space, and 19,218 NASF is dedicated to office space. The gross square feet (GSF) for the building is projected at 175,210 square feet. While a building of 206,886 GSF would be justified, given enrollment projections from MHEC, AACC chose to design the building to be smaller than allowed by approximately 10%. Cost savings are estimated at 15% versus a building of the maximum allowable size. AACC decided to proceed in this manner because it anticipates a lower rate of enrollment growth than projected by MHEC.

The total cost of the project is expected to be approximately \$117.0 million. The budgeted State share is \$58.5 million, or 50%. To date, the State has provided \$9.3 million for planning and construction. The fiscal 2020 recommendation of \$22.7 million is less than what was preauthorized in the 2018 Capital Budget Bill due to less than planned and requested funding from the county based on the project cash flow analysis. The project receives a preauthorization of \$20.0 million in the Capital Budget Bill. Design for this project is expected to be completed by May 2019; construction for this project is expected to begin in June 2019 and continue through September 2021.

- ***Baltimore County – Community College of Baltimore County Essex Carol Eustis Center for Health Professions – \$17.322 Million for Construction and Equipment:*** Funding is included to complete construction for this project and provide equipment. The existing facility lacks functional career training laboratories and sufficient faculty office spaces to support the growing School of Health Professions (SOHP). At the Community College of Baltimore County Essex, 1 out of every 14 class-hours completed by students is in the health professions, and headcounts in the lower certificate and associate’s degree programs for SOHP have increased by 272% and 176%, respectively. This project was originally programmed as a renovation or expansion of the building to add the requisite space; however, during the design process, the architect discovered several design problems with the existing building that would require a substantial budget increase to rectify. These problems include (1) water infiltration into the basement area

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and (2) the need for costly upgrades for the foundation, walls, and building envelope. The new building will measure 76,405 NASF of which 12,882 NASF is dedicated to classroom space, 32,159 NASF is dedicated to laboratory space, and 17,983 NASF is dedicated to office. This project is set up in three phases. Phase I includes relocating an existing portion of a campus parking lot and road and modifying existing underground utilities and is approximately 85% complete as of December 2018. Phase II is construction of the new facility and is underway with building footings, concrete slab work, and structural steel fabrication in progress. Phase III involves alterations to the Administration building and will be done after the Eustis Center is complete and the programs housed in the Administration building are moved to the new building.

Total cost for the project is expected to be \$65.0 million, which is \$4.8 million more than prior estimates. Because some of this increase includes portions for design and equipment that are not capital eligible, the State's total share increases only \$1.3 million, totaling at \$30.3 million; this results in the State share of total costs dropping from 48.13% to 46.55%. The fiscal 2020 appropriation of \$17.3 million is approximately \$4.0 million more than what was preauthorized in the 2018 Capital Budget Bill. To date, the State has provided \$12.9 million for this project. Construction for this project is expected to be completed by June 2020.

- ***Carroll County – Carroll Community College Systemic Renovation – \$0.227 Million for Construction:*** Funding is included to construct updates for building systems on the main campus of Carroll Community College. These systems include heating and cooling equipment, the fire alarm system, and the building envelope of Building A and are aimed at improving student comfort and reducing operating costs. This design-bid-build project will be completed in three parts with the cooling and heating systems the subject of part one, the fire alarm system the subject of part two, and the building envelope the subject of part three.

Total costs for the project are expected to be \$5.7 million. The total State's share is projected at approximately \$3.0 million, or 52.11%. While total costs for the project have not increased, the State share has increased by \$227,000 due to an error in the total project funding match provided by Carroll County in fiscal 2019; the fiscal 2020 recommended funding will correctly align the State share. Prior to this error, no additional State funding was programmed for this project in fiscal 2020. To date, the State has provided \$2.8 million for this project. Design for this project is expected to be completed by August 2019; construction is expected to begin in November 2019 and continue through October 2021.

- ***Frederick County – Building E Renovation – \$2.538 Million for Construction and Equipment:*** Funding is included for the construction and equipment to renovate Building E and Sweadner Hall on the main campus of Frederick Community College, converting Building E from a conference center into classroom space and renovating Sweadner Hall to be used as general classroom space as well as conference and community space. This represents an updated plan from the prior submission that originally planned to renovate Building E, demolish Sweadner Hall, and construct a small addition. The modified project excludes the construction of a small addition. This project seeks to recapture underutilized space and, in doing so, consolidate as many main campus Continuing Education Workforce Development

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programs in a single building as possible to benefit from efficiencies of space and cross-disciplinary exchanges. The project will also enhance the learning environment by creating classrooms more suitable to current programs and more flexible for future needs. Renovations include 16,109 NASF, including 7,954 NASF for classroom space, 1,451 NASF for laboratory space, and 3,520 NASF for office space.

Total project costs are expected to be approximately \$5.0 million, which is about \$1.0 million less than prior estimates. The total State's share is approximately \$2.8 million, or 56.21%. The State provided \$300,000 for planning in fiscal 2019 before the scope of the project changed and reduced the overall project budget. The new State share of planning costs is \$270,000; the excess \$30,000 provided is applied toward the State share of fiscal 2020 construction costs. Design is expected to be completed by July 2019 with construction expected to begin in September 2019 and continue through June 2020.

- ***Harford County – Chesapeake Welcome Center Renovation and Addition – \$0.857 Million for Planning:*** This project will renovate and expand the Chesapeake Center building to create a Chesapeake Welcome Center to serve as a front door to Harford Community College. The completed building will include a modern performing arts center; expanded conference space; a visitors center; a food service facility; and enrollment services, including admissions, financial aid, cashiers, and records and registration. The renovation and expansion will upgrade or replace systemic infrastructure reconfigure improperly sized spaces for modern functions; correct Americans with Disability Act and other code deficiencies; incorporate energy-efficient design concepts; and address other functional deficiencies, design inadequacies, and life safety issues. Renovations and expansion will include 43,545 NASF, including 10,270 NASF for office space.

The project has an estimated total cost of \$31.4 million with a State share of \$16.7 million, or 53.00%. Design is expected to begin in August 2019 and continue through November 2020; construction is expected to begin in May 2021 and continue through November 2022. **MACC should explain to the budget committees why it has prioritized this project, which is primarily for administrative space and revenue generating facilities, above other projects for academic space and workforce development.**

- ***Howard County – Mathematics and Athletics Complex – \$1.412 Million for Planning:*** This project will construct a new mathematics and athletics complex in three phases. Phase I will include design and construction of building space to the southeast of the existing athletics/fitness center to meet a portion of the projected exercise science, physical therapy, and athletics program needs. Phase II will involve the demolition of the existing athletics/fitness center and construction to complete the new athletics/fitness building. Phase II will require the relocation of all Athletics programs to the building constructed in Phase I. The athletics/fitness center will be built in two phases on the same site to accommodate Athletics programs in the current building. Phase III includes the construction of the mathematics building and the bridge containing study lounge space that will connect it to the athletics/fitness building to complete the building complex. This project will address the issues due to insufficient space for programs under current projections for increased enrollment of 39% by fall 2027. Additionally, the Hickory Building – which is currently used for mathematics courses – is inadequate for teaching

and learning, having limited computing support and undersized office space. The Hickory Building and athletic and fitness center are aging and deteriorating; the Hickory Building was constructed in 1982, and the athletic and fitness center was constructed in 1976 with a partial renovation in 2001. These new buildings will total 122,104 NASF with 2,220 NASF for classroom space, 24,700 NASF for laboratory space, 15,684 NASF for office space, and 69,890 NASF for athletic space. **MACC should explain to the budget committees why the State should participate in funding athletic space above other academic and workforce development needs of community colleges.**

The project has an estimated total cost of \$87.0 million with a State share of \$43.5 million, or 50.00%. Design is expected to begin in July 2019 and continue through November 2020; construction is expected to begin in February 2021 and continue through March 2024.

- **Montgomery County – Catherine and Isiah Leggett Math and Science Center – \$6.500 Million for Construction:** Funding is included to begin construction of the Catherine and Isiah Leggett Math and Science Center at the Takoma Park/Silver Spring campus of Montgomery College. To provide an adequate footprint for the building, both the Science South building and Falcon Hall must be demolished. The primary focus of this facility is to support science programs on campus that are currently scattered across six different buildings. With the greatest community college enrollments in the State, Montgomery College is subject to space deficits. With projected growth in science, technology, engineering, and mathematics (STEM) enrollments of 19% on the Takoma Park/Silver Spring campus, Montgomery College believes that these deficits will get worse, resulting in nonadmits and delays in degree acquisition. Further, the current buildings in which these programs are located are ill-equipped for modern STEM education and in poor condition due to deferred maintenance. The renovated building will measure 76,790 NASF of which 10,155 NASF is dedicated to classroom space, 42,955 NASF is dedicated to laboratory space, and 14,090 NASF is dedicated to office space.

This project has an expected total cost of \$88.6 million, which is \$4.0 million more than prior estimates. The total State share for the project is programmed at \$44.3 million, or 50%. The State has provided \$5.1 million to date for this project, all of which has been for planning and design. The 2019 Capital Budget Bill includes a preauthorization of \$23.0 million for the project in fiscal 2021 and \$6.1 million in fiscal 2022. Design is expected to be completed by July 2019; construction is expected to begin in November 2019 and continue through February 2022.

- **Prince George’s County – Marlboro Hall Renovation and Addition – \$12.276 Million for Construction:** Funding is included for the renovation and addition to Marlboro Hall at Prince George’s Community College that will correct infrastructure and code deficiencies with the building. The original building was designed in 1976 and has not been renovated since that time. The design includes inefficient features, such as diagonal, rather than perpendicular, hallways. This impacts the size of some classrooms that are far below the State guideline of 20 NASF per student. Additionally, the building has limited student gathering space; as such, students gather wherever there is space in the building, including in halls outside of classrooms, which can disrupt classes. The renovation will also address building systems and extensive

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exterior masonry and foundation work. The renovated space and addition will measure 128,000 NASF of which 25,022 NASF is dedicated to classroom space, 40,790 NASF is dedicated to laboratory space, and 51,090 NASF is dedicated to office space.

This project has an estimated total cost of \$101.6 million, which is approximately \$19.6 million more than prior estimates; this increase is due to unanticipated site conditions, including the presence of a significant amount of asbestos. The total State share for the project is programmed at \$61.8 million, or 60.8%. To date, the State has provided \$4.1 million for the project for planning and design. The 2019 Capital Budget Bill includes preauthorizations of \$9.1 million for the project in fiscal 2021, \$23.6 million in fiscal 2022, and \$8.2 million in fiscal 2022. Design is estimated to be completed by April 2019 with construction projected to begin in August 2019 and continuing for three years.

MACC should explain to the budget committees why site condition issues were not identified for Marlboro Hall in its early planning and design stages. MACC should also explain whether renovation is the best use of funding for this project or whether demolition/construction is a viable alternative. If demolition/construction is not viable, MACC should explain what value engineering efforts have been made to keep costs for this project near prior estimates, including a complete review of the project scope.

- ***Washington County – Center for Business and Entrepreneurial Studies – Hagerstown Community College – \$2.777 Million for Construction:*** Funding is provided for renovations to the Technical Innovation Center at the Hagerstown Community College (HCC). The renovations and upgrades proposed for this project will result in new space at HCC, known as the Center for Business and Entrepreneurial Studies at the college. Due to a change in the market, the substantial space dedicated to light manufacturing disciplines is no longer needed. While a small portion of this space will remain, the majority will be repurposed to create space for business incubation in in-demand fields, an e-business suite, and spaces for startup companies. The renovation totals 19,705 NASF, which includes 2,800 NASF in classroom space, 1,625 NASF in laboratory space, and 1,580 NASF in office space.

This project has an estimated total cost of \$7.8 million, which is an increase of \$405,000 over prior estimates. However, the total cost share has decreased from 64.80% to 56.47% based on eligible expenditures, resulting in a State share of \$4.4 million. To date, the State has provided \$278,000 for the project, all for planning and design. The 2019 Capital Budget Bill includes a preauthorization of \$1.0 million in fiscal 2021 for the project. Matching funds will come from both HCC and Washington County; HCC will provide approximately \$1.9 million, and Washington County will provide approximately \$1.5 million. Design will conclude in September 2019. Construction is expected to begin in October 2019 and last one year.

- ***Regional – Hughesville Health Sciences Center – College of Southern Maryland – \$7.316 Million for Construction:*** Funding is included for construction of the Health Sciences Center at the College of Southern Maryland (CSM) Hughesville campus. Citing projected shortfalls in job-ready nursing and health care professionals, both in the three counties served by CSM and the State at large, the project seeks to address space and program shortages at CSM. The current building on the La Plata campus is too small to accommodate demand, while the available laboratory spaces and classrooms at the La Plata campus are not suited for specific health science instruction. The new building will provide a centralized health sciences facility for CSM that will allow the college to expand its health care curriculum. Hughesville was selected as the site for this project as it is centrally located in the three counties that are served by CSM. Additionally, it is expected that the centralized location of this building will allow the college to leverage better partnerships with hospitals in all three counties. The new space will measure 31,051 NASF of which 2,290 NASF is dedicated to classroom space, 17,689 NASF is dedicated to laboratory space, and 7,669 NASF is dedicated to office space.

This project has an estimated total cost of \$32.5 million, which is an increase of \$1.5 million over prior estimates. This is partially due to a delay in planning and design for the project because of permit approvals and coordination for a newly required septic and well water purification system. Construction is now expected to begin in June 2019 and continue through December 2020. The State share of the project is \$23.5 million, or 72.54%, while the county share is \$8.9 million, or 27.46%, all of which is provided by Charles County; this State and local share is altered from the prior allocation of 75% State and 25% local, as an additional \$1.0 million being provided by Charles County for the well and septic system does not have a State match. To date, the State has provided \$10.6 million in planning and construction funding for the project. The \$7.3 million provided for the project in fiscal 2020 is \$2.7 million less than what was preauthorized in the 2018 Capital Budget Bill. Meanwhile, the 2019 Capital Budget Bill includes a preauthorization of \$3.0 million for fiscal 2021.

Issues

1. Garrett College Community Education and Performing Arts Center Funded as a Miscellaneous Grant Project

The 2016 CIP included funding for the design of the Garrett College Community Education and Performing Arts Center under the Community College Facilities Grant Program (the precursor to the CCCGP). This project would renovate and make additions to the 800 Building on the Garrett College campus that has fallen into disuse. The new space would serve as the central location for the majority of Garrett College’s Continuing Education core administrative staff as well as space for the college’s fine arts lectures and the theater and music courses. Additionally, Garrett College suggested that the space may support the operation of the Garrett Lakes Arts Festival. The Garrett Lakes Arts Festival is a nonprofit organization that provides the community with high-quality performing arts demonstrations and art education. In the early years of the Garrett Lakes Arts Festival, Garrett College acted as a major sponsoring agency, providing the Garrett Lakes Arts Festival with modest, affordable space for its

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operation. Today, over 90% of the venues for the Garrett Lakes Arts Festival’s March to October season are donated in-kind on the Garrett College campus as well as facilities and production support for the performances.

As part of the Community College Facilities Grant Program, the project was calculated for a 50/50 split of State funds and contributions from Garrett County; under this split, the State and Garrett County provided \$685,000 each in fiscal 2017 for planning and design funding. However, this project has subsequently been omitted from the CCCGP and has instead been programmed in the 2019 CIP to receive funds as a miscellaneous grant project. Total costs for the project in the 2019 CIP are \$15.470 million with \$11.685 million being provided by the State and \$3.785 million being provided by Garrett County, which amounts to a 75.5/24.5 split. This amount would be split funded over fiscal 2020 and 2021 – with \$5.500 million provided from the State in each year – in addition to the \$685,000 that the State contributed for design authorized in fiscal 2017. Garrett County would provide \$3.1 million in matching funds for the project in addition to the \$685,000 that it provided for design in fiscal 2017. As such, a significantly greater amount of State funding is programmed for this project than would be if this were accounted for in the CCCGP. While there is some community benefit to renovating this space, the prior inclusion and sudden withdrawal of the project from the CCCGP should be addressed, given that the space is being renovated to provide space for continuing education and performing arts programs at Garrett College. **DLS recommends reducing the preauthorization for the project in fiscal 2021 to reflect the 50/50 split at which the State originally committed to the project, resulting in a reduction of \$3.950 for the preauthorization.**

GO Bond Recommended Actions

1. Approve the fiscal 2020 allowance of \$74.0 million for the Community College Construction Grant Program.
2. Approve the fiscal 2020 allowance of \$5.5 million for the Garrett College – Community Education and Performing Arts Center miscellaneous grant program.
3. Approve the preauthorization for the Community College Construction Grant Program for \$60.3 million in fiscal 2021.
4. Reduce the preauthorization to reflect a State obligation to provide 50% of total funding for the Garrett College – Community Education and Performing Arts Center miscellaneous grant project.

ZF5400	SECTION 12 – Miscellaneous – Garrett College – Community Education and Performing Arts Center.....	\$ 1,550,000
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Add the following language:

ZA00	MISCELLANEOUS GRANT PROGRAMS (Garrett County)
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(A)	Garrett College – Community Education and Performing Arts Center. Provide a grant to the Board of Trustees of Garrett Community College, Inc. d.b.a. Garrett College for the design, construction, and equipping of renovations and expansion to the 800 Building on Garrett College’s main campus that will become the Community Education and Performing Arts Center	5,500,000 <u>1,550,000</u>
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Explanation: This action reduces the preauthorization for the Garrett College – Community Education and Performing Arts Center miscellaneous grant project to \$1.550 million. This project received funding for planning as part of the Community College Facilities Grant Program in fiscal 2017, at which time the State share of the project was calculated to be 50% for the life of the project. Total costs for the project are \$15.470 million, making the State’s share at 50% as was originally committed to the project, \$7.735 million. As this project has already received \$0.685 million from the State and the State has committed \$5.500 million to the project in fiscal 2020, only \$1.550 million is required to be preauthorized to meet the State’s 50% share.

5. Approve the preauthorization of \$31.2 million for the Community College Construction Grant Program in fiscal 2022.

RI00 – MHEC – Community College Facilities Grant Program – Capital

6. Approve the preauthorization of \$8.2 million for the Community College Construction Grant Program in fiscal 2023.

Total Preauthorization (2019) Reductions/Additions **-\$3,950,000**