

**DA07A**  
**Department of Aging**

***Senior Citizens Activities Centers Grant Program (Statewide)***

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**General Obligation Bonds**                      **\$500,000**                      **Recommendation:**    **Reduce \$250,000**

**Bill Text:** Provide grants to acquire property and to design, construct, renovate, and equip senior citizen activity centers. The funds appropriated for this purpose shall be administered in accordance with §§ 10-501 through 10-510 of the Human Services Article.

**Program Description:** This program provides financial assistance to local governments for the acquisition, design, construction, renovation, and equipping of senior centers. These centers provide programs and services to support seniors with health screening, congregate meals, continuing education, recreational programs, and information and assistance programs. The State may provide a grant of up to 50% of the project cost, not to exceed \$800,000. Local governments are required to match State funds on a dollar-for-dollar basis.

**Comments:** There are 116 senior centers in Maryland. These centers serve the elderly population by offering health, social, nutrition, education, and recreational services – the core program offerings in senior centers. Programs beyond these core services are determined by the needs and preferences of the populations in the centers. Funding is being requested for two projects.

- **Pascal Senior Center (Anne Arundel):** This grant will assist in the renovation of the 19,000 gross square foot (GSF) Pascal Senior Center to improve energy efficiency and make site improvements. The project will include an energy audit; roof, windows, and skylight replacement; weatherization; installation of a geothermal heat pump; construction of a new stormwater management system; and the resurfacing of the parking lot. The center serves approximately 250 seniors per day. No increase in membership nor daily attendance is projected as a result of this project.
  
- **Arbutus Senior Center (Baltimore):** This grant will help construct a new 8,700 GSF senior center attached to a 25,000 GSF library and adjacent to a 9,000 GSF recreation center in Arbutus. Currently, the nearest center to this community is eight miles away on the opposite side of I-95, and there is no public transportation route between the two communities. The new center will have two classrooms, two craft rooms, a fitness studio, a game room, a kitchen, a multi-purpose room, offices for staff, and a workroom. Membership is expected to be 500 with an average daily attendance of 100 seniors. This is the second and final \$250,000 grant anticipated for this project. Funding of \$250,000 was authorized in the 2009 session.

***Prior Authorization and Capital Improvement Program***

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

| <i>Fund Source</i> | <i>2009<br/>Approp.</i> | <i>2010<br/>Approp.</i> | <i>2011<br/>Allowance</i> | <i>2012<br/>Estimate</i> | <i>2013<br/>Estimate</i> | <i>2014<br/>Estimate</i> | <i>2015<br/>Estimate</i> |
|--------------------|-------------------------|-------------------------|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>GO Bonds</b>    | <b>\$1.845</b>          | <b>\$1.683</b>          | <b>\$0.500</b>            | <b>\$2.000</b>           | <b>\$2.000</b>           | <b>\$2.000</b>           | <b>\$2.000</b>           |

***Authorization Encumbrance and Expenditure Data***

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

| <i>Fiscal Year</i> | <i>Authorization</i> | <i>Funds</i>      |                 | <i>Balances</i>             |                           |
|--------------------|----------------------|-------------------|-----------------|-----------------------------|---------------------------|
|                    |                      | <i>Encumbered</i> | <i>Expended</i> | <i>To Be<br/>Encumbered</i> | <i>To Be<br/>Expended</i> |
| Prior Years        | \$25.178             | \$24.743          | \$24.743        | \$0.435                     | \$0.435                   |
| 2006               | 1.435                | 0.835             | 0.800           | 0.600                       | 0.635                     |
| 2007               | 1.393                | 1.393             | 1.026           | 0.000                       | 0.367                     |
| 2008               | 1.320                | 1.320             | 1.200           | 0.000                       | 0.120                     |
| 2009               | 1.845                | 1.495             | 0.280           | 0.350                       | 1.565                     |
| 2010               | 1.683                | 1.530             | 0.480           | 0.153                       | 1.203                     |
| <b>Total</b>       | <b>\$32.854</b>      | <b>\$31.316</b>   | <b>\$28.529</b> | <b>\$1.538</b>              | <b>\$4.325</b>            |

As of February 2010.

## ***Issues***

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### **1. Funding Slated for De-authorization Points to Need for Better Accounting**

The Maryland Consolidated Capital Bond Loan of 2010 (SB 142/HB 152) includes a provision that will de-authorize \$238,000 of the \$1.3 million originally authorized during the 2003 session for the Senior Citizens Activity Centers. This funding was intended to assist in the construction of a senior center in a senior housing facility. The majority of the total funding for this project came from U.S. Department of Housing and Urban Development (HUD). HUD would not permit the Housing Authority of Montgomery County to file a Notice of Right of Recovery on behalf of the State of Maryland, a requirement under the State program, and the project was completed without State funds.

Although the proposed de-authorization of this funding is appropriate, it exposed accounting problems at the Maryland Department of Aging (MDOA) which administers the Senior Citizens Activities Centers Grant Program. Each year, in preparation for the legislative review of the capital request, MDOA is asked to update the Authorization Encumbrance and Expenditure Data table (shown above.) This table is used to determine whether previously authorized funding is being encumbered and expended in a timely fashion. The updates provided by MDOA in the 2009 session indicated that all funding authorized prior to fiscal 2005 had been encumbered, and all but \$197,000 had been expended. While funding that has been encumbered can be unencumbered, expenditure of funds is fairly final.

**MDOA should brief the committees on the steps it has taken to ensure that encumbrance and expenditure data that it reports is accurate.**

**The Department of Legislative Services recommends concurring with the proposed de-authorization of the \$238,000 as proposed in the capital budget bill.**

### **2. Pascal Senior Center Should Use Energy Performance Contract in Lieu of State Funding**

Anne Arundel County has identified the Pascal Senior Center as one of the least energy efficient facilities in the county. It was constructed in 1979 using a one-story passive solar design which includes large skylights, a window wall, a greenhouse, stucco siding and concrete floors for heat absorption. Center staff receives complaints throughout the year about temperature comfort levels – too hot in the summer, too cold in the winter. Heating and cooling costs have been greater than \$70,000 a year since 2007. One goal of the project is to reduce electrical usage by 30%.

Given the wide range of energy-related improvements being planned, this project appears ideally suited for use of an energy performance contract. Local governments are eligible for energy improvement financing through the Maryland Energy Administration. The costs of the improvements are paid for over time through the energy savings realized resulting from the project. **Since the primary focus of this project is energy efficiency and not adding capacity for serving seniors, it is recommended that the \$250,000 request for funding for the Pascal Center through the Senior Citizens Activities Centers Grant program be denied.**

***Recommended Actions***

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DA07A      Senior Citizens Activities Centers Grant Program .....      \$ 250,000

**Allowance**  
500,000

**Change**  
-250,000

**Authorization**  
250,000

**Explanation:** Deny funding for the Pascal Senior Center. This project is essentially an energy efficiency project, funding for which should be sought from programs administered by the Maryland Energy Administration.

***Fiscal 2011 Proposed Projects***

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| County       | Project Title         | Project Cost       | Prior Auth.      | FY 2011 Request  | Future Request | State Share |
|--------------|-----------------------|--------------------|------------------|------------------|----------------|-------------|
| Anne Arundel | Pascal Senior Center  | \$1,921,000        | \$0              | \$250,000        | \$0            | 13.0%       |
| Baltimore    | Arbutus Senior Center | 1,646,050          | 250,000          | 250,000          | 0              | 30.4%       |
| <b>Total</b> |                       | <b>\$3,567,050</b> | <b>\$250,000</b> | <b>\$500,000</b> | <b>\$0</b>     |             |

***Fiscal 2010 Project Status***

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**Project (Location)**

**Status**

|   |              |
|---|--------------|
| Cumberland Senior Center (Allegany)         | Complete     |
| Arbutus Senior Center (Baltimore)           | Construction |
| Fallston Senior Center (Harford)            | Construction |
| North Laurel Park Community Center (Howard) | Bid Process  |
| Rockville Senior Center (Montgomery)        | Design       |
| Salisbury-Wicomico Senior Center (Wicomico) | Complete     |

***Fiscal 2009 Project Status***

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**Project (Location)**

**Status**

|   |              |
|---|--------------|
| Cumberland Senior Center (Allegany)               | Complete     |
| Fallston Senior Center (Harford)                  | Construction |
| North Laurel Park Community Center (Howard)       | Bid Process  |
| Rockville Senior Center (Montgomery)              | Design       |
| Laurel-Beltsville Senior Center (Prince George's) | Construction |

## ***Fiscal 2008 Project Status***

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| <b><u>Project (Location)</u></b>                | <b><u>Status</u></b> |
|---|----------------------|
| Richard Clark Senior Center (Charles)           | Construction         |
| Talbot County Senior Center (Talbot)            | Complete             |
| Salisbury-Wicomico MAC Senior Center (Wicomico) | Complete             |

## ***Fiscal 2007 Project Status***

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| <b><u>Project (Location)</u></b>      | <b><u>Status</u></b> |
|---------------------------------------|----------------------|
| Richard Clark Senior Center (Charles) | Construction         |
| South Carroll Senior Center (Carroll) | Complete             |
| Waxter Senior Center (Baltimore City) | In Design            |

## ***Fiscal 2006 Project Status***

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| <b><u>Project (Location)</u></b>                  | <b><u>Status</u></b> |
|---|----------------------|
| Greenmont Senior Center (Baltimore City)          | Complete             |
| Zeta Activity Center (Baltimore City)             | Complete             |
| Laurel-Beltsville Senior Center (Prince George's) | Construction         |
| Sudlersville Senior Center (Queen Anne's)         | Complete             |