

~~Each project sheet contains detailed information regarding: appropriation and funding sources, operating cost impacts, future unfunded amounts, description, status, coordination, bond proceeds, carry over funding, staff contact and whether the project is ongoing routine maintenance. A map or photograph, if available, is included on each project sheet. Within each program area, the project sheets are presented in alphabetical order.~~

CIP Prioritization Process

CIP projects supported by the Capital Projects Fund were prioritized, for the fourth year, based on the needs of the Rockville community and the vision of the Mayor and Council.

A committee of eleven members was organized based on nominations from Department Directors. The final committee consisted of three project managers from Recreation and Parks, three project managers from Public Works and one member each from the Office of the City Manager, the Department of Information Technology, the Department of Community Planning and Development Services, the Police Department and the Department of Human Resources. Two staff members from the Finance Department served as facilitators.

To begin the prioritization process, the committee established the prioritization criteria and the weighting of each criteria relative to the total score (please see Appendix for a sample prioritization sheet). The committee agreed upon five criteria: Consistency with Mayor and Council Vision and adopted plans (max 15pts); Improves/maintains City facilities or infrastructure (max 25pts); Improves City operations and service delivery (max 20pts); Improves the safety and attractiveness of the City for residents, workers, businesses/employers and/or City staff (max 20pts); and Required to meet legal mandates (max 20pts).

Each committee member evaluated the department CIP projects as submitted to the Budget Office. After the results were compiled, the committee used the average of the raw scores to determine the overall project prioritization. Next, the committee finalized their recommendations and presented them for review by Department Directors.

Department Directors were asked to review the final recommendations and to submit written comments to the City Manager discussing any concerns with the prioritization process or the final recommendations. The City Manager used the prioritization findings and the written to determine the recommended funding in the Proposed FY 2012 – FY 2016 CIP.

Mayor and Council Budget Surveys

In September 2010, in preparation for the development of the FY 2012 Operating and CIP budgets, staff created four budget surveys for the Mayor and Council to communicate their budget priorities and preferences. In November 2010, staff presented the results of the budget surveys along with draft budget guidelines to the Mayor and Council. On December 6, 2010, the first budget public hearing was held, which focused in the draft budget guidelines. The results of the surveys and feedback received from the Mayor and Council and residents at these early meetings were all used to develop the Adopted FY 2012 – FY 2016 CIP budget.

Funding Sources Used to Finance the CIP

There are several funding sources used to finance the CIP. The following is a list of the funding sources in this five-year plan. In parentheses following the proper name of the funding source is the abbreviation used on the summaries and project sheets.

1. Capital Projects Fund (Capital Projects) - This is the primary source of funding for general capital improvements. Funds are received from transfers to the CIP from the General Fund, which is also known as pay-go.
2. Bond Financing (Bond Proceeds) - A written promise to pay a designated sum of money at a specific date in the future, together with periodic interest at a specified rate. Bonds are issued to obtain long term financing for capital improvements.
3. Developer Contributions (Developer) - Payments that developers make to the City in support of public improvements, such as stormwater drains or traffic control devices, that increase the value of a private development.
4. Federal Grant (Federal Grant) - Various grants from the federal government for specific projects.
5. Maryland Consolidated Capital Bond Loan (State Bond Bill) - A grant from the State of Maryland to fund various capital programs administered by State agencies and other projects for local governments or private institutions.
6. Maryland State Loan (State Loan) - A loan from the State of Maryland to fund specific water treatment plant capital expenditures, stream restoration and stormwater development projects.

7. Montgomery County (Montgomery County) - Contributions from Montgomery County for capital improvement projects.
8. Montgomery County Library (Montgomery Library) - Contributions from the Montgomery County Library for capital improvement projects relating to Town Center.
9. Other Funding (Other) - Payments and contributions that are not specifically listed elsewhere.
10. Parking Fund (Parking) - Capital expenses funded through the Parking Fund. The source of funding is accumulated net assets.
11. RedGate Golf Course Fund (Golf) - Capital expenses funded by the RedGate Golf Course Fund for expansion and improvements to the City's golf course. The source of funding are transfers from the General Fund.
12. Refuse Fund (Refuse) - Capital expenses funded by the Refuse Fund. The source of funding is accumulated net assets.
13. Rockville Seniors, Inc. (Rockville Seniors, Inc.) - Contributions made by Rockville Seniors, Inc. for improvements and renovations to the Senior Center.
14. Sewer Fund (Sewer) - Capital expenses funded by the Sewer Fund for major sewer system expansions or improvements. The source of funding is accumulated net assets.
15. Speed Camera Fund - Capital expenses funded by the Speed Camera Fund. The source of funding is revenue generated from the City's speed camera units. This funding is restricted and can only be used to further the City's pedestrian and traffic safety initiatives.
16. State of Maryland Grant (State Grant) - Grants received from the State of Maryland for capital improvement projects.
17. Stormwater Management Fund (Stormwater Mgmt) - Capital expenses funded by the Stormwater Management Fund. The source of funding is accumulated net assets.
18. Special Activities Fund (Special Activities Fund) - Capital expenses funded by the Transportation Demand Management special activities fund. The source of funding are payments from developers. This revenue is restricted and can only be used on strategies that decrease traffic congestion and vehicle emissions.
19. Water Fund (Water Fund) - Capital expenses funded by the Water Fund for major water system expansions or improvements. The source of funding is accumulated net assets.

Investment in Town Square

The City invested \$50.7 million in redeveloping 15 acres of its downtown area known as Town Square. Town Square is phase 1 of a greater downtown development plan. The following three CIP projects were created to manage the finances of this investment: Town Square Public Improvements, Town Center Parking Facilities, and Rockville Arts and Innovation Center.

Budget for the Town Square Redevelopment			
CIP Project	Outside Funding	City Funding	TOTAL
Public Improvements	52,571,295	8,470,908	61,042,203
Parking Garages	21,502,200	34,998,218	56,500,418
Arts and Innovation Center	7,438,025	7,278,366	14,716,391
TOTAL	81,511,520	50,747,492	132,259,012

The Rockville Arts and Innovation Center was created to house the Metropolitan Center for the Visual Arts (VisArts) and the Montgomery County business incubator. Federal Realty Investment Trust (FRIT) owns private retail on the ground floor, the City owns the second and third floors and leases them to VisArts, and the Maryland Economic Development Corporation (MEDCO) owns the fourth and fifth floors, which are used for the County's business incubator. In total, the Rockville Arts and Innovation Center has approximately 63,500 sq. ft. of space, of which the City owns 31,900, FRIT owns 8,100, and MEDCO owns 23,500 sq. ft.

The City leased the Arts and Innovation Center to VisArts under a 20-year lease that started on August 1, 2007 and will expire on June 30, 2027. The rental income for this period started at \$1 per square foot for 25,000 sq. ft., with a 3 percent escalation each year. The estimated market value of this space is \$27 per sq. ft. for commercial use (or \$675,000 for 25,000 sq. ft.).