



C H A P T E R S I X

IMPLEMENTING PROGRAMS

6.1 Introduction

In order to achieve the goals set forth in Chapter Five and to meet the parks and recreation needs of its residents and visitors, Baltimore County uses a variety of capital funding sources that support land acquisition and park development, enhancement, and renovation programs. The amount of capital funding available can vary significantly by fiscal year, with each fiscal year running from July 1st through June 30th (example: Fiscal Year 2022 began July 1, 2021, and ends June 30, 2022). The County has long utilized a two-fiscal year capital budget cycle, typically budgeting the majority of funding (including general obligation bonds, which are authorized and appropriated every other year) in even-numbered years. Additional capital funding may also be appropriated in odd-numbered fiscal years, to supplement any unexpended capital funding from the prior year.

The table below displays the most common revenue sources within the capital budget. The figures clearly show the greatly expanded commitment to parks and recreation in recent years. The more than \$33 million in capital funding in the most recently completed two-year budget period of Fiscal Years 2020 and 2021 was just \$3.9 million less than the prior four years combined. Most notably, the \$72.8 million appropriated in Fiscal Year 2022 is more than the total funding appropriated in the seven years that include Fiscal Years 2014 through 2020.



Table 9. Capital Budget Revenue Sources, FY2014 to FY 2022

Fiscal Year	Program Open Space*	State Aid	Federal - State	General Funds	Bonds and Debt Premiums	Local Open Space Waiver Fees	Total
2022	\$7,255,442	\$16,750,000	\$465,733	\$7,268,757	\$41,031,243	\$70,000	\$72,841,175
2021	\$6,010,738	\$908,400	\$324,000	\$0	\$6,745,000	\$0	\$13,988,138
2020	\$6,522,734	\$1,095,000	\$180,000	\$6,300,000	\$4,000,000	\$935,000	\$19,032,734
2019	\$7,263,913	\$275,000	\$0	\$2,500,000	\$0	\$100,000	\$10,138,913
2018	\$4,947,383	\$430,000	\$0	\$1,662,711	\$4,000,000	\$75,000	\$11,115,094
2017	\$2,883,744	\$705,000	\$0	\$2,500,000	\$0	\$0	\$6,088,744
2016	\$2,918,646	\$334,000	\$0	\$2,000,000	\$4,000,000	\$350,000	\$9,602,646
2015	\$2,856,162	\$0	\$0	\$2,950,000	\$0	\$0	\$5,806,162
2014	\$3,782,495	\$2,020,000	\$0	\$968,460	\$2,000,000	\$300,000	\$9,070,955

*- Program Open Space funding is actual allocation, rather than amount budgeted

6.2 Funding Sources

Following is a summary of the funding sources displayed in the above table. In addition to those revenue types, other less common funding sources sometimes contribute to the capital budget, including donations and contributions from land developers, most commonly as a result of a Planned Unit Development (PUD) agreements that requires a public benefit.

Program Open Space

Program Open Space (POS) funding, which derives from State of Maryland real estate transfer tax revenues, is shared between the Maryland Department of Natural Resources (DNR) and the counties, including Baltimore City. Unless a county has reached its parkland acreage goal, a minimum of 50% of the county's annual POS funding allocation must be utilized for parkland acquisition, with the remainder available to be spent on park development or rehabilitation. In most cases, POS funding may be requested for 100% of the appraised value of most parkland purchases, and may be used to fund up to 75% of the cost of park development and capital rehabilitation projects. Because POS funding is based upon the amount of incoming real estate transfer tax revenues, the amount of funding is variable and fluctuates with economic conditions. Transfer tax revenues have grown steadily over the last five years. Whereas Baltimore County's apportionment (as established by a State formula) was less than \$3 million in each of Fiscal Years 2015 – 2017, the average annual allocation increased to more than \$6.75 million in the four-year period including Fiscal Years 2019 through 2022.

State Aid

The most common forms of State Aid have traditionally derived from bond bills and capital grants, both of which are secured through the efforts of the State Senators and Delegates during the annual session of the Maryland State Legislature. In some circumstances the Governor will likewise propose funding for local projects in the proposed budget. Bond bills will commonly require matching funds from the funding recipient, whereas capital grants typically require no match. Such funding is usually dedicated to specific uses, such as improvements at a certain park or the construction of new recreational facilities. The State legislators representing Baltimore County residents have been very supportive in recent years, securing \$900,000 or more in each of Fiscal Years 2020 through 2022.

The \$16.75 million secured in Fiscal Year 2022 includes a new State funding program created during the 2021 legislative session—the Local Parks and Playgrounds Infrastructure (LPPI) program. LPPI was created in recognition of the vital role that parks played during the COVID-19 pandemic, when free-time use of many types of parks and recreational facilities grew immensely. The program reinforces the support of State legislators for ensuring that plentiful and equitable recreational opportunities are available to all.

Federal – State

This category includes and funding deriving from programs that often combine State and Federal sources and has not been commonly utilized by the County over the past decade. The most common of these programs is associated with boating, bicycle and pedestrian infrastructure. Often the State of Maryland administers “pass-through” Federal funding that is used for both State and local projects. A good example is recent Federal – State funding granted to the County for the replacement of the Merritt Point Park Boat Ramp.

This funding category may also include Federal Land and Water Conservation Fund (LWCF) funding. (LWCF) funding is a less consistently available funding source that is sometimes utilized for park acquisition and development, with the program primarily focusing upon providing or supporting outdoor recreation opportunities. The last LWCF funding received by the County was in 2007-2008, for the acquisition of the Rolling Mill Farm Property (now the Baltimore County Agricultural Center and Farm Park) and improvements to the Willow Grove Nature Center at Cromwell Valley Park.

The Rural Legacy Program is a State funded Program with the purpose to combat sprawl development and to expedite the preservation of large blocks of natural resources and working landscapes. Baltimore County has five approved Rural Legacy Area,

the most of any jurisdiction. The RLAs in Baltimore County include: Piney Run Rural Legacy Area, Gunpowder Rural Legacy Area, Manor Rural Legacy Area, Long Green Rural Legacy Area and the Baltimore County Coastal Rural Legacy Area.

Maryland's Rural Legacy Program provides funding to preserve large, contiguous tracts of land and to enhance natural resource, agricultural, forestry and environmental protection while supporting a sustainable land base for natural resource based industries. The program creates public-private partnerships and allows those who know the landscape best – land trusts and local governments – to determine the best way to protect the landscapes that are critical to our economy, environment and quality of life. Baltimore County also provides Capital Funds towards preservation within the approved Rural Legacy Areas.

General Funds

This form of County funding derives from various forms of tax revenues paid to Baltimore County. Such funds are considered discretionary and are utilized not only for capital budgeting purposes, but also to fund the County operating budget and pay off debt deriving from general obligation bonds. Within the Recreation and Parks capital budget, general funds are utilized as the primary funding source for park and facility renovation programs. A significant increase in general funds have been appropriated in Fiscal Years 2020 and 2022, largely for the purpose of providing expanded funding for the essential facility renovation programs.^{6.3}

County Bond and Debt Premium

During even-numbered election years, an assortment of County bond referendums/ordinances are placed on the ballot during the general election, including a borrowing question for parks, preservation and greenways. These questions ask Baltimore County voters to approve the issuance of general obligation bonds to fund County capital projects, generally spent over a two-year budget cycle that begins in the even-numbered fiscal year two numbers higher than the election year (e.g., the recent 2020 bond referendum authorized borrowing for FY'22). In the case of parks, preservation and greenways, the bond funding is for general recreation and parks capital projects rather than one or more specific projects/jobs.

Between 1958 and 2000, the bond referendum amounts for parks, preservation and greenways ranged from a low amount of \$500,000 in 1958 to a high of \$10,029,000 in 2000. The bond funding request put to the voters for parks and recreation was \$4 million in the 2014, 2016, and 2018 general elections, with that amount equating to approximately 1.2% of the total approved bond amount for Fiscal Year 2020. The present County Executive, Administration, and Council made an unprecedented commitment to parks and recreation in the most recent election, putting forth a parks, preservation, and greenways borrowing ordinance of \$35 million, equating to 8.9% of the total amount of approved borrowing. Voters overwhelmingly supported the ordinance, supporting it at a rate of 82.1%, tied for the second highest approval rating of the nine borrowing ordinances.

Debt premium funding is a less common form of funding, and is associated with increased funding made available as a result of reduced interest rates on general obligation bonds.

Local Open Space (LOS) Waiver Fees

This form of funding, which is unique to the DRP, derives from fees-in-lieu of open space that are sometimes paid by developers via the County's development process. Such funds must be used for park purposes, including park acquisition, development, and rehabilitation. A portion of LOS waiver revenues (typically 20%) are allocated to the non-profit NeighborSpace of Baltimore County, to support their conservation and local park efforts within the urbanized portion of the County's URDL. The amount of LOS waiver fees collected each fiscal year varies greatly, and is impacted by the housing market, number of waivers and associated fees-in-lieu approved each year, and the development timetable for subdivisions for which waivers were approved. The amounts in the table reflect budgetary adjustments to account for fees-in-lieu collected and anticipated, versus the actual amount of funding collected or utilized each year.