



MCRA

ANNUAL REPORT 2009

Dedicated to providing services,
products and opportunities of value
that offer enrichment to the
community

MCRA

Vision Statement

Montgomery County Revenue Authority is committed to growing a sustainable network that:

- *Is nationally, regionally and locally recognized for its offerings and performance.*
- *Is dedicated to achieving higher environmental standards.*
- *Continues to offer new and innovative programs and services for the benefit of the community and our team.*

Montgomery County Revenue Authority is committed to the following core values:

- 1. Integrity*
- 2. Team*
- 3. Customer Service*
- 4. Community*
- 5. The Environment*
- 6. Safety*
- 7. Quality*
- 8. Growth*
- 9. Fun*

MCRA - OVERVIEW

The Montgomery County Revenue Authority (MCRA), created in 1957, is an instrumentality of Montgomery County, Maryland and a public corporation. The MCRA was established to construct, improve, equip, furnish, maintain, acquire, operate, and finance projects devoted wholly or partially for public use, good, or general welfare. A six-member Board governs the MCRA, with five members appointed by the County Executive and confirmed by the County Council. The sixth member - the Chief Administrative Officer of Montgomery County or designee - serves in a non-voting, *ex-officio* capacity.

The two primary activities of the MCRA are to operate self-supporting facilities and to finance public facilities. On the operations side, the MCRA manages its golf course system comprised of nine golf courses along with the Montgomery County Airpark. The operated facilities generate various forms of revenue, which are used to fund MCRA operations and to provide for facility improvements. A portion of the operating revenues is used to retire any debt associated with operated facilities.

On the public financing side, the MCRA issues bonds to raise capital, to acquire land or other property, or to pay construction costs for Montgomery County facilities. Through a financing partnership with a broad range of County agencies, the MCRA has supported important public purposes as far reaching as economic development, education, transportation, human services, recreation, and the arts. The agencies' lease payments are used by the MCRA to retire the debt obligations.

MONTGOMERY COUNTY REVENUE AUTHORITY – 2009 HIGHLIGHTS

The Montgomery County Revenue Authority (MCRA) remained committed to its mission of providing services, products and opportunities of value that offer enrichment to the community. Although 2009 was a challenging year due to the downturn in economy and non-favorable weather, the MCRA made the necessary changes in operations and planning that did not affect the final product or services to our guests.

MCRA Golf Initiatives

The MCRA's golf course system, operated under the flag of Montgomery County Golf (MCG), hosts more than 350,000 rounds annually at its nine golf courses. A broad range of MCRA initiatives focus on the needs of the communities we serve.

- ***Family Golf***
 - We offered new programs in 2009 promoting Family Golf at all nine golf courses.
 - Free Family Golf clinics - first Saturday of each month
 - \$10 rates for all Families after 5:00 p.m. at all courses
 - "Course within a course" set up for Juniors including Family scorecards

- ***Golf Industry Supported Initiatives***
 - Get Golf Ready initiative was launched in 2009.
 - National Grow Golf Program initiated by the World Golf Foundation
 - \$99 for five introductory golf lessons
 - Greater than 300 participants
 - Take Your Daughter to the Course Day, a Play Golf America event sponsored by PGA of America
 - Women in Golf Day
 - Bring Your Kids to the Driving Range Day



Little Bennett Golf Course

- ***Montgomery County Golf Customer Appreciation Day***
 - Free golf instruction
 - Free food and beverage
 - Free demonstration and clinic by Pinnacle Long Drive Champion
 - Contests for free prizes such as golf shoes, putters, free rounds of golf and range passes

- **Montgomery County Golf - Loyalty Club**
 - In 2009, MCRA launched a new Loyalty Club program, which yielded 7,000 participants.
 - Free membership in the MCG Loyalty Club
 - Free golf cart rental and/or free rounds based on Loyalty Club members' patronage of the MCG facilities

- **Competitive Golf**
 - Annual MCRA Summer Amateur with over 120 participants in the Junior, Senior, Ladies and Men's competition over 2 days
 - First Annual MCG High School Invitational
 - 56 of the County's top high school golfers competed in boys' and girls' divisions
 - Both public and private high school students participated
 - Organized more than 48 competitive leagues across eight golf courses with leagues and tournaments accounting for over 18,000 rounds of golf.
 - First Annual Singha Cup Series. Golfers competed for prizes over a six week event at six different MCG courses culminating with a championship match and awards dinner at Poolesville Golf Course



Laytonsville Golf Course

- **Robust Junior Golf Programs**
 - First Tee of Montgomery, a program that uses golf to teach life skills to underprivileged kids with more than 500 participants annually. The program was conducted at Laytonsville, Needwood and Sligo Creek Golf Courses.
 - Numerous in-house junior development programs with more than 800 participants annually
 - High school golf - worked with MCPS to provide free access to all facilities for tryouts, practices, matches, and season ending events - an estimated value of more than \$50,000
 - Middle school golf - partnered with the Recreation Department and MCPS to enhance our middle school golf program
 - Elementary school golf - based on a program developed by Laytonsville Golf Course and Laytonsville Elementary School making golf part of the fifth grade physical education curriculum at all elementary schools
 - Instructed in excess of 8,500 golfers in camps, clinics, groups, and individual sessions

- **Community Assistance Programs**
 - First Tee of Montgomery raised more than \$30,000 at their annual fundraiser at Laytonsville Golf Course.
 - MCRA donated \$1 per round for every round played on Patriots Day which, along with contests, raised more than \$6,500 for our fallen soldiers' families.
 - This was a joint initiative with the PGA of America and the United States Golf Association that raised contributions for the Wounded Warriors.
 - This organization supports families of those who have become disabled or lost their lives in the line of military duty.
 - MCRA donated auction items to more than 100 local charities including public and private schools valued at more than \$20,000.



Poolesville Golf Course

Agronomy and Environmental Stewardship at MCRA Golf Courses

MCRA is a leader in pursuing green policies throughout the golf system and continues to advance its commitment to improve course conditions while decreasing our environmental impact. In 2009, we partnered with new vendors and revised operational procedures to further reduce our impact. Additionally, new procedures were implemented to recognize the advantages of increased operating efficiencies. An Environmental Committee was formed, made up of Golf Course Superintendents, Golf Professionals, and other MCRA staff to develop new initiatives across our system.

- **Research:** MCRA's environmental research program at the Executive 9 golf course at Needwood Golf Course is investigating non-chemical alternatives to pest control and evaluating the use of warm-season grasses such as Bermuda grass, Zoysia grass, and Seashore Paspalum, which traditionally require significantly less water, fertilizer, or pesticides to maintain. Studies are underway to help us identify practices we can implement in our golf course system that would allow for acceptable playing conditions with fewer chemical inputs to the turf and allow for reduced maintenance expenses. While not all of the research will result in operational changes, it is important for us to stay on the cutting edge and keep thinking outside the box regarding how we can reduce our environmental impact. Golfers who frequented Needwood's Executive 9 last year were educated with the use of numerous signs posted near each of the research sites.

- ***Audubon Cooperative Sanctuary Program for Golf Courses:*** MCRA courses have partnered with the Audubon International advisory service, which helps golf courses develop effective conservation and wildlife enhancement programs. Little Bennett Golf Course completed the certification program in 1998, making it one of the first golf courses in the state of Maryland to become a certified sanctuary. The other MCRA courses have all achieved certification in Environmental Planning, and will continue to work towards completing the program. This year, they will be completing the necessary steps to achieve certification in Water Conservation and Chemical Use Reduction and Safety.
- ***Water Conservation:*** Our Superintendents utilize Best Management Practices to conserve water; daily monitoring of soil moisture, hand-watering of greens and utilizing computerized irrigation programs to target only the driest areas of the golf courses saved an estimated 20 million gallons of water in 2009.
- ***Targeted Fertilizer Applications:*** The MCRA has been working with a soil consultant for years now to help us monitor nutritional levels of individual greens, tees, and fairways; the application of fertilizers are targeted to specific sites, instead of making widespread applications on the whole golf course. This reduces potential runoff of excess fertilizer, optimizes turf health, and saves an estimated \$30,000 each year in fertilizer costs alone. In addition, the practice of spoon-feeding nutrients, especially on sand-based soil systems like some of our greens and tees, has provided our superintendents the ability to really fine-tune their applications to exactly what the turf needs in a given week or 2-week period.
- ***Low-maintenance or "Native" Areas:*** More than 10% of the 2,500 acres of property maintained by MCRA is designated as a "no mow" area. These grassy areas are allowed to develop naturally, promoting a diverse wildlife habitat while reducing maintenance costs (including the use of pesticides and fertilizer) and fuel emissions of equipment.
- ***Use of Organic Fertilizers and Biostimulants:*** The MCRA has committed to using more eco-friendly organic fertilizers on its courses. We partnered with Perdue AgriRecycle to treat our courses with an organic pasteurized poultry litter fertilizer, which improves the playing surfaces in a more natural way. The environmental benefits of the product include slow nutrient release from natural microbial breakdown and the availability of 10 of the 13 essential nutrients required by turf grass for improved plant cell structure and vigor. The use of biostimulants such as seaweed extracts, humic acids, amino acids, and other naturally-derived substances help the turf promote deeper roots; they also better tolerate the numerous environmental and disease-

related stresses that are characteristic of this region. These products ultimately, allow us to grow healthy turf while reducing somewhat the amount of other fertilizers or pesticides we use. There are also some applications where a pesticide can be applied in conjunction with an amino acid product, for example, where extremely low rates of the pesticide can be used with the same efficacy of the pesticide at its normal rate as a stand alone product.

Montgomery County Airpark

The Montgomery County Airpark (Airpark), acquired in 1960, is owned and operated by the MCRA through a 99-year lease dating back to 1959. The MCRA maintains sole control over the northwest end of the Airpark property. The MCRA subsidizes the annual operating losses for the benefit of the County and the community.

Aeronautical activities including fueling, aircraft storage, aircraft maintenance, flight training, and related services are provided by separate fixed base operators (FBOs). As owner and federal grant sponsor, the MCRA secures State and Federal funding for the Airpark and is responsible for the runways, taxiways, navigation aids, and other common areas.

The Airpark presently hosts approximately 95,000 operations yearly. Approximately 200 aircraft are stored on the property. Montgomery County Airpark's 4,200 foot runway has three instrument approaches and is the closest "jetport" to the Nation's Capital. About 15% of all traffic is of the commercial type or air taxis consisting of a variety of modern day aircraft such as Cessna Citations, Lear Jet, Beechcraft (both jet and turbine), and Falcon Jet. The Airpark is also home to an air taxi firm that specializes in transporting air travelers to various destinations in the east coast and the mid-west on a regular on-demand basis.

According to 2006 economic data supplied by the Maryland Department of Transportation, the Airpark provides the following direct, indirect, and induced benefits to Montgomery County:

- 82 jobs
- \$4.6 million in personal income
- \$6.6 million in business revenues
- \$2.3 million in local purchases
- \$478,000 in tax revenues

MCRA-FINANCED FACILITIES



Montgomery County Conference Center

The MCRA's financing mission is very broad. A financing project generally begins with a request from a County department through the County Executive, the School Board, Montgomery College, or another agency in the County. Upon County Executive and County Council approval, and oftentimes after conceptual plans are in place, the MCRA works with the agency to prepare a financing package. A brief historic overview of the projects MCRA has supported in this manner follows.

Economic Development

MCRA issued bonds in 2003 to finance Montgomery County's share of the cost of the construction of the Conference Center having previously issued bonds for the acquisition of land for the Conference Center. MCRA entered into a lease agreement with the Maryland Stadium Authority for the land and the County's 50% interest in the Conference Center. The Conference Center opened for business on November 1, 2004.

Transportation

MCRA financed the purchase of 58 Ride On transit coaches as part of a major fleet replacement. The Montgomery County Ride-On System provides more than 22 million passenger trips per year and is one of the integral partners in the County's transit program. The buses purchased by the MCRA were leased back to the Division of Transit Services for five years.

Education

In support of the County's education mission, MCRA financed the construction of the Central Food Production Facility. This facility is built around a cook/chill operational concept, which generates 12,000 meals per day and supports 185 schools. There is also a pre-plate area providing approximately 28,000 pre-plated entrees per day to 128 elementary schools. Baked goods are also provided to all schools through the facility.

The facility also provides daily a la carte menu items that are produced and delivered to all elementary schools. In the summer months, the facility produces 10,000 breakfasts and bag lunches to support the County's recreation programs. The facility also incorporates catering services into its daily operations.

Human Services

MCRA financed the acquisition of a four-story building used for the County's Department of Health and Human Resources. The building consolidated an extensive array of health and human services facilities targeted toward some of the County's most vulnerable populations. Located on Piccard Drive in Rockville, the facility accommodates 400 staff members.

The County's Crisis Center is located on the first floor of the building, and includes a 24-hour phone and walk-in crisis stabilization service, along with a five-bed triage and evaluation unit. The other floors include income maintenance services; child welfare services; programs serving children, youth, and families; and programs that provide victim assistance and sexual assault victim services.



Germantown Swim Center

Aquatic Recreation

MCRA has financed the acquisition of land and constructed three aquatic facilities during the past 15 years. The pools include the Montgomery Aquatics Center (MAC), the Western Area Pool, and the Olney Swim Center. In 1999, Montgomery County chose to finance the planned Germantown Swim Center through MCRA, and bonds were issued in 2004.

The MAC, nationally recognized for its design, programs, and operation, is located in North Bethesda. This is the largest indoor facility in the County and is open 340 days per year, serving more than 1,000 people each day. The swim center annually provides swimming lessons to 4,000 children and adults. The Center includes an Olympic-sized pool, a dive tower with 1-meter and 3-meter diving boards, spectator seating, a 200-foot water slide, a separate warm water leisure pool, as well as saunas, a weight room, and a snack bar.

The Olney Swim Center, opened in 1994, has become the model for the future in Montgomery County because its program opportunities are similar to MAC's, but on a somewhat smaller scale. The Olney facility hosts 280,000 swimmers each year and provides 3,200 swimming lessons annually.

The Western Area Pool is an outdoor complex located in Poolesville. Opened in 1991, it serves more than 36,000 visitors during its 10-week season. Poolesville has a swim team with 130 young people and provides 475 children with swimming lessons.

The Germantown Indoor Swim Center (GAC), opened December 2005, is a state-of-the-art facility with approximately 60,000 square feet. It has a competition pool, a recreation pool, and a leisure pool, as well as two separate hydrotherapy pools. This facility has something for everyone. The pool hosts many regional and national aquatic events, but also appeals to family use on a daily basis. On a scale similar to the Montgomery Aquatics Center (MAC), GAC will have more than 400,000 facility visits each year.

Montgomery College – King Street Arts Center

A recent financing project for MCRA is Montgomery College's King Street Arts Center (KSAC). The KSAC, a 139,320 square foot arts center, which opened in August 2007, is home to the College's Arts Institute, the campus's academic arts programs, continuing education art programs, the College's central computer network operating center, a central heating and cooling plant for three College buildings, and unfinished expansion space.

Montgomery College - Silver Spring Garage Project

The most recent financing project for MCRA is Montgomery College's Silver Spring Garage Project (SSGP). The SSGP is a planned 390-space parking garage on the Takoma Park/Silver Spring Campus and will be adjacent to the King Street Arts Center. The bonds were successfully sold in October 2008.