Resolution No.: 20-786
Introduced: March 25, 2025
Adopted: April 29, 2025

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

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SUBJECT: Supplemental Appropriation #25-61 to the FY25 Capital Budget Montgomery County Government Department of Health and Human Services Diversion Center (No. P602301) (Source of Funds: G.O Bonds and State Aid)

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of six Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of seven Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.

2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.

2. The County Executive recommends the following capital project appropriation increases:

Project Name	Project Number	Cost Element	Amount	Source of Funds
Diversion Center	P602301	Other	$338,000 $312,000	G.O. Bonds State Aid

3. This amendment is needed to comply with new State Medicaid regulations that require the County's Crisis Stabilization Services to serve minors and walk-in clients. As the Diversion Center facility at Seven Locks Road in Rockville will not be able to perform either of these new functions, an off-site walk-in location has been identified at 1301 Piccard Drive in Rockville. This new space requires approximately $650,000 in renovations to perform this new function. The State has permitted the County to expand the scope of an existing Maryland Department of Health Community Health Facilities grant award for the needed renovations that requires a 52 percent County match. This supplemental appropriation advances existing State Aid and GO Bonds to facilitate this work.

4. The County Executive recommends an amendment to the FY25-30 Capital Improvements Program and a supplemental appropriation in the amount of $650,000 for Diversion Center (P602301) and specifies that the source of funds will be General Obligation Bonds and State Aid.

5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland approves the following action:

The FY25-30 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

Project Name	Project Number	Cost Element	Amount	Source of Funds
Diversion Center	P602301	Other	$338,000	G.O. Bonds
			$312,000	State Aid

This is a correct copy of Council action.

Sara R. Tenenbaum
Clerk of the Council

Diversion Center
(P602301)

Category	Health and Human Services	Date Last Modified	01/05/25
SubCategory	Health and Human Services	Administering Agency	General Services
Planning Area	Rockville	Status	Planning Stage

	Total	Thru FY24	Rem FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
EXPENDITURE SCHEDULE ($000s)											
Planning, Design and Supervision	4,386	559	-	3,827	1,145	1,155	1,019	508	-	-	-
Site Improvements and Utilities	4,598	1	-	4,597	-	2,309	2,288	-	-	-	-
Construction	13,016	7	-	13,009	-	6,815	6,194	-	-	-	-
Other	437	-	-	437	-	230	207	-	-	-	-
TOTAL EXPENDITURES	22,437	567	-	21,870	1,145	10,509	9,708	508	-	-	-
FUNDING SCHEDULE ($000s)											
G.O. Bonds	4,237	-	-	4,237	-	-	3,732	505	-	-	-
State Aid	18,200	567	-	17,633	1,145	10,509	5,976	3	-	-	-
TOTAL FUNDING SOURCES	22,437	567	-	21,870	1,145	10,509	9,708	508	-	-	-

OPERATING BUDGET IMPACT ($000s)							
Maintenance	177	-	-	-	59	59	59
Energy	138	-	-	-	46	46	46
Program-Staff	369	-	-	-	123	123	123
Program-Other	2,676	-	-	-	892	892	892
NET IMPACT	3,360	-	-	-	1,120	1,120	1,120

APPROPRIATION AND EXPENDITURE DATA ($000s)			
Appropriation FY 26 Request	20,151	Year First Appropriation	FY23
Cumulative Appropriation	1,959	Last FY's Cost Estimate	22,437
Expenditure / Encumbrances	1,736		
Unencumbered Balance	223		

PROJECT DESCRIPTION

This project provides for design and construction of the Diversion Center. The site planning will be designed to allow the remainder of the site to house a future Department of Correction and Rehabilitation Justice Complex. The master plan and construction of utility work and stormwater management for the Diversion Center will include the infrastructure to support the subsequent construction.

This facility will support the implementation of the Crisis Now model in Montgomery County and will provide alternatives to using hospital emergency departments or defaulting to criminal justice options for people experiencing a behavioral health crisis. This facility will be operated by the Department of Health and Human Services or a contractor. It will provide a variety of behavioral health services, to include triage, crisis stabilization, and warm hand off referrals to appropriate services for those experiencing mental health, substance use disorder, and/or other types of behavioral health crises. The Diversion Center will provide an option to Montgomery County Police Department, Montgomery County Fire and Rescue Service, and community members and reduce the use of emergency rooms, hospitals, and jail detention. The Diversion Center will be staffed by a multidisciplinary team to include nursing staff, licensed mental health and addiction professionals, peer specialists, and resource navigators.

LOCATION

1301 Seven Locks Road, Rockville, Maryland 20854

ESTIMATED SCHEDULE

Design completion is expected in spring 2025. Construction completion is expected in spring 2027. Final post-construction architect/engineer work is expected in spring 2028.

PROJECT JUSTIFICATION

The Diversion Center will complement the "Crisis Now" model in Montgomery County by offering services to the population of Montgomery County that are in crisis and need behavioral health services such as mental health, substance use disorder, and/or other types of crises. The Diversion Center is a less restrictive and more clinically appropriate community-based setting. The Diversion Center will help reduce avoidable emergency room visits, hospitalizations, and incarceration.

OTHER

Formerly called the "Restoration Center," this project has been renamed the "Diversion Center" to better align with its purpose.

FISCAL NOTE

The State appropriated $17.0 million in capital grants that do not require a match. The Maryland Department of Health allocated $1.2 million for the project that will require a $1.3 million County-funded match. In total, State Aid for the project is $18.2 million.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

COORDINATION

City of Rockville, Department of General Services, Department of Health and Human Services, Department of Correction and Rehabilitation, Department of Police, Montgomery County Fire and Rescue Service, Maryland-National Capital Park and Planning Commission, Department of Technology and Enterprise Business Solutions, Pepco, and Washington Gas