

FY 2027 Proposed Operating Budget and Capital Improvements Program Mayor and Council Q&A

- ◆ = General document/process question
- = Operating budget question
- = Capital budget question

Mayor Ashton (2/25/26 and 3/6/26 emails)

1. ● There has been some chatter about a potential impact to local jurisdictions and WSSC related to the Potomac River septic issue. There could be a cost that comes back to water providers that gets passed on. I am hearing different things on what Federal funding may/may not cover as well as different things on cost. I know staff will be digging in on this and look forward to hearing updates in the context of budget discussions.

The city pays a proportional share of the rehabilitation and repair of the Potomac Interceptor based on our proportional share of our sewage flow capacity in the pipe. Some of the recent year-over-year increases in the Blue Plains CIP can be attributed to ongoing and planned rehabilitation of the Potomac Interceptor. Additional costs for this emergency repair will be assessed to the city as well. These amounts have not yet been determined. It may be several months or more before the costs are known. Staff will continue to monitor this issue, coordinate with WSSC to stay apprised in any increases in cost and inform Finance as soon as more information is available.

Staff has no additional information yet on the total costs or level of federal support to repair the break, however we strongly recommend providing the letters of support that WSSC is requesting. As the City's overall share of costs associated with the break at the Potomac Interceptor is 4.9%, assuming the overall costs are conservatively between \$10 - \$20M, the City's potential costs would be \$490,000 - \$980,000 before any federal funding is considered. This would be funded from the City's Blue Plains Wastewater Treatment: FY26- FY30 CIP (UA26), which has capacity to absorb the additional costs in the FY26 budget and the additional one-time cost would not impact the FY27 budget.

DCWater and WSSC have been planning repairs to the Potomac Interceptor for several years, with an anticipated investment of \$600M over 10 years. The City's Blue Plains Wastewater Treatment: FY26-FY30 CIP is funded to reflect the city's share of the costs associated with the long-term Potomac Interceptor rehabilitation and other capital projects at the Blue Plains Wastewater Treatment Plant and DCWater's wastewater collection system.

Councilmember Myles (3/3/26 email):

2. ■ Why are the new construction, and alteration, fire protection systems, electrical permit, site plan application, zoning application, stormwater alternative fees increasing so steeply? Will this be a barrier?

The proposed changes to these fees are the result of a fee analysis intended to promote cost recovery for fee-funded services. Fees administered by CPDS and Public Works had not undergone a comprehensive fee analysis since 2011. The city has benchmarked fees in a number of key areas and has proposed some fees that fall below full cost recovery to ensure that the city remains competitive for development.

Councilmember Van Grack (3/6/26 email):

3. ■ I truly appreciate the much-needed support in the proposed budget for the Rockville Volunteer Fire Department. As I understand the Proposed Budget, (1) \$12,000 is proposed as a direct grant to the Rockville Volunteer Fire Department for the water cost subsidy; (2) \$50,000 is proposed as a contribution for needed vehicle support, and (3) budget operational support is provided for the planned relocation of Station 3. First, is this overview correct? Second, can you clarify what RVFD's water costs were during the past two fiscal years? Third, can you clarify what RVFD's specific requested vehicle support to the City was for this current fiscal year (i.e., what upgrades did they relay were needed, for which types of vehicles, and how much was requested)?

The overview is correct. To be clarify on item 3, the city is dedicating staff time to partnering with RVFD on strategies in support of the relocation. Actual water costs for FY24 were \$7,795 and for FY25 were \$8,412. Prior to FY25 the city's grant was \$10,000 and it was increased to \$12,000 in FY25. The RVFD made a formal request for \$250,000 to partially fund a new ambulance (EMS unit).

4. ● As we saw during the reunification after the Wootton Shooting last month, the CIP Appropriation of Scott-Veirs Drive Shared-Use Path (TA23) is critical for pedestrian safety, especially for family/students at Wootton High School and Frost Middle School. My understanding as that with the FY 2027 appropriation and anticipated FY 2028 funding, it is anticipated that this project would be completed by the end of FY 2028. Is this correct? And is this completion dependent on any non-guaranteed federal funding?

A \$200,000 federal grant (Transportation Alternatives Program Grant) is included in this project to support design, that will start in FY 2026. This grant was awarded in 2025, and staff do not anticipate a recission of this award. Staff anticipates construction start in FY 2028 with completion in FY 2029. The construction costs are estimated at \$3,000,000 and are currently unfunded. Staff are exploring grant opportunities for construction. The estimated completion date assumes future funding is secured, either with internal or external resources.

5. ● The CIP Appropriation of Hurley Avenue Budget Replacement (TE16) has been on hold for a number of years. My understanding is that there is no appropriation to the project in FY 2027 and that construction is now not slated to begin until FY 2028 and not be completed. Is this correct? Is there a reason for this delay? And is this completion dependent on any non-guaranteed federal funding?

The overview is correct – estimated construction completion is now FY 2029. Design completion and construction start dates were adjusted according to the final design and federal process requirements. The city is utilizing SHA design contracts for consulting services. Delays are attributed to SHA negotiations failing on a final design contract with one structural engineering firm and transitioning to another firm. This pivot was due to higher than anticipated fees being quoted by the first firm. The overall negotiation for the final design contract took longer than anticipated. Federal aid for construction is currently unfunded, and is expected to cover 80% of the total project cost, however, a subsequent agreement for the construction funding will be needed when design is closer to completion. There is no known reason the city would not be able to receive federal aid for construction.

6. ■ During the Economic Development Worksession on Feb. 9, 2026, both Cindy Rivarde (REDI) and the City Manager confirmed that the City's overall economic development would benefit from an overall approach of addressing and updating wayfinding/signage, public space beautification, entrance area improvement, public area landscaping improvements, and shared-use improvements. To move forward with such a plan, which was endorsed by those at the Worksession, (1) how would the city begin this approach in FY 2027, (2) what would be the potential initiation cost in FY 2027, and (3) what department/budget allocation area would be most appropriate for this appropriation be included for FY 2027 within the current budget availability?

FY 2026 Budget Amendment #1 included \$160,000 for Wayfinding Phase 1 which includes the design, fabrication and installation of 73 Vehicular wayfinding signs, 8 Pedestrian signs, 5 Destination signs, and 5 Parking signs in the Town Center area. This initiative is noted in the Public Works FY 2027 outlook. The contract for these services is expected to be awarded in FY 2026 and executed in FY 2027. The FY 2027 budget includes ongoing funding for the neighborhood welcome signage efforts and increased funding for plantings in right-of-way areas. No dedicated funding is included in the proposed budget for the development of a formal beautification plan (monuments, signs, lighting, landscaping, etc). If the Mayor and Council are interested, consultant services of \$100,000 could be used to develop a formal plan.

7. ■ The Rockville Police Department has done an incredible job with the Community Engagement Officer (CEO) Program at Richard Montgomery High School and Wootton High School. As I understand the FY 2027 budget allocation proposed for the Police Department, the City would now provide a CEO at Rockville High School as well, correct? And kindly confirm that this allocation would not diminish or reduce our existing CEO support for Richard Montgomery

High School or Wootton High School, correct? And is this increase show through the 11.44% increase of Personnel for the RCPD (2.0 FTE Police Officers)?

The FY 2027 proposed budget includes added officer capacity that will provide a CEO at Rockville High School. No support currently dedicated to other schools/clusters are proposed for reduction.

8. ● The CIP Appropriation of Pedestrian Bridge Replacement: Horizon Hill Park (RB22) has been on hold for a number of years. My understanding is that this project will completed by July 1, 2026 (in just a few months). Is this correct?

Staff anticipate that construction will start in FY 2026 and be completed in FY 2027. The project timeline that appears at the bottom of each project page specifies a date that is aligned to the fiscal year that the milestone is expected. (i.e. 07/01/2026 corresponds to FY 2027)

Councilmember Jackson (3/8/26 email)

9. ● Could you perhaps elaborate and provide some clarity on Shady Grove WMATA Access Road Streetlighting (NEW6)? It was my understanding that it was more than just streetlights.

This project focuses on the addition of street lighting on this frequently traveled corridor as a public safety enhancement. No other construction is planned as part of this project. If other pedestrian safety needs are identified, this work could be considered within the Pedestrian and Bicycle Safety: FY26-FY30 (TD26) project following negotiations and coordination with WMATA.

10. ■ Could you provide some background as to the City's process for evaluating whether to hire new FTE staff? Does the City do an evaluation of services? Try to repurpose staff? Try to look at whether the job could be done by a temp or by a contractor, etc?

The city evaluates requests for new FTE positions as part of the annual budget development process. Departments are expected to first review whether service needs can be addressed using existing resources, including redistributing duties, improving workflows, or leveraging technology. If additional capacity is still needed, departments consider whether the work could be performed through alternative means such as temporary staff, or contractual services before requesting a permanent position. Requests for new positions are reviewed by the City Manager's Office and Finance Department and evaluated based on workload trends, service demands, regulatory requirements, and alignment with the Mayor and Council's priorities. This process helps ensure staffing decisions are thoughtful, necessary, and fiscally responsible.

11. ◆ This graph shows the median home value price up until 2024. Where is 2025? Don't we have more current data? It seems like the values are rising at an accelerated rate. While this might appear like good news for some homeowners, it could be bad news for buyers especially first-time homebuyers, people with limited income who have to pay increased amounts of property taxes, etc. Do we see these likely increasing at the same rate in the future? A gradual downturn – and what would be the effect of the number suddenly reversing itself just as it climbed?

This information comes from the 2024 American Community Survey from the U.S. Census Bureau. This dataset was released on January 29, 2026. Staff expect that growth will slow, but not result

in a downturn. The five-year financial outlook for the General Fund assumes that assessed values will grow 4% per year. This is less than the 5.7% growth we observed for FY26. For property owners, any increase to assessed value is phased in equally over a three-year period, and the resulting increase in the property tax bill is capped at 10 percent. Any decrease is fully factored into the first full levy year after the assessment. If there was a crash of the housing market and home values reduced we would experience a reduction in property tax revenue.

12. ◆ I would like to see several more years of the city FTEs to get a sense of the historic size of city government.

A ten year schedule is provided below.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Regular	516.9	518.1	522.6	521.8	524.8	538.5	540.5	556.6	570.1	576.9
Temporary	95.1	98.0	98.2	100.2	95.9	100.0	100.6	96.9	96.9	105.0
Total	612.0	616.1	620.8	622.0	620.7	638.5	641.1	653.5	667.0	681.9

13. ◆ I am also curious on the real property taxes going back a few years. The chart only shows 2018 – would it be possible to look at a few more years? Say 5? I’m curious what the average increase was like before and after COVID.

Taxable Assessed Values for FY 2007 – FY 2017 is shown below

Real Property - Taxable Assessed Values (in billions)										
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
9.0	10.1	11.1	11.6	11.5	11.3	11.3	11.5	11.5	12.3	12.7

Mayor Ashton (3/9/26 email)

14. ◆ Please provide more information about the jurisdictions included in the fee study and whether we can include jurisdictions known for strong economic development.

The jurisdictions used for benchmarking with the fee analysis included Montgomery County, Frederick County, City of Gaithersburg, and City of Frederick. When evaluating the City’s fees and charges, comparisons are most meaningful when made against jurisdictions that operate within the same regional economic and regulatory environment. For this reason, Rockville’s fee benchmarking focuses primarily on neighboring jurisdictions. By contrast, comparing Rockville’s fees to jurisdictions in Virginia or in other parts of Maryland can be less informative due to differences in laws, development regulations, service responsibilities, and cost structures. These structural differences can significantly influence how fees are set and what services they support. Future studies can explore benchmarking in other areas.

15. ◆ Can you please adjust the fee comparison chart to show percent increase? In addition to the last adjusted, can you show the last few times these were adjusted?

Providing a straight percentage increase can be nuanced for many fees that include minimums, maximums, or other incremental charges. If there are certain fees that you would like compared,

please identify these. Similarly, if you need the history for a particular fee, we can perform that research, but this is not data we have easily accessible across every fee type.

16. ■ Why increase the solar panel fee? With the SolarApp streamlining we have reduced the work required to review these permits. We have also recently allowed a charge for the use of the SolarApp. We want to encourage green conversions in the face of rising energy costs.
Development and regulatory fees will be discussed more at the March 23rd worksession.
17. ■ New construction multifamily residential- staff has encouraged efforts to reduce required parking to help bring down the costs of new construction and improve affordability and financing. Why increase fees that will likely be just passed onto tenants or make financing harder?
Development and regulatory fees will be discussed more at the March 23rd worksession.
18. ■ Please provide additional background on the increase for the automation fee. This was only recently added as a fee.
Development and regulatory fees will be discussed more at the March 23rd worksession.
19. ■ Why increase the sprinkler fee? It is a public safety item. Same for the smoke control and special hazard protection.
Development and regulatory fees will be discussed more at the March 23rd worksession.
20. ■ Do we really need to increase the rough wiring outlet fee? Will this have an inadvertent impact on builders reducing the number of outlets for tenants?
Development and regulatory fees will be discussed more at the March 23rd worksession.
21. ■ Youth programming fees - I can't tell what the changes are, but the upper limit moves from \$230 to 320. Can you share more information? We try to keep programming financially accessible, especially for youth and seniors.
This only reflects a change in the program registration process. The annual student performance is being included in the program fee for the Ballet program. Previously program and performance fees were separate registrations.
22. ■ Is the preliminary sediment control plan fee moving from \$103 to \$1775 or is that a typo?
Development and regulatory fees will be discussed more at the March 23rd worksession.
23. ■ Please share the tiers of what is being proposed for the speed camera fee. The state recently made changes. What is being proposed for the City?
Tickets generated by speed camera violations carry the following fines. The fee summary reflects the changes made by the State which went into effect on October 1, 2025.

12 to 15 mph over	\$40
16 to 19 mph over	\$70
20 to 29 mph over	\$120
30 to 39 mph over	\$230
40 mph or more	\$425

24. ■ Has the City built anticipated expenses for the State FAMLI leave into the budget, which are set to begin January 2027?

The program is scheduled to begin on January 1, 2028. Employers can contribute to and participate in the state program or they can self-fund or they can purchase a plan on the commercial market. The city is planning to purchase a plan on the commercial market. Employers will need to contribute into the State plan beginning on January 1, 2027, through an escrow account. Once an employer's commercially purchased plan is approved by the State the contributions to the escrow account can be returned. Staff recommends utilizing unspent personnel funds from the first half of the fiscal year in lieu of dedicating resource capacity, with the expectation that city contributions will be returned.

25. ◆ How many Summer Youth and Internship opportunities do we have to offer? How many are remaining?

There are a range of positions, with most based in Recreation and Parks.

- *Summer Camps: 130 positions/ 12 remaining open*
- *Nature Center: 5 positions / 4 remaining open*
- *Community Centers: 17 positions / 4 remaining open with offers extended*
- *Swim and Fitness Center: 140 positions / 24 remaining open*

26. ◆ Can we share this information on Summer Youth and Internship opportunities with the Education Commission and Principals Roundtable?

Interested parties should visit [Recreation and Parks Temporary Employee Job Link](#) for openings, as many summer job opportunities have been filled, or interviews have been scheduled. The Rockville Swim and Fitness Center is hosting an Open House Hiring Event on Mon. 3/23/26, 4pm-7pm at RSFC. Certifications or prior work experience are not required to participate in this event and [training opportunities](#) are available for qualified prospective employees, as needed. See the [printable event flyer](#) for more details.

27. ■ Please provide background for the additional request of 1 FTE for an Assistant City Attorney position. What would be the new role/ workflow?

The new Assistant City Attorney would (1) assume responsibility, under the Deputy City Attorney's supervision, for the City's compliance with the Maryland Public Information Act; and (2) take on some of the workload currently carried by the other attorneys in the Office of the City Attorney.

The City Attorney anticipates that the new position would allow the City to provide more rapid, legally sufficient releases of public information and increase the level of legal services provided to all City departments.

Currently, the City Manager's Office ensures the City's compliance with the Maryland Public Information Act and coordinates responses to all requests for information. When legal questions arise, the Deputy City Attorney provides guidance. Under this arrangement, the Office of the City Attorney exercises no direct supervision over the administration of the program and does not engage with the large majority of information requests. This increases the risk that the City fails to meet its obligations under the Act by, for example, missing legal deadlines or mistakenly releasing information required to remain confidential.

If approved by the Mayor and Council, the new Assistant City Attorney would be directly responsible for overseeing the City's Public Information Act compliance, with support from a paralegal (who will fill the position formerly occupied by Anita McCombs). Under the supervision of the Deputy City Attorney, the new attorney would directly review many more information requests than is currently possible under existing OCA staffing levels. The new attorney would ensure that the City discloses information in accordance with State law; lower the risk that the City violates the Public Information Act; and free the Deputy City Attorney to take on additional high level legal work.

Once trained, the new Assistant City Attorney will devote approximately half of his or her time to public information act work. The remainder of the new attorney's time will be spent on providing legal services to at least one City department and potentially to one or more of the City's standing boards and commissions. This will allow the City Attorney to reallocate the responsibilities of the current attorneys, all of whom carry heavy workloads providing legal services to multiple City departments and boards and commissions.

28. ■ Regarding the City Attorney's staffing, How many staff transitions have there been over the past 4 years? Please share how many positions have been added over the past 5 years. Are there any existing/anticipated vacancies? Would the additional staff person requested reduce the amount of work that may be currently outsourced?

For the past five years, the Office of the City Attorney has held seven positions. Over that time period, no new positions have been added to the office.

Over the past four years, four members of the Office of the City Attorney have left the office: Two employees, who worked as an Executive Assistant and Assistant to the City Attorney, respectively, retired after lengthy tenures with the City (in one case over forty years). Two other employees, who were both attorneys, left the office to pursue other professional opportunities. In addition, a current attorney with the office— recently announced her planned departure from the City to pursue a position with the Nature Conservancy. Following this latest departure, there will be two

outstanding vacancies in the office: a paralegal position, and an attorney position. Both positions are currently advertised, and interviews are being conducted for both positions.

The additional Assistant City Attorney would not reduce the amount of work that the Office of the City Attorney currently outsources. The office outsources work only when specific expertise is required—for example, in civil litigation or construction contract disputes—and relies on its in-house attorneys for the large majority of all legal services provided to the City.

29. ● Can you please share an update on upgrades to parks/playgrounds over the last few years? *Maryvale Park Splash Pad (2023). Isreal Park pavilion (2023). Playground replacements occurred at Potomac Woods (2023), Rockcrest Park and Isreal Park (2024), Maryvale Park, Bullards Park and Woodley Gardens Park (2025), Fallsgrove Park and Horizon Hill (2026).*
30. ● Outdoor Exercise Stations have been requested. How much do these cost per install? How are these currently spread across the City? What is the plan to expand? *There is a Planned Improvement Project within the budget document for the replacement of outdoor fitness equipment, with a cost of \$30,000 per year. Units exist in Fallsgrove Park, Potomac Woods Park, Horizon Hill Park, Woottons Mill Park, Mattie Stepanek Park , Wilma Bell Park, and the Senior Center. Cost to install ranges from \$5,000 for a single station to well over \$100,000 for multiple stations. No new locations are currently proposed, though one could be requested by the community for the new Talbott Street Park.*
31. ■ Where are we on adding community gardens to parts of the City that don't have one? *Funding is included in the FY 2027 proposed budget which would provide 20 plots at RedGate Park. A larger addition is anticipated for RedGate in FY 2028.*
32. ■ Short term rentals are currently not official/legal in Rockville. The legal landscape has been changing vastly across jurisdictions. However, they do they do exist and online providers are collecting taxes from hosts/ users. Who is collecting these taxes? *Short-term rentals (STRs) are currently not recognized under the city's regulatory framework, and the code does not define STRs in a way that would subject them to the city's hotel tax. As a result, the city is not currently collecting hotel tax revenue from short-term rentals.*
33. ● Is the City putting aside additional reserves in anticipation of the Potomac Interceptor infrastructure capacity support? *Please see the response to Question 1 (Previously Question 8).*

Councilmember Myles (3/11/26 email):

34. ◆ pp54 CAP: The plan charts an ambitious course for reducing greenhouse gas emissions from the community and municipal government operations by at least 50 percent below 2005 levels by 2030 and carbon neutrality by midcentury. How far along are we to this goal?
You can find the real-time status of Climate Action Plan items and progress using the Climate Action Plan Dashboard which can be found using this [LINK](#).

35. ■ pp65 what's the "non-departmental" expenditures that appear to be driving the year to year fluctuations? same question on pp66 lavender section?
The General Fund CIP Transfer increased by \$2.5 million from FY 2026 to FY 2027, up to \$12.3 million. The General Fund Transfers Out also increased, most notably to the Special Activities Fund by \$404,860 which is primarily the result of an increase to the Housing Opportunities Fund and the consolidation of the Rockville Emergency Assistance Program to the Special Activities Fund. Administrative charges expenditures also increased by \$471,500 across all associated funds, which further contributed to the increase in Non-Departmental expenditures. This can be found on p521.

36. ■ pp67 why is there expected to be an increase in cable & franchising fees? It's historically gone down year over year (though FY2025 saw an increase (pp76: The FY 2027 estimate for this category equals \$1.4 million, a \$174,730 increase from FY 2026 following a formal review of subscriber allocations.
The city received a one-time adjustment in FY 2025 after the subscriber allocation review. This review simply adjusted our baseline upward. Staff still anticipates revenue to continue to decline over time.

37. ■ pp69 Increase why is there proposed increase in miscellaneous revenue?
This increase in miscellaneous revenue aligns the budget with recent trends. This increase crosses multiple funds in the Non-Departmental budget.

38. ■ pp69 Why is there a prediction of increased revenue from parking meter violations?
Parking Enforcement Officer vacancies in FY 2024 and FY 2025 contributed to a reduction in violations. With this unit fully staffed, violations have returned to expected levels.

39. ■ pp69 Why is predicted increase in state grants?
The increase of \$80,000 in State Grant funding is due to the inclusion of the grant for a portion of the Senior Center EV bus in the Fleet Services Division of Public Works.

40. ■ pp69 & 73 Why is there significant predicted increase in the county tax duplication payment?
The FY 2027 funding level reflects updates made to the calculations as part of the quadrennial assessment. The county reassessed the number of officers that would be required to service the City of Rockville and this resulted in a notable calculated increase in our tax duplication estimate

for FY 2027. The new calculation is for 34 officers (previously 28 officers). Smaller increases were attributed to transportation items.

41. ■ pp78 why is there such a large increase in medical insurance payments being proposed (pp83: Health insurance increased by 9.9 percent from FY 2026 to FY 2027, up to \$8.4 million across all funds)
The 9.9% increase in the health insurance budget from FY 2026 to FY 2027 reflects broader national trends in employer-sponsored health coverage rather than a change specific to the city's benefits structure or offerings. The city's specific medical loss ratio is an element that informs healthcare premiums, alongside other trends such as escalating prescription drug costs. The FY 2027 budget assumes increases for the second half of the fiscal year, though those renewal rates are not yet confirmed.
42. ■ pp78 is the Increase in postage a function of the upcoming election?
Roughly \$10,000 of the postage increase is election-related. The remaining \$15,000 is due to an overall increase in the cost of postage.
43. ■ pp78 Why is there such a steep increase Internet and telephone (& cellular) service fees?
These increases are due primarily to contract cost increases and updated estimates based on FY25 and FY26 actual costs. These increases were largely offset in the IT department by reductions in communication equipment maintenance funding.
44. ■ pp80 Why is there such a large predicted increase in fees for vehicle purchases?
The city's Fleet Services Division continually monitors and maintains the city's fleet to ensure maximum useful life. Staff review the fleet each year and recommend replacement for vehicles meeting specific age, mileage, meter hours, condition, and usefulness criteria. The vehicle replacements will vary from year to year. The FY 2027 listing can be seen on page 534.
45. ■ pp80 Why is there a fee for depreciation and why has it increased so significantly?
The depreciation charge is a non-cash expense that applies only to enterprise funds and reflects the annual allocation of the value of capital assets—such as utility infrastructure, capital projects, and equipment—over their useful life. This accounting practice annualizes the cost of long-term assets. The increase reflects recent capital investments, which raises the annual amount allocated through depreciation.
46. ◆ pp85 2nd column/top; where is the beginning of that sentence?
This is a carryover from the columns that start on page 84. We will work to tweak this for the adopted budget. This formatting issue only appears in the pdf version.

47. ■ pp87 & 100 do we spend more money on the speed cameras than we bring in (-\$204.2%)? For police: are speed cameras a cost-effective way to improve street safety?
Prior to FY 2023 the city brought in more revenue from speed camera citations than it spent on the operating costs of the program. The extra revenue was available for programming in the CIP for pedestrian safety initiatives. Since that time the operating costs of the program have exceeded citation revenue, and in FY 2025 the General Fund made a transfer to the Speed Camera Fund to offset a negative fund balance.
- Speed cameras are a cost-effective tool to improve street safety. Their primary purpose is to influence driver behavior, which in turn helps reduce property damage, serious injuries, and fatal crashes associated with speeding. Automated enforcement also allows police officers to focus on higher-priority responsibilities such as responding to calls for service and addressing criminal activity within the city. The intent of these programs is not to generate revenue, but rather to support safer roadways and more efficient use of police resources.*
48. ■ pp94 Why has there been more expenditures than revenues for fiscal year 2026 for the special Activities fund and why do we predict a continuation this pattern for fiscal year 2027? This appears different from the pattern for fiscal years 2023 through 2025.
Special Activities Fund revenues are primarily comprised of community contributions, donations, developer contributions, and General Fund transfers that are designated for specific programs and purposes. In many cases it can be difficult to predict the volume of outside support that will be received, and these revenues are often budgeted very conservatively. Actual revenues often come in better as a whole, though there is variability between programs.
49. ● pp107 does the FY Water Fund expenditures include an estimate of the city's contribution to the Potomac sewage pipe repair?
This would be incurred by the Sewer Fund. Please see the response to Question 1 (Previously Question 8).
50. ■ pp108 Are we taking steps to strive towards goal two of maintaining an adjusted working capital balance of at least 6 months of operating expenses for the water fund?
The previous utility rate study forecasted Water Fund compliance with working capital targets by FY 2030. However, unanticipated emergency water main break response costs, equipment replacement needs, and newly identified capital investments could impact this previously established target. This is noted on page 130. The next utility rate study will reevaluate these projections and bring forward a set of utility rates that will promote the improved financial health of the fund.

51. ■ pp169 Stormwater management expenditures expected to outpace revenues as was the case in fiscal year 2026? Why is this different from the three previous fiscal years?

Similar to the Special Activities Fund, there are some developer fees that impact the Stormwater Fund and these can vary from year to year and are typically budgeted conservatively. The projected working capital balance for the SWM Fund is expected to remain in compliance with policy targets.

52. ■ pp263 why was there such a large increase (\$3M) in expenditures from FY 2025 to FY 2026 for IT?

The FY24 and FY25 actuals were reduced in IT and transferred to Non-Departmental due to changes in reporting standards by GASB (Governmental Accounting Standards Board) regarding software and subscription costs. The single largest increase from FY 2025 to FY 2026 is associated with the addition of \$525,000 for CCTV replacement and modernization (Year 1 of the 2 year initiative).

53. ◆ pp288 why was the closure rate for crimes against persons investigated so low in 2025 and why did we adopt a 65% closure rate in 2026?

The closure rate was lower in 2025 due to improper closing or clearing of open cases in the reporting system by supervisory personnel. RCPD staff were retrained on the proper way to close cases with the software; therefore, we anticipate seeing the closures return to previous levels moving forward. We will adjust the FY 2027 target to 65% (equal to the FY 2026 adopted target) in the adopted budget.

54. ◆ pp292 would request a comparison of response times when using the County's 24/7 support vs. In house mental health specialist?

Approximately 90% of calls for mental health crisis within the city are currently responded to by the County Mobile Crisis unit and/or Rockville City Police. There is no data indicating a measurable impact on response time for the cases that have involved the County Mobile Crisis unit. For context on the volume and response over the last two years please see the table below.

	2024	2025
Calls for mental health crisis responded to by dedicated Mental Health Specialist	93	78
Total RCPD calls for mental health crisis	742	819
Percentage of calls responded to by dedicated Mental Health Specialist	12.5%	9.5%
Percentage of calls responded to by "Mobile Crisis" and/or RCPD	87.5%	90.5%

55. ◆ pp323 is it possible to increase the proposed/actual percentage of light-duty fleet vehicles that are hybrid and/or fully electric vehicles?

Manufacturers are moving away from selling affordable EV's in the US market due to the loss of the federal tax credit in 2025. The current transition pace minimizes unnecessary price shock

from transitioning too quickly and aligns replacement with the deployment of supporting fleet EV charging stations at various facilities.

56. ● pp487 why are we budgeting so little (~\$7M less) for Blue Plains Wastewater (UA26) and so little for water main rehab & improvement (especially given multiple water main breaks)?
Blue Plains Wastewater Treatment (UA26): The estimates for FY 2027-FY 2031 are direct costs attributed to the City of Rockville from the draft WSSC FY 2027-FY 2032 Proposed CIP. For DC Water capital projects within Blue Plains Wastewater Treatment Plant site, the city cost-share is derived from the ratio of reserved capacity between WSSC and the city. The city pays 5.48% of WSSC's share of capital costs for these projects. For capital projects in DC Water or WSSC wastewater transmission system, the city pays a pro rata share of the cost based on the ratio of reserved capacity between WSSC and the city which varies based on the location of the project.

Savings from prior years' appropriations are carried forward within this project. In this case savings from FY 2025 were used to reduce the FY 2027 appropriation. The proposed FY27 Budget assumes approximately \$8 million for FY 2027 expenses in this CIP, including carryover funds plus new appropriations.

Water Main Rehab & Improvement: FY26-FY30 (UE26): Water main rehabilitation funding and planning is done on a sustainable basis that considers rate affordability. Water main rehab is currently funded at a rate that supports rehabilitating 1% of the system every year. The most significant way to reduce water main breaks is to replace the remaining cast iron pipes in the system with newer ductile iron pipes that are less susceptible to breaks due to temperature fluctuations. This will take a few more decades.

57. ◆ Does Amazon Web Services to post the PDFS of the budget? Is it less expensive to just make a regular PDF available?

The city does not use Amazon Web Services to post PDF versions of the budget. The budget is published through the ClearGov platform, which provides a structured, interactive digital document that allows users to navigate funds, departments, and charts, and view financial information in multiple formats that improve transparency and accessibility.

While a static PDF is also provided for those who prefer a traditional document, the digital platform supports ADA accessibility standards, language translation, and significantly improves usability for residents and elected officials compared with a single large PDF file. The cost of the platform supports these enhanced features and public accessibility, not merely the hosting of PDF documents.

Mayor Ashton (3/13/26 email):

58. ■ For housing related fees, can you share if we have an apples to apples comparison. For example, do the benchmark jurisdictions have automation fees, tree/park/art/amenities fees? *The forestry fee comparison begins on row 200 of the spreadsheet attachment provided with the memo. It's important to note that although some of Rockville's forestry fees are higher than both Montgomery County and Gaithersburg, the latter includes most of the forestry reviews along with their sediment control permit. When forestry and sediment control are combined, Rockville is on par with Gaithersburg.*

The automation fee (sometimes called a technology fee) on permits is an additional charge added to permit applications which fund the development and maintenance of online permitting systems and transaction fees. It supports digital services like online application submissions, plan reviews, and online permit issuance. Montgomery County and Gaithersburg both have automation charges for their permitting processes.

- The City of Gaithersburg charges a 10% automation fee on all permit and application fees and began charging this fee in 2011, as part of the fee schedule for the FY12 budget.*
- Montgomery County retains an automation fee in their fee resolution, but has it currently set at 0%. Montgomery County began charging an automation fee in 1998 (ER5-98), at 10%. This fee was reduced to 5% in 2013 and to 0% in 2016 (ER15-16).*
- The City of Rockville charged no automation fees until 2023. Even with the automation fee, the revised fees position the overall permit costs in the City very competitively with Gaithersburg and Montgomery County.*

59. ◆ Do we have any comparisons with jurisdictions who are ranked favorably outside of MD in terms of housing/ economic development/small business support? *We do not have a broad comparison for jurisdictions ranked favorable outside of Maryland. It would be good for to develop a "peer cities" list that could be used for all sorts of best practice research – fee surveys, ordinance updates, salaries etc.*

Community Services and Enrichment Grants Questions:

60. ◆ How were new grant categories established? And when? *Legal Services, as well as the Immigrant Communities Resources category, were added this year by DHCD after receiving several proposals from new applicants for more specialized services than reviewed in past years by panelists within existing categories. Creating these categories helped ensure that panelists with relevant expertise could evaluate the applications, including community need and proposed outcomes, more effectively.*
61. ◆ What relevant expertise did panel members have? *The same panel reviewed both scopes and included two retired attorneys with experience in human services and disability rights, an ESOL teacher, and a member of the COR Human Rights Commission. The panel was led by DHCD's Collective Impact Manager.*

62. ◆ How many requests did the city receive for legal services?

Two separate grant requests were received for legal services, summarized below:

Program Name	Organization Name	Adopted FY 2025	Adopted FY 2026	FY 2027 Request	FY 2027 Proposed
Legal Services					
Montgomery County Eviction Prevention Program	Community Legal Services	-	-	25,000	25,000
City of Rockville Domestic Violence Legal Services	Volunteer Legal Advocates	-	-	35,000	20,000

63. ■ How much were the requests for, and what is the recommended funding level?

The two requests totaled \$60k. The committee recommended \$45k.

64. ◆ What are the requests for?

One request is to provide “legal advice, referral and same-day representation to residents who meet income guidelines and require assistance to prevent the loss of housing and defend against wrongful legal action by landlords and housing providers”. The other request is to “low-income survivors of domestic violence with free legal representation”.

65. ◆ What city priorities do these align with?

These grant requests align with affordable housing and public safety priorities.

66. ◆ Has the city awarded grants for similar legal in the past?

There have not been substantive partnerships with nonprofit organizations providing legal resources in the past.

67. ◆ What type of organizations would these grants fund?

Only 501(c)3 nonprofit organizations can apply for and receive Community Services and Enrichment Grants from the city.

68. ◆ Is Community Legal Services asking for funding for a County program?

Yes, this nonprofit is asking for city funding to expand a program they began operating in Montgomery County in FY26, which also is currently serving Rockville residents. As with other grant proposals and current grantees, organizations must specify how many Rockville residents they currently serve and how many they anticipate serving, when expanding or maintaining an existing program. Rockville residency is confirmed using client addresses and provided in quarterly grant reports.

Community Legal Services projects to serve 250 Rockville residents in the current fiscal year and anticipates serving 250 residents in FY27. Grant funding is requested to support community outreach, expungement clinics, and support helping clients apply for rental assistance programs and other forms of emergency assistance.

Councilmember Valeri (3/17/26 email):

Geographic Parity in CIP Investments

69. ◆ When mapping named CIP projects by neighborhood, new community-enhancing investments concentrate in King Farm (Farmstead Phase 1), Wootton's Mill (pavilion, stream restoration, bridge improvements), and Shady Grove (WMATA streetlighting). Meanwhile, East Rockville, Lincoln Park, Twinbrook, and Hungerford receive no new community-enhancing CIP projects. Is this distribution intentional, and how does staff evaluate geographic equity in CIP planning?

The distribution of CIP projects is not driven by an intent to favor specific neighborhoods, but rather by a combination of project readiness, infrastructure lifecycle needs, external funding opportunities, regulatory requirements, and alignment with adopted plans and policies. The following projects within the CIP are in or near the neighborhoods referenced and are actively underway and/or planned within the Five-Year CIP:

- *David Scull Park Improvement (RA19)*
- *Elwood Smith Comm. Center Renovation (RA24)*
- *Glenview Mansion Gardens Hardscape Preservation and Repair (RB26)*
- *Lincoln Park Community Center Improvements (RA22)*
- *Stonestreet Corridor Improvements (TA20)*
- *RedGate Park Master Plan Implementation (RE23)*
- *Twinbrook Community Center and Annex - Restrooms Renovation (RC24)*
- *Stream Restoration: Croydon Creek/Calvin Park Tributary (SB16)*
- *Playground Structure Replacements (RC26)*
- *Twinbrook Pedestrian/Bicycle Bridge (TC22)*

In addition, many capital projects include sub-projects across the city and these are not shown in the CIP Project Map with the discrete projects. This includes activities such as roadway and sidewalk repairs, intersection audits, pedestrian bridge repairs, athletic court improvements, roofing replacements, stormwater rehabilitation, and water and sewer main replacements. One example of subprojects comes from the Pedestrian and Bicycle Safety CIP (TD26). These projects address resident safety requests and typically involve neighborhood traffic improvements such as traffic calming measures, medians, crosswalks, and pedestrian ramps. The FY27 budget also notes a planned playground structure replacement at Silver Rock Park, and Twinbrook Bikeshare stations as sub-projects within multi-site CIP projects. Other subprojects are noted below:

- *Water Rehab & Improvement: FY21-FY25 (UE26) - Water Rehabilitation has work scheduled in the East Rockville, Lincoln Park, Twinbrook and Hungerford neighborhoods.*

- *Meter Replacement & AMI Implementation (UB21) - Water meter replacement and AMI has work scheduled in East Rockville, Lincoln Park, Twinbrook and Hungerford neighborhoods.*
- *Sewer Rehab & Improvement: FY27-FY31 (UC26) - Sewer Lining work is scheduled in the East Rockville, Lincoln Park, Twinbrook and Hungerford neighborhoods. Lateral Replacement work is scheduled in the East Rockville, Lincoln Park, Twinbrook and Hungerford neighborhoods.*
- *SWM Facilities Improvement FY26-FY30 (SC26) - Forebay Dredge of Hungerford Stoneridge Pond in the Hungerford neighborhood*
- *Bridge Rehabilitation: FY26-FY30 (TB26) - Bridge Rehabilitation has work scheduled in the East Rockville, Lincoln Park, Twinbrook and Hungerford neighborhoods.*
- *Asphalt Maintenance: FY26-FY30 (TA26) – Asphalt Maintenance has work scheduled in the Hungerford and Lincoln Park neighborhoods.*
- *Concrete Maintenance: FY26-FY30 (TC26) – Concrete Maintenance has work scheduled in the Hungerford, Lincoln Park, East Rockville, and Twinbrook neighborhoods.*

70. ◆ Can staff provide a map overlay showing CIP project locations against census tract income data and demographic composition? This would establish an objective baseline for evaluating whether capital investments are reaching all parts of the city equitably.
The CIP Project Map includes a layer for the Community Equity Index. The Community Equity Index (CEI) is a composite measure of equity-related indicators developed to help analyze existing conditions in neighborhoods and to explore factors that may contribute to social inequities in Montgomery County. It describes each neighborhood’s level of advantage or disadvantage based on its combined indicator score compared to the county’s overall score of five indicators: poverty status, education level, English language proficiency, housing tenure, and per capita income.
71. ◆ Can we establish a geographic equity metric for CIP distribution, similar to what Montgomery County, Arlington County, and the District of Columbia use to track infrastructure investment parity across their jurisdictions?
The city actively utilizes equity metrics for CIP scoring and evaluation. The Budget Office collaborated with the JEDI Office in the development of the city’s Budget Equity Toolkit, which was rolled out for the FY 2024 budget process. The FY 2024 budget process also included a refreshed CIP Prioritization process and introduced standardized documentation and capital project scoring for climate and equity considerations. The city continues these practices which are described with the Capital Project Scoring Tool within the CIP Project Identification and Prioritization page of the budget document.
72. ◆ Could the Propose-A-Project process be supplemented with targeted outreach in historically under-invested neighborhoods — particularly East Rockville, Lincoln Park, Twinbrook, and Hungerford — to generate community-driven CIP requests?

The Finance Department will collaborate with the Department of Communications and Community Engagement on additional outreach opportunities for the next Propose-A-Project process.

73. ● East Rockville's only FY27 investment is the neighborhood plan update, which is an operating budget item, not a capital project. What CIP investments are planned for East Rockville in the five-year horizon beyond the plan update?

The David Scull Park Improvement (RA19) project is actively underway and will be completed in FY 2027 and directly serves East Rockville neighborhoods. The RedGate Park Master Plan Implementation (RE23) is another multi-year and multi-phase project that will add amenities that are easily accessible to East Rockville neighborhoods. Another project in East Rockville is the Stonestreet Corridor Improvement CIP (TA20). Some examples of subprojects are connecting Maryvale Park to Redgate Park SUP study/design and installation of sidewalks on Highland Avenue and Charles Avenue.

74. ● Lincoln Park Community Center improvements are closing out in FY26 with no successor project. What capital investments are planned for the Lincoln Park area?

There are no standalone projects aside from the Lincoln Park Community Center Improvements (RA22) targeting the Lincoln Park community, however sub-projects will occur in the area over the five-year planning period, including the installation of the sidewalk on Frederick Avenue.

75. ● Twinbrook's only CIP activity is the Community Center restroom renovation and the pedestrian/bicycle bridge — both maintenance items, not new community-enhancing investment. Given Twinbrook's density and demographics, what new amenity or placemaking investments are planned for this neighborhood?

A Twinbrook neighborhood dog park is highlighted as a planned improvement project for FY 2029. The location of this dog park is in the exploration phase. The Twinbrook Pedestrian and Bicycle Bridge (TC22) will connect the Twinbrook neighborhood to Rockville Pike and is currently in the feasibility stage. Other subprojects in Twinbrook include the Lewis Avenue and Halpine Road bicycle facilities study, having bikeshare stations, and sidewalk installation on Midway Avenue.

76. ● Hungerford receives no named CIP projects in FY27. What is the capital investment plan for this area, and how does it compare to the investment being directed to western neighborhoods?

Elwood Smith Comm. Center Renovation (RA24) is a \$1.2 million project with FY27 and FY28 funding, including a State Bond Bill. This project is within the Hungerford neighborhood. The Fleet and Monroe bicycle facility is a subproject that is planned and is located just outside of Hungerford.

CIP — FY26 vs. FY27 and Three-Year Trends (FY25–FY27)

77. ● Which 10 projects were dropped between FY 2026 and FY 2027? Is this consolidation strategy or project completion? Are any unfunded projects of concern?

The larger than normal increase in the total number of projects in FY 2026 and subsequent decrease in FY 2027 is due to FY 2026 being the first year of a new five year segment of the city's ongoing maintenance projects. These projects are budgeted in five year increments to avoid project budgets growing so large that they are hard to track, both for the public and for staff. In the first year of a new five year segment there are two projects open for each ongoing maintenance project (the new five year and the prior five year) to allow for work still underway in the old segment to close out. At the end of this transition year any remaining funding from the old project is transferred to the new project and the old project is closed. For example, the FY 2026 adopted budget included both Bridge Rehabilitation: FY21-FY25 (TB21) and Bridge Rehabilitation: FY26-FY30 (TB26), but the FY 2027 proposed budget includes only Bridge Rehabilitation: FY26-FY30 (TB26). Any funding that was moved from the old project to the new project as a result of this transition is called out in the Changes from Previous Year section on the project sheet. The FY 2026 adopted budget included 14 ongoing maintenance projects, each with two open project segments, for a total of 28 listed projects. The FY 2027 proposed budget includes only one FY26-FY30 entry for each project, causing the noted decrease. Other changes to the total project count can be seen in the CIP Overview section, which includes a listing of the four projects scheduled to close at the end of FY 2026, and in the CIP Projects section, where the seven new additions to the CIP contain project numbers that start with "NEW."

Projects show unfunded amounts for different reasons, including anticipation of grant funding, prioritization of other city needs, or a project scope that doesn't yet have firm costs and timelines. If an unfunded project rose in urgency and grant funding was not available, staff would consider recommending reserves, shifting other capital projects that might be less urgent, or issuing bonds to address the urgent need. The only project with an FY 2027 unfunded amount is West Gude Drive Bridge Repair (TA25), which anticipates federal funding in the amount shown on the project sheet to cover a portion of construction based on the bridge's condition.

78. ● Staff indicates \$12.3M is the new annual GF transfer to the CIP going forward. What is driving the \$1.7M increase from FY 2026, and what does this crowd out over the five-year financial outlook?

Transfers to the Capital Improvements Program are forecasted to remain steady at \$12.3 million per year throughout the forecast period to provide resources for a range of capital projects. This is a \$2.5 million increase over the FY26 adopted transfer of \$9.8 million. The FY27 recommendation also includes a one-time allocation of \$4 million of reserves exceeding the target. This higher transfer supports the city's ability to reduce deferred maintenance on things like Park Pedestrian Bridge Improvements: FY26-FY30 (RD23) and avoid more costly repairs over time. It also effectively mitigates the need for property tax rate increases for taxpayer supported projects. Within the five-year outlook, the increased allocation does create pressure on General

Fund capacity, requiring more disciplined prioritization of operating expenditures. The General Fund Outlook remains positive, but this factors in the uses of reserves and does not make assumptions about future projects in the CIP.

79. ● At ~\$520/resident, CIP spending per capita has not kept pace with inflation. Is this sustainable given aging infrastructure and the approaching FY 2029 bond issuance?
While per capita CIP spending has not fully tracked with inflation, the city has intentionally emphasized a disciplined, pay-as-you-go approach to limit reliance on debt, particularly for taxpayer-supported projects. This strategy has strengthened long-term financial sustainability by reducing debt service obligations and preserving capacity ahead of planned bond issuances. As infrastructure needs continue to evolve, the city will balance paygo funding and strategic borrowing to ensure assets are maintained without overextending future taxpayers. Utilizing reserves also helps provide stability for city taxpayers, a strategy the city has utilized successfully in the past. The debt per capita is expected to be \$630 per resident following the FY2029 bond issuance. Long term sustainability will largely depend on the interest in financing projects and the balance between managing both operating and capital needs. The Five Year Financial Outlook remains positive for the General Fund, but does not make assumptions about future projects in the CIP.

80. ● The FY25 sidewalks figure included \$965K in County Impact Tax funding. Is that source available for FY27, and why wasn't it applied?
The \$965,000 in County Impact Tax funding programmed in the FY21-FY25 segment of the Sidewalks CIP supported the W. Gude Drive sidewalk project. This funding was received this winter and recognized in this segment of the project; therefore it does not need to roll forward to the FY26-FY30 segment of the project.

81. ● Pedestrian & Bicycle Safety (TD26) was cut from \$471K to \$100K (-79%) while most other Vision Zero projects increase. Is this intentional prioritization, project sequencing, or a timing issue? What work was accomplished under this project in FY 2026? . Is there a plan to restore this to at least FY25 levels?
The \$471,000 budgeted in FY 2026 included a one-time \$371,000 grant, so the city funding ("paygo") level is actually the same from FY 2026 to FY 2027 at \$100,000. This project frequently receives grant funding to supplement the city's spending and enhance Vision Zero initiatives. Future paygo appropriations are scheduled to increase by 50 percent in FY 2028 and remain at that higher level throughout the planning period.

In FY 2026, through the Pedestrian and Bicycle Safety CIP budget, the Department of Public works completed:

- *the study and design for the E. Jefferson Street and Halpine Road bicycle facilities,*
- *a demonstration study for traffic calming along Redland Boulevard,*
- *installation of four bicycle fix-it racks with concrete pads,*

- *installation of shared roadway pavement markings on Mannakee Street,*
- *design and construction of traffic calming pedestrian refuge medians on Wootton Parkway at Glen Mill Road and Longhill Drive, on Mannakee Street at Smallwood Road, and on Twinbrook Parkway at Meadow Hall Lane,*
- *design and construction of curb extensions and a raised crossing on Ridgway Avenue at Lemay Road, curb extensions at Wainwright Avenue and Ardennes Avenue, and on Greenplace Terrace at Fallsmead Elementary School,*
- *design and construction of traffic calming medians on Mannakee Street at Henderson Circle and daylighting extensions on Mannakee Street at W. Montgomery Avenue, and a raised crossing on Mannakee Street at Carr Avenue,*
- *installation of high visibility crosswalks on Monroe Street at Mt. Vernon Place and at Dogwood Park, on First Street at Lynn Court, on Crabb Avenue at Longwood Drive, on Frederick Avenue at Moore Drive, on Wood Lane at N. Washington Street, on N Adams Street at W. Montgomery Avenue, on W. Edmonston Drive at Ritchie Parkway, and S. Fallsmead Way at Horizon Hill Park, on Marshall Avenue at Forbes Street and at Tweed Street, on Linthicum Street at Gruenther Avenue, and*
- *replacement of brick pavers with high visibility crosswalks on Monroe Street at Promenade Park, and at Maryland Avenue and Courthouse Square.*

82. ● Scott-Veirs Drive (TA23): Construction cost is estimated at \$3M and is currently unfunded. What is the contingency if grant funding does not materialize, especially given the current federal funding climate?

Please see the response to Question 4 (Previously Question 3). Each year, the city reassesses how best to finance capital projects, balancing paygo funding, external resources, and strategic use of debt. This approach ensures projects move forward in a fiscally responsible manner while preserving borrowing capacity and limiting long-term obligations. The city expects a more refined design within the next year, and this will better inform the construction needs for the project.

83. ● Hurley Avenue Bridge (TE16): No FY 2027 appropriation; construction pushed to FY 2028–FY 2029. Federal aid is expected to cover 80% of construction. Given federal policy uncertainty, what is the risk assessment for this funding?

Please see the response to Question 5 (Previously Question 4).

84. ● Potomac Interceptor: Blue Plains CIP (UA26) can absorb the city’s 4.9% share at \$10–\$20M total. What if total costs significantly exceed \$20M? Should additional reserves be set aside?

Please see the response to Question 1 (Previously Question 8).

85. ● Debt service holds flat at \$3.3M with a taxpayer-supported bond anticipated for FY 2029. What is the projected bond size and what will it do to the city's debt ratios and AAA/Aaa bond rating?

The debt ratios shown anticipate the taxpayer-supported borrowing in FY 2029. These increase for FY 2029 but decrease thereafter. As noted previously, the forecast does not make assumptions about future projects in the CIP. Bond ratings are primarily driven by the city's financial health, including the strength and stability of its revenue base, reserve levels, and long-term financial planning. Agencies also evaluate debt and pension liabilities, the pace of capital spending, and the city's ability to manage future obligations without creating structural imbalances. Strong governance, conservative budgeting practices, and a resilient local economy all contribute positively to maintaining a high bond rating.

86. ● King Farm Farmstead Phase 1 (NEW3): How much Phase 1 funding is in FY 2027 versus future years?

FY 2027 funding for the King Farm Farmstead Phase I project is \$1.1 million for design. FY 2028 funding is \$18.2 million which primarily addresses anticipated construction. The Phase II project is shown within the Long Range CIP Planning section of the budget document.

87. ● Bridge rehabilitation was reduced 44% (\$360K → \$200K). Given the city's aging bridge infrastructure, is \$200K adequate for FY 2027? What is the current bridge condition inventory?

As this project funds both bridge inspections and repairs, the funding fluctuates from year to year depending on the work planned. The repair work almost always results from periodic bridge inspection reports performed by structural bridge inspection firms. Staff schedules repair in a timely manner after receipt of bridge inspection reports and commensurate with the urgency stated in the report. As can be seen over the five year CIP period, the funds requested vary from a low of \$200k in FY27 to a high of \$1.62 million in FY28. Additionally, any bridge that has repair work exceeding about \$1 million or a potential new bridge is typically moved to a stand-alone CIP project. Therefore, this CIP project will naturally fluctuate due to the varying frequencies of inspections and the repairs that come from the inspection reports. The only bridges in need of significant repairs are West Gude Drive and Hurley Avenue, which both qualify for federal funds for 80% of the repair costs due to having ratings below the federal threshold for long-span bridges.

88. ● The project count swung from 48 to 66 to 56 across three years. What principles guide which projects are added and which are consolidated?

Please see the response to question 77 for an explanation of why the project count spiked in FY 2026. Projects may be consolidated if they share a desired outcome, consistent location, and overlapping timeline. For example, Maintenance Complex Emergency Generator Replacement (RA25) was closed for FY 2027 and combined into Rothgeb Drive Maintenance Facility Improvements (GB26), as both projects improve the safety and security of the same facility over

a similar timeframe. Consolidation is carefully considered to ensure projects remain well defined and have definite beginnings and ends to avoid “catch all” projects.

Fees & Economic Development

89. ■ How do the proposed fee increases align with our economic development goals? What is the projected revenue impact vs. the risk of discouraging development activity?

The fee adjustments are intended to more closely align charges with the actual cost of service, while remaining competitive with neighboring jurisdictions and preserving some degree of predictability for the development community. Even with some increases, fees are not expected to be a primary driver of development decisions, which are more heavily influenced by market conditions, location, and broader economic factors. The projected revenue impact is significant, however the adjustments have been calibrated to balance cost recovery with the city’s continued commitment to supporting economic development activity.

90. ◆ Staff benchmarked fees against MoCo, Frederick County, Gaithersburg, and City of Frederick. Should we request comparison against Virginia jurisdictions (Fairfax, Arlington, Loudoun) to understand regional competitiveness, even acknowledging structural differences?

Please see the response to Question 14 and Question 59.

91. ■ Solar panel fee increase: Given our Climate Action Plan goals and the SolarApp streamlining that reduced staff review time, what is the cost recovery justification for increasing this fee?

The recommendation has been adjusted following Mayor and Council feedback. Please see the response to Question 16.

92. ■ Sediment control plan fee (\$103 to \$1,775): Can staff confirm this figure and provide the cost recovery analysis behind the increase?

Please see the response to Question 22 and Question 58.

93. ■ The automation surcharge was only recently added. What is the justification for increasing it already?

Please see the response to Question 18 and Question 58.

Public Safety

94. ■ The Police budget increases 11.3% (\$1.7M). Can staff provide an update on recruitment/retention outcomes since the FY26 hiring incentives were implemented? What is the current vacancy rate?

As of March 17, 2026 the Department is fully staffed at 73 sworn officers, with only the two authorized “overhire” positions remaining vacant. There are candidates currently in the hiring process to fill those two positions.

95. ■ The 3 new police FTEs include a CEO for Rockville High School. Can we confirm this does not reduce CEO support at Richard Montgomery or Wootton?
Please see the response to Question 7 (Previously Question 6).
96. ■ School Pathway Lighting Feasibility Study (\$150K): What is the timeline for results, and how will findings feed into future CIP requests?
Results are expected in early- to mid-FY28. The results of the study will be used to evaluate opportunities for future capital projects.
97. ■ CCTV modernization Year 2 (\$595K): What coverage gaps remain after Year 1, and when will the system be fully operational?
The system will be fully operational by the end of Phase 1, currently scheduled for July 31, 2026. Phase 2 implementation, contingent upon procurement timelines and supply chain lead times, is anticipated to be completed by the end of Fiscal Year 2027. Phase 2 expands coverage across Recreation Centers, City parks, and City Facilities, eliminates important blind spots, and introduces mobile units for flexible, event-based needs. It also enhances capabilities through AI-enabled cameras, smart sensors, and centralized analytics to improve real-time monitoring, incident response, and protection of critical IT infrastructure. The location of coverage gaps can be shared in a more confidential medium.

Housing

98. ■ The Housing Opportunities Fund transfer drops from \$1M (\$250K transfer + \$750K reserves) in FY26 to \$500K in FY27. Is this a sustainable level? What is the current fund balance and what has been deployed?
The anticipated balance of the Housing Opportunities Fund is \$1,250,000 at 6/30/27. The \$500,000 allocation proposed for FY 2027 is intended to incorporate the accumulation of funds necessary to participate in gap financing opportunities and the sustenance of employee homeownership assistance programs. Gap financing tools in particular are essential in leveraging private and public investment to create and preserve affordable housing units within Rockville.
99. ■ What is the status of the downpayment assistance program and employee homeownership assistance program launched in FY26?
Three RHAP loans, totaling over \$140,000, with five more closings scheduled between March and June, loans totaling over \$150,000. Total disbursed or encumbered is over \$290,000.
100. ◆ Timeline for Chapter 13.5 MPDU code revisions — still anticipated for FY27?
This project will begin in earnest in FY27, though work on the Housing Needs Assessment and other research is ongoing and will provide important information for this rewrite. The project is not expected to be completed in FY27, with similar rewrites taking other jurisdictions over two years.

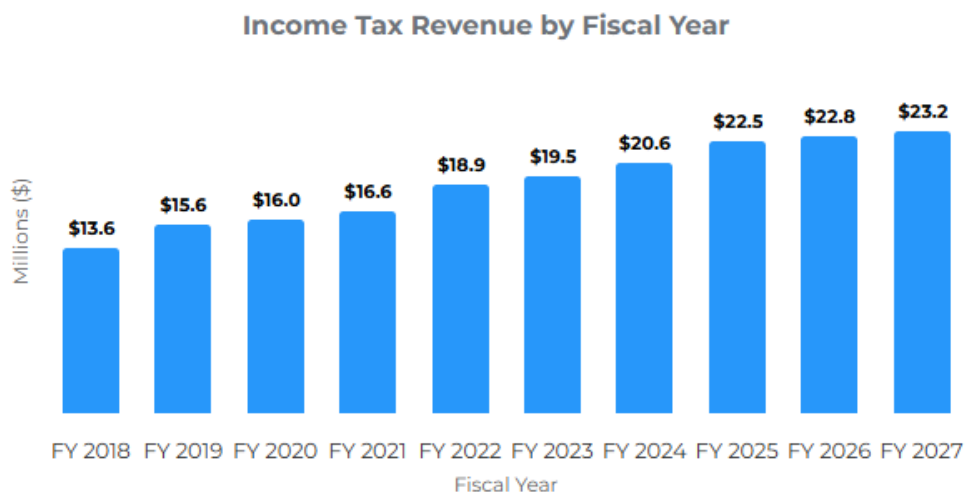
101. ◆ How is the new Codes Inspector position expected to impact rental inspection coverage rates?

The new Senior Codes Inspector position will be the lead inspector for all properties assigned to the Enhanced Inspection program. This program will require 50% of units at assigned properties be inspected prior to renewal of the rental license. Prior to 2026, 20% of units were inspected at multi-family properties during the annual license renewal process. Outside of the Enhanced Inspection program, this increased to 25% starting in the 2026 renewal period. The new position will assist in performing inspections so that the remaining services delivered by the inspection team are still performed in a timely manner without a decrease in customer service. In addition, this position will assist the Code Enforcement manager with oversight of tenant complaints, providing monitoring and tracking of complaints to determine if additional compliance measures will be implemented, as well as deploying other strategies such as additional tenant outreach and coordination meetings with property managers.

Fiscal Outlook & Risks

102. ■ Income tax estimate of \$23.2M assumes conservative growth due to federal employment changes. What downside scenario has staff modeled? At what point would we need to revisit expenditure assumptions?

Staff has considered downside scenarios that reflect added softening in federal employment and related economic activity, including slower wage growth or modest job losses within the region. Under these conditions, income tax growth could flatten or decline modestly, and the city would closely monitor revenue performance through regular financial reporting. If sustained underperformance emerges—staff would revisit expenditure assumptions and consider appropriate adjustments to maintain structural balance. A 10 year history of income tax revenues is provided below and is shown within the Consolidated Financial Summary.



103. ■ Highway User Revenue legislation sunsets in FY28 (\$4.5M currently). What is the anticipated reduction and is there a contingency plan?
The anticipated reductions to Highway User Revenue are incorporated within the [Five Year Financial Outlook for the General Fund](#). The revenues of \$4.5 million for FY27 are reduced to \$3.7 million for FY28 with modest 2.5% increases going forward. The State provides estimated revenues to the city each year. The city will need to monitor the financial condition of the State and be prepared to adapt if this funding source changes more than what is currently anticipated. Staff believe that the outlook provides capacity and flexibility to navigate these legislative changes.
104. ● Potomac Interceptor: Staff estimates the city's share at \$490K–\$980K (4.9% of \$10–\$20M). Blue Plains CIP (UA26) can absorb this in FY26. What if costs exceed \$20M?
Please see the response to Question 1 (Previously Question 8). Any significant changes will be incorporated within the FY27 rate study and will be used to inform future Sewer rates.
105. ■ What is the General Fund reserve level relative to policy minimums after the proposed budget?
Please review the [Five Year Financial Outlook for the General Fund](#). Reserve levels are estimated to be maintained at \$4 million above the target, using the noted financial assumptions and policy considerations.

Other Items

106. ■ FAMILI (Family and Medical Leave Insurance) leave costs starting January 2027: Staff response is still under review. Has an estimate been developed?
Please see the response to Question 24. A separate and more detailed communication has been shared with the Mayor and Council.
107. ■ Rockville Pike Neighborhood Plan update: When does community engagement begin, and what resources are allocated?
The most recent budget amendment (FY26 Budget Amendment #3) provided \$150,000 in consultant funding to support the Rockville Pike Neighborhood Plan and the East Rockville Neighborhood Plan. Engagement efforts are expected to begin in FY 2027.

Councilmember Myles (3/17/26 email)

108. ■ pp328-331 with the proposed changes to the fee schedule, will we be able to meet all other goals.
The city has a range of goals, many of which are multi-year efforts and long term plans. The changes to the fee schedule can be made without major budget cuts. The proposed budget included a \$600,000 surplus for the General Fund, and we are aware of additional revenue of approximately \$318,000 from tax duplication. These more than offset the revenue loss of \$642,000 from the fee revisions.

109. ■ What changes were made to the budget to accommodate the downward revision of the fees?

The proposed budget included a \$600,000 surplus for the General Fund, and we are aware of additional revenue of approximately \$318,000 from tax duplication. These more than offset the revenue loss of \$642,000 from the fee revisions.

110. ■ What do you all propose to be the increase in fee schedule over time?

Each year, the city will evaluate the need for fee adjustments as part of the budget development process. This analysis will include a review of inflationary trends, cost-of-service considerations, market comparisons with peer jurisdictions, and the extent to which current fees are achieving cost recovery goals. The city will also consider broader policy objectives, including maintaining affordability, supporting economic development, and ensuring that fees remain predictable and reasonable for residents and businesses. Where appropriate, staff may recommend phased or capped increases to avoid significant year-over-year impacts. Rather than establishing a fixed escalation schedule, this approach allows the city to respond to changing economic conditions, align fees with actual service costs over time, and balance revenue needs with community impact.

Councilmember VanGrack (3/19/26 email):

111. ■ Can you kindly clarify the total amount which the City of Rockville provided to the Rockville Volunteer Fire Department (including reimbursement of water expenses) for each of the Fiscal Years 2018 through 2023.

Since FY 2006, the city has contributed the following amounts to RVFD for vehicles:

- *FY 2016 \$57,000 (new vehicle)*
- *FY 2020 \$50,000 (new vehicle)*
- *FY 2021 \$50,000 (debt service assistance)*
- *FY 2025 \$65,000 (new vehicle)*
- *FY 2026 \$250,000 (new vehicle)*

From FY 2018 to FY 2023 specifically, totals provided including water reimbursement were \$10,000 (FY18), \$10,000 (FY19), \$60,000 (FY20), \$60,000 (FY21), \$10,000 (FY22), \$10,000 (FY23).

112. ■ What is the percentage (for each of the past 4 fiscal years) of the revenue for the city solely from income taxes.

FY 2022 Actuals were \$18,874,910 (13.2% citywide/ 18.6% General Fund)

FY 2023 Actuals were \$19,507,358 (12.6% citywide/ 19.3% General Fund)

FY 2024 Actuals were \$20,630,040 (12.5% citywide / 18.5% General Fund)

FY 2025 Actuals were \$22,514,657 (12.4% citywide / 18.2% General Fund)

113. ■ What have been the cost increases (if any) for the rental prices of the Glenview Mansion over the past 5 Fiscal Years?

FY 2022 - No fee increases due to pandemic restrictions impacting rentals.

FY 2023 and FY 2024 - Pandemic restrictions eliminated and large gatherings allowed again.

Rental rates increased between \$31.25 - \$117.50 per hour to capitalize on market conditions.

FY 2025 - No fee increases. Well positioned within the market.

FY 2026 - \$5 per hour increase. Anticipated economic shifts begin in October 2025.

FY 2027 - No rental rate increases were submitted due to a tighter economy. Fees will be reevaluated for FY28.

Mayor Ashton (3/20/26 email):

114. ■ Last year the City of Rockville increased fees and overall budget to support permits and inspections. This year, there are additional increases proposed. Can you share what permit review times have improved since we asked this question last year before the investments of resources? What additional permit review times will be approved to help support new proposed increases over what was already approved last year?

In the last year or so, staff has worked on the following items related to permitting timeframes:

- In early 2025, CPDS relaunched the Quick Start program. This program is voluntary and provides an opportunity for certain commercial projects of a limited scope to begin limited construction while their plans are going through the building permit process. This program is available for existing buildings/tenant spaces.*
- In September 2025, CPDS implemented a pilot program for certain residential projects called Express Permits. This is an online same-day process for eligible permits such as fences, HVAC units and furnaces, and accessory structures (except for accessory dwelling units).*
- CPDS launched the City's pilot of SolarAPP+, which provides the option for expedited residential solar permits (one day turn-around). The City of Rockville was the second municipality in the State of Maryland to launch a SolarAPP+ pilot, preceded only by our neighbors in Montgomery County.*
- Local code amendments reduced the requirements for small accessory structures, which allowed for a significant reduction in the review timeframe for these (from 28 down to 3 days)*
- As part of the FAST 2 initiative, staff continue to benchmark our permitting process with other jurisdictions in the region and explore ways to improve. Preliminary findings indicate that the city's published target building permit review timeframes are in many cases on par with or faster than the timeframes in surrounding municipalities. However, published review timeframes tell only a part of the story. How often the timeframes are met is equally important. Not all jurisdictions track and report this well, and doing so will put Rockville at an advantage. To achieve this, staff has implemented the following to date, with additional actions planned:*

- o Established and began tracking timeframes for intake of applications. Currently intake staff are processing 95% of applications at or better than the published timeframe
- o Regularly track other reviews. Currently, building and fire plan review staff are completing 90% of all reviews at or better than the published timeframes
- In the FY26 budget, Inspection Services (ISD) was approved to hire 2 additional building inspectors and 1 fire inspector to implement the ISD Action Plan for Next-Day inspections. By the end of February, all the vacant positions were filled and a training program has been implemented for all new inspectors. Assuming staffing levels remain constant, the Next Day inspection program is expected to be implemented for select project types by Q2 of FY27.

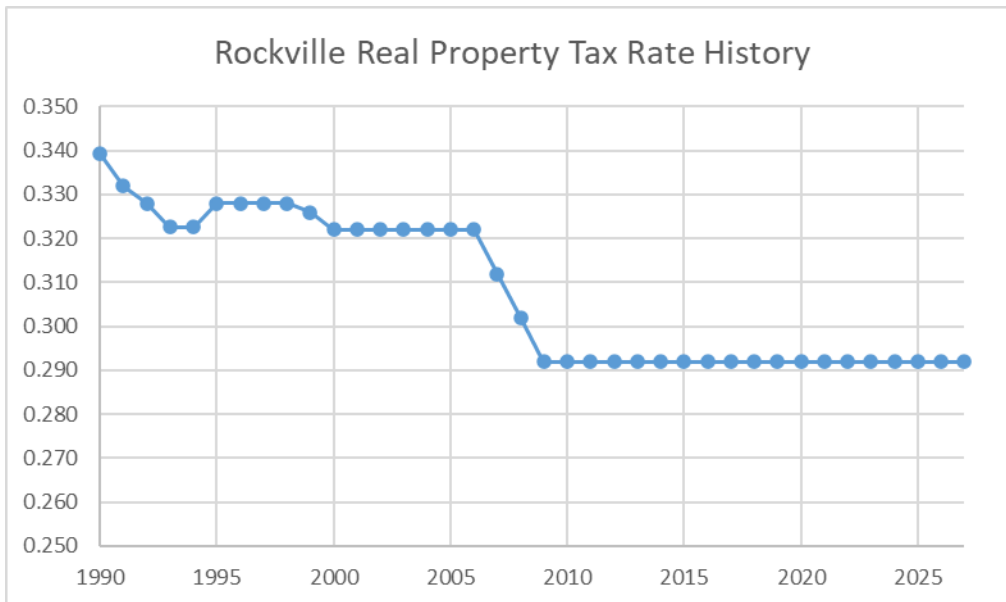
115. ◆ Are there ways we can incentivize housing and small business support by providing a discount on fees for timely/accelerated completion of housing/new business to help encourage housing and economic development?

At the direction of the Mayor and Council, staff could explore initiatives that aim to spur housing and/or economic development through fee reductions. Staff would need to evaluate whether a program could have clear objectives that could be effectively met in a way that is fiscally responsible for the city. Information from the Economic Development Strategic Plan might also inform viable strategies.

Councilmember Jackson (3/23/26 email):

116. ■ The increase we see monetarily in the City's budget from property tax assessments is due to increased assessment amounts over time and not from any proposed percentage increase, correct?

That is correct. Rockville's real property tax rate of \$0.292 per \$100 of assessed value has been held flat since FY 2009. The history of real property tax rates since 1990 is shown below.



Mayor Ashton (3/23/26 email):

117. ■ Can you please share an update on how staff is tracking the opioid settlement funding that is coming in and how it is being used? Some members of the body wanted it to be more targeted to align with the intent of the funds instead of just General Fund, and staff asked for time to reconsider this approach.

To date the city has received approximately \$626,000 in Opioid Settlement Funds. The City established an Opioid Settlement Fund program within the Special Activities Fund to appropriately account for and manage this legally restricted revenue source. Because these funds are subject to specific use requirements tied to opioid abatement and related services, they are tracked separately to ensure compliance, transparency, and proper alignment with eligible program expenditures. DHCD staff also track the outcomes of those expenditures, which are reported annually to the Maryland Office of Overdose Response (MOOR).

Funding must be aligned with the opioid settlement requirements, including Exhibit E, which outlines acceptable activities, as well as Maryland state requirements. DHCD staff are part of the Montgomery County Overdose Prevention Team and participate in meetings convened by the Maryland Office of Overdose Response designed to help local governments (subdivisions) align funding with the intent of the funds, such as MOOR's recently released Recommendations for Local Governments.

For FY26, DHCD staff have targeted funding to align with several of those recommendations, including:

- *Funding an expansion of an evidence-based positive youth development program, LYDP, that aligns with Prevention strategies that focus funding on prevention initiatives that are evidence-based and address upstream factors such as ACEs and resiliency.*
- *Funding a training collaborative with the Rockville Police Department that supports Public Safety strategies aligned with Exhibit E and recommended by MOOR.*
 - o *The sponsored training will help provide law enforcement officers with the skill to recognize and handle situations with individuals affected by Opioid Use Disorder and co-occurring substance use disorders or mental health crisis. The training also provides tools to connect individuals with the resources needed.*
- *Continuing to fund Rockville Goes Purple initiatives*

For FY27, DHCD staff anticipate continuing to fund the expansion of LYDP, the RCPD training, and Rockville Goes Purple initiatives. Staff have also recommended funding four proposed community services and enrichment grants that align with allowable Exhibit E activities and MOOR strategies with the city's received Opioid Settlement Funds:

- *Additional Mental Health Support and Education services through NAMI Montgomery County*

- *Enhanced supportive housing, social services, and case management at Jefferson House and Rockland House through Community Reach of Montgomery County*
- *The expansion of a youth development program serving Rockville High School students through Liberty's Promise*

Mayor and Council Meeting 3/23/26 Follow Up Items:

118. **◆** Status and background on Adventure Theater studio space needs:

Adventure Theater pays approximately \$15,000 per month for the 7,000 sq. ft. studio space at Wintergreen Plaza. There are conversations about reducing the space which would bring the monthly rent closer to \$6,000-\$7,000 per month (or \$100,000 per year). With the \$75,000 from the City, Adventure Theater could continue to subsidize the space for its partners. The organization has been in touch with Young Artists of America (YAA) who have recently secured a space in Rockville for a new arts hub, but that space is not expected to be ready for several more years. Adventure Theater has shared that unless circumstances change drastically, they would anticipate seeking additional rental assistance in future years until they are able to complete a new lease term (up to 5 years) and partner with YAA in their new space. The Wintergreen Plaza studios have been with ATMTC for 28 years.

119. **◆** Additional information and clarification on Peerless Rockville:

UPDATE: *Peerless Rockville has shared that the schoolhouse space that was vacated in 2020 remains vacant. According to Peerless Rockville, they had to purchase the land beneath the building that was owned by the state of Maryland. Due to state processes, final approval did not occur until fall of 2024. Since taking ownership, Peerless Rockville has utilized over \$350,000 in state, county, and private capital grants and loans to purchase the land and begin to renovate so the property can be reactivated. The first phase of demolition to meet modern early childcare facility requirements is wrapping up this spring. Peerless indicates that they are currently engaged in negotiations with two interested parties to occupy the property and notes that no city funding has been used for this work.*

City staff also reached out to inquire whether Peerless Rockville has ever been asked by a city department or staff member to digitize information on behalf of the city government. Peerless Rockville has shared that over the years they have received material from the City that Department heads, employees, council members, and others deemed important to the history and heritage of Rockville that are not required to be held for strictly legal purposes. The understanding is that Peerless will preserve, curate and make them accessible to the community. Examples include photographs from a community survey of Lincoln Park, inspection photographs from throughout the city, and a large volume of Urban Renewal records.

120. ◆ Clarification on AfriThrive grant submission scope of services:

The grant submission from AfriThrive indicates their ability to operate a Mobile Food Market in Rockville that provides fresh, culturally appropriate produce and pantry staples to low-income families. Foods are procured directly from local farms, supporting regional farmers, ensuring freshness while reinvesting in the local food economy. The market uses a choice-based, grocery-style model, allowing families to select the foods they need to promote dignity, respect, and reduce food waste. Funds will cover weekly operations, including food procurement, transportation, refrigeration, and staffing for logistics and community outreach. The grant will also support nutrition education workshops, cooking demonstrations, and culturally relevant wellness materials that encourage healthy eating and chronic disease prevention. While this nonprofit does operate a 2-acre farm that grows crops, and is involved with two community gardens, this was not within the scope of services that was proposed by this first-year grant applicant. Staff can explore opportunities for added partnerships and programming in future years.

Councilmember Jackson (3/28/26 email):

121. ◆ Did the grant committee take into account 1) the City's priorities especially with the needs of our residents, 2) the location of a nonprofit (did Rockville nonprofits get first-look), 3) did they take into account an existing relationship with nonprofits over new applications?

The panel was tasked with evaluating the community benefit and specific program measures with intended outputs and outcomes. The location of the organization was not one of the scoring criteria, however direct service to Rockville residents was among the criteria. Existing relationships were considered when a history of service levels and past performance was documented and could be indicative of anticipated outcomes going forward. The full listing of evaluation criteria is included with the electronic grants binder.

122. ◆ There is another grant category that is not included in these listings and that is the Community Empowerment Grants. I understand right now those are within the City Managers budget and a separate process, but I wonder if for transparency's sake they could not be included in the grant listing?

Consistent with prior years, the FY 2027 budget includes \$6,000 for the Community Empowerment Matching Grant program, but does not allocate this funding to specific organizations. The application and grant selection process for this program will happen during the upcoming fiscal year. This program is funded in the Department of Housing and Community Development, Community Services Division (with the Community Services and Enrichment Grants).