

JAN 14 2003



January 12, 2003

Michele Rosenfeld
 Legal Department
 M-NCPPC
 8787 Georgia Avenue
 Silver Spring, MD 20910-3760



Dear Michele:

DIRECTOR OF PARKS

The Parks Foundation is interested in assuming a more significant role in reviewing and facilitating public/private partnerships on behalf of the M-NCPPC's Montgomery County park system.

Charlie Steinbraker has recently met with me to discuss the Parks Foundation's views on these partnerships, as well as with two of our trustees, Harry Lerch and Meredith Wellington. Our Executive Committee has also met several times to discuss the framework of our proposed role and the nature of the services we believe we are ideally suited to offer.

Enclosed is a background information sheet on the Parks Foundation's role in public/private partnerships, as well as a one-page proposal providing some detail. We hope that this information will be useful to you and your public/private partnership task force in our ongoing discussions.

I will be in touch with you within the next week to ask for your feedback. Meanwhile, Please feel free to contact me at (301) 767-0002 if you have thoughts or questions.

Thanks, Michele.

Sincerely,

Ken Nicholls
 Executive Director

cc: Meredith Wellington

Enclosures/

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The Role of the Montgomery Parks Foundation in Public/Private Partnerships

The Commission created the Parks Foundation in 1992 to encourage private philanthropy in order to improve the ability of the Commission to achieve its mandate to increase the amount of parkland and to provide outstanding park facilities for the citizens of Montgomery County, and “to lessen the burdens of government.” To this end, the Foundation was asked, inter alia, to assist in the establishment of Friends Groups, and “to provide technical assistance and administrative support” to the groups “for the benefit of a particular park program or property.”

In the meantime, since the formation of the Parks Foundation, the Commission has received numerous proposals for public/private partnerships, many of which involved substantial private donations for the approved projects. The Parks Foundation has participated in some, but not all, of these projects, and there has been no set process for how or when, if ever, the Foundation will be involved.

The Commission is in the process of assessing its procedures and policy for public/private partnerships, and now is the time to examine the role of the Foundation. In January, 2001, the Foundation commissioned a study of the feasibility of its playing a major fundraising role for the Legacy Open Space program. In assessing the role of the Foundation with respect to the Commission, the consultants recommended that

The Commission can also assist in building the Foundation’s long-term viability, and consequently its benefits to the park system, by consistently using the Foundation for the receipt of charitable contributions and by proactively referring prospective donors to it. This will serve to increase the Foundation’s profile and build its identity and constituency. If this is not done, confusion and seeming competition will result in the mind of donors.

It is important that the role of the Parks Foundation be defined, so that the Foundation can assist the Commission as originally envisioned. The Parks Foundation has a specific recommendation (see attached) for its role in private/public partnerships. This recommendation brings greater certainty to the process, it has the potential to reduce the workload of the Commission on these time-consuming, but worthwhile proposals, and it offers the opportunity for greater philanthropy that will benefit the entire County, while providing necessary financial oversight and protection of the public interest.

The Foundation is a Commission-created entity that is ideally suited to the task. It needs from the Commission direction that it should be the starting point for private philanthropy for parks, and it needs clarification from the Commission as to the use of private funds on public land, so that donors may feel confident that their projects will move forward in a deliberative manner, and as free of “red tape” as possible.

Montgomery Parks Foundation
Managing Public/Private Partnerships
Key Proposal Elements 1/6/03

Project Review:

MPF to serve as the “gateway” for all donors interested in providing substantial private funding for the development of a M-NCPPC park or park facility.

MPF to determine whether or not the proposal is in conformity with an established park development plan.

If the proposal is found to be in conformity with an established plan, MPF will prepare and submit a proposal to the Montgomery County Planning Board and request project approval. The Board shall have 60 days to review the proposed project, seek staff input, and recommend any specific requirements. In the event it is neither denied nor amended within the 60 days, the project shall be considered approved.

Should MPF find that the proposal is not in conformity with an established park development plan, it may either a.) reject the proposal, b.) suggest to the donor that the proposal be amended, or c.) determine that the proposal has merit, but that prior to implementation, amendments need to be made to the established park development plan. In this event, MPF may initiate an amendment to the established park development plan and submit it to the Planning Board for review and action.

Project Implementation:

Private donors of approved projects will work with MPF to determine the most effective development path from among the following: a.) use their own corporation in cooperation with MPF; b.) have MPF serve as the primary development coordinator using professional outside contractors; c.) use Park and Planning staff services for portions of the project’s development, in coordination with MPF; or d.) use Park and Planning staff services for all planning, design, bidding, permitting, and construction. Note: the donor will be charged administrative fees for all MPF services provided for approved project plans.

Bottom Line:

Each public/private partnership project is unique, as is each donor. Realistic expectations, flexibility, and responsiveness are key factors in fostering productive working relationships between private interests and government authorities. Using the non-profit Parks Foundation as a *facilitator* of these partnerships offers development options that the M-NCPPC cannot exercise on its own. MPF should be granted clear authority to act privately for the betterment of public park facilities.

GIFT REGISTRY PRELIMINARIES

The Gift Registry (Registry) will include Planning Board approved equipment, items and projects identified by the Department's staff that meet M-NCPPC's core mission needs and which are consistent with the Department's planning and policy objectives, and standards. The cost of the equipment, items and projects, and the Department's ability to sustain the gifts will also be taken into account in the prices listed. New additions to the Registry will be presented to the Planning Board quarterly for approval.

In the event that a donor wishes to make a gift that is not included in the Registry, and/or is a time-sensitive request, the Department will consider it for appropriateness and present it timely to the Board for approval.

The attached draft lists a representative variety of current requests from staff that may be included in the Registry. The categories include the following:

- approved but unfunded CIP projects
- equipment and supplies for approved projects
- motorized equipment requiring maintenance
- capital projects such as pavilions, playgrounds, irrigation systems
- in-kind public/private partnership donations
- targeted gifts for specific parks, projects
- public/private partnerships

The Registry will be maintained as a webpage on the Department's website, and managed by the Grants Manager. The Montgomery Parks Foundation and Friends Groups may link to this webpage. The basic components will be project/item/equipment, location, brief description, and costs. We are presently reviewing whether or not the request forms (based on the format of the CIP request forms) can be in Smart Parks for ready access to all field staff. The exact format of the Registry is variable, based on how this internal database is designed and which compatible commercial fundraising software we would purchase. Until the technical details are determined, we will use a spreadsheet. The attached is an internal document.

PROPOSED WORKING RELATIONSHIP BETWEEN THE M-NCPPC THE MONTGOMERY PARKS FOUNDATION

M-NCPPC	
Montgomery Parks Foundation	
Work Program	
Expand funding base with grants from the public sector and, where eligible, from foundations; as well as gifts/sponsorships/partnerships from the private sector that do not pose a conflict of interest with M-NCPPC's mission	Expand funding base with gifts/grants from the private sector for items/projects/campaigns on or related to M-NCPPC property
Prepare Gift Registry (including Partnerships Opportunities) for Planning Board approval, to use as a structure for seeking funding	Use the Registry to structure the Foundation's fundraising work program
Set the Department's funding and partnerships goals biannually	Set Foundation funding and partnership goals (annually/biannually?), and Friends Groups fundraising
Set standards, name locations, and determine time frames and urgency for Gift Registry items/projects	Prioritize time-sensitive projects as defined by the M-NCPPC, and use given choices of locations for gifts (e.g. trees, benches, kiosks, equipment)
Consult with legal staff for M-NCPPC purchasing, procurement, acceptance of grants/donations made directly to the Department	Retain legal counsel for Foundation purchasing and procurement, and IRS requirements related to 501(c)(3)
Prepare an MOU to formalize procedures between M-NCPPC and the Foundation for fundraising for park projects, including procedures to consider donor-initiated gifts that are not included in the Registry	Collaborate on the MOU to meet 501(c)(3) requirements, and plan for financial independence from M-NCPPC and self-sustainability with all appropriate fundraising opportunities
Reporting	
Submit quarterly reports - Department to the Planning Board	Submit quarterly reports - Foundation's Executive Director to Park & Planning Director
Set monthly meetings - the Foundation's Executive Director and the Department's Grants Manager	Set monthly meetings- the Foundation's Executive Director and the Department's Grants Manager
Set annual meeting - the Planning Board and the Foundation Board	Set annual meeting - the Planning Board and the Foundation Board
Marketing	
Publicize funding needs and giving opportunities through marketing/branding	Be consistent with M-NCPPC branding in collaborative projects & campaigns
Manage Registry webpage and related links as a marketing tool for both the Department and the Foundation	Link to webpage and use relevant portions of the Registry for the Foundation's fundraising
Fundraising	
Provide professional expertise in Park & Planning, including facility design/management/operations, and oversight of M-NCPPC projects funded/donated through the Foundation	Provide fiduciary management of grants/gifts received through the Foundation, including using contractors or M-NCPPC staff, and/or buying/installing equipment, as defined in the grant.
Provide consultation, where appropriate, on grant applications submitted by the Foundation, and use MOU as the defining document for all grants/gifts	Consult with the Department's Grants Manager and related project staff, and use the MOU as the defining document for all grants/gifts
Friends Groups	
Provide consultation and guidance where appropriate	Work with Friends Groups on fundraising for M-NCPPC
Collaborate with the Foundation on some fundraisers	Organize fundraisers, using the Registry as a guide