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33-CGL. CAPITAL GRANTS AND LOANS

Recommendation: That the Board of Public Works waive the State’s right to recover \$216,516 from the San Mar Children’s Home, Inc. and allow the organization to use grant-funded real property for its general purposes, including property disposition.

Authority: Juvenile Services Facilities Capital Grant Program
Human Services Article, §§ 9-401 – 9-410
Annotated Code of Maryland

Grantee: San Mar Children’s Home, Inc.

Property: 8504 Mapleville Road [MD Route 66], Boonsboro, Washington County 21713
Liber 918 pages 113-122; Liber 3469 pages 683-87

Prior Actions:

DGS Item 51-CGL (09/21/05) (2003 MCCBL/\$ 19,388) [shelter]
DGS Item 26-CGL (12/20/06) (2003 MCCBL/\$334,819) [shelter]
DGS Item 27-CGL (06/20/07) (2003 MCCBL/\$ 34,500) [shelter]
DGS Item 36-CGL (09/01/10) (2007 MCCBL/\$ 60,000) [multipurpose center]
Total MCCBL grant funds \$448,707

Background:

The Grants. The Department of Juvenile Services granted \$388,707 in general obligation bond proceeds for the Grantee to use toward the design and construction of a shelter care facility at 8504 Mapleville Road in Boonsboro and \$60,000 for the design of a new multipurpose center at the same location.

Right of Recovery. In accordance with *Juvenile Services Facilities* law and as stated in the BPW Items, notice of the State’s right of recovery was filed in Washington County land records. State Law provides that if within 30 years after project completion, grant-funded property ceases to be a “facility,” the State may recover from the grantee an amount bearing the same ratio to the current value of the property as the amount of the State participation bore to the eligible cost of the project. Human Services Article, § 9-406.

33-CGL. CAPITAL GRANTS AND LOANS (cont'd)

Background:

Facility Closes. After Grantee constructed the shelter care facility, DJS's need for residential care facilities substantially decreased. DJS has markedly reduced the number of youth in residential placement by using more effective methods that enable youth to remain home with their families while being rehabilitated. Due to the decrease in placements and financial pressures, Grantee terminated operations at the shelter care facility which formally closed on June 30, 2016.

Waiver. Under the *Juvenile Services Facilities* law, because the facility closed before 30 years passed, the State has the right to recover \$ 216,516 from the Grantee. However, the Board of Public Works may waive that right for good cause. Human Services Article, § 9-406.

San Mar, founded in 1873 as the Washington County Orphans Home, moved in 1927 to its current Boonsboro location and began developing a continuum of services for abused, neglected, and delinquent youth. For many years, Grantee provided gender-specific structured group placement for girls who did not require confinement to a locked facility but who were for various reasons unable to live at home. Residents were afforded opportunities to attend school and take part in recreational activities and community outings as their behavior permitted. By using San Mar at the beginning of this century for some girls, DJS had more room in locked facilities for girls who required a higher level of supervision. San Mar responded to DJS's needs at the time by expanding their program to include shorter term shelter care stays for girls. Neither San Mar nor DJS anticipated that the need to serve girls outside their homes and communities would diminish dramatically. San Mar must restructure and continue its nearly century and a half commitment to providing services to the children most in need without the constraints imposed by the grant requirements.

Based on the circumstances, including the services that Grantee rendered to the State's most vulnerable children coupled with its willingness to build and create programming that was needed at the time but is now no longer sustainable, DJS recommends that the Board waive Grantee's obligation to reimburse the State and allow Grantee to use the property at 8504 Mapleville Road, Boonsboro for programming unrelated to juvenile services or any other purpose including disposition.

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION