

ZA00N
Miscellaneous Grant Programs

National Children's Museum (Prince George's County)

General Obligation Bonds **\$5,000,000** **Recommendation: Reduce by \$2,500,000**
Nonbudgeted **\$5,000,000**

Bill Text: Provide a grant to the Board of Directors of the National Children's Museum, Inc. for the acquisition, design, construction, and capital equipping of the new National Children's Museum in Oxon Hill, Maryland, subject to the requirement that the grantee provide an equal and matching fund for this purpose. Notwithstanding the provisions of Section 1(5) of this Act, the matching fund may consist of funds expended prior to the effective date of this Act.

Program Description: Design and construct a new National Children's Museum located at the National Harbor development that will replace an existing museum in Washington, DC.

Prior Authorization and Capital Improvement Program

Authorization Uses
(\$ in Millions)

<i>Fund Uses</i>	<i>Prior Authorization</i>	<i>2011 Allowance</i>	<i>2012 Estimate</i>	<i>2013 Estimate</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>
Acquisition	\$16.400	\$1.000	\$0.850	\$0.500	\$0.000	\$0.000
Planning	9.150	2.000	0.750	1.700	2.450	0.650
Construction	1.750	7.000	10.400	16.675	20.000	22.000
Equipment	0.000	0.000	0.000	1.600	0.000	1.500
Total	\$27.300	\$10.000	\$12.000	\$20.475	\$22.450	\$24.150

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**Authorization Sources
(\$ in Millions)**

<i>Fund Sources</i>	<i>Prior Authorization</i>	<i>2011 Allowance</i>	<i>2012 Estimate</i>	<i>2013 Estimate</i>	<i>2014 Estimate</i>	<i>2015 Estimate</i>
GO Bond	\$7.000	\$5.000	\$3.000	\$3.000	\$0.000	\$0.000
Nonbudgeted	20.300	5.000	9.000	17.475	22.450	24.150
Total	\$27.300	\$10.000	\$12.000	\$20.475	\$22.450	\$24.150

Program Analysis and Performance

A National Children’s Museum was previously located near Union Station in Washington, DC. The previous facility experienced significant structural, plumbing, and electric system problems. Due to the cost of the repairs, the museum closed in August 2004.

The new facility for the National Children’s Museum is planned to be a 150,000 gross square foot building located at the National Harbor in Oxon Hill. The plans call for a variety of interactive exhibits and educational programs for children. The museum will have capacity to accommodate 600,000 visitors annually after an expected opening date in early 2013. Construction is expected to begin in January 2011.

The 2010 *Capital Improvement Program* (CIP) calls for a total State commitment of \$18.0 million and a matching commitment of \$98.4 million. Within that matching commitment are funds provided by local government, private donations, federal funds, and proceeds from the sale of the previous museum facility in Washington, DC. Also included in the matching funds total is the land value of the new facility (\$15.6 million) and \$6.0 million in other funds. The State commitment has not changed from the previous year’s CIP. However, the total capital cost of the project has declined because some costs have been excluded as capital eligible. Additionally, the project is now structured in two phases. Phase I will construct 61,000 gross square feet of space with completion projected for 2013. Phase II will construct 89,000 gross square feet of space with completion projected for 2015. The State’s commitment ends in fiscal 2013.

Previous funds included \$2.0 million in general obligation funds and \$2.0 million in matching funds provided in fiscal 2009. Also, \$5.0 million in general obligation funds were provided in 2010. The expected cost of the land is \$15.6 million. Funds scheduled for fiscal 2011 will be used for construction purposes.

It should also be noted that the National Harbor has announced that the Walt Disney Company will build a resort hotel near the museum site. The museum expects that many guests of the hotel will visit the museum.

Recommended Actions

ZA00N National Children’s Museum..... \$ 2,500,000

Allowance
5,000,000

Change
-2,500,000

Authorization
2,500,000

Explanation: This action would reduce the general obligation bond amount for the National Children’s Museum. The total costs for the project have been significantly scaled back from the prior year estimates because some costs have been excluded as capital eligible. However, the total State participation remains at \$18.0 million in the Capital Improvement Program. This action would proportionately reduce the State share to a \$14.5 million total State commitment. Given that \$7.0 million has already been provided for the project, funding should be set at \$2.5 million for fiscal 2011, 2012, and 2013.

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