

**TESTIMONY ON BEHALF OF COUNTY EXECUTIVE MARC ELRICH
IN SUPPORT OF THE SPECIAL APPROPRIATION FOR THE
MONTGOMERY COUNTY CONFERENCE CENTER NON-DEPARTMENTAL
ACCOUNT**

Good afternoon, I am Tina Benjamin, Manager of the Business Advancement Team in the Office of the County Executive. I am here today testifying on behalf of County Executive Elrich in support of the \$1.5M Special Appropriation for the Montgomery County Conference Center Non-Departmental Account, which is needed to support the facility's operations through the remainder of 2020. These funds will provide for nominal essential operating expenses for the Conference Center until it can reopen, return to profitability and resume contributing its net profits back to the County's General Fund.

The Conference Center is owned by Montgomery County and the State of Maryland and is managed on our behalf through a contractual agreement with Marriott Hotel Services, Inc. While the facility is jointly owned by the County and the State, the County has sole responsibility for the operating profits and losses of the establishment, which for the past 15 years has proven to be lucrative. Since opening in 2004, the Conference Center has generated over \$23 million for the County's General Fund, turning a profit every year since 2005. The facility has also taken care of all its short- and long-term expenses within its operating and capital budgets, and in many ways operates as an enterprise fund.

Everything was going smoothly for the facility, and then the pandemic hit. The Conference Center has been closed since April 6th of this year, due to the cancellation of all group business through the summer, cancellations which are continuing into the Fall. Marriott – acting on our behalf and with our ongoing input – has reduced expenses from a monthly average

of \$330,000 to approximately \$75,000, as all non-essential operating expenses have been suspended.

We are requesting this Special Appropriation to provide for an infusion of working capital to cover minimal expenses for a continued worst-case scenario through the end of the calendar year. On behalf of County Executive Elrich, I appreciate your time and attention of this matter, and request that you support this Special Appropriation.