



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

Richard S. Madaleno
Chief Administrative Officer

MEMORANDUM

November 6, 2025

TO: Chris Cihlar, Director
Office of Legislative Oversight

FROM: Richard S. Madaleno, Chief Administrative Officer *BSM*

SUBJECT: Draft OLO Report 2025-13: *Investing in the Arts: How County Government Funds Cultural Organizations and Public Arts Venues*

Thank you for the opportunity to comment on the Office of Legislative Oversight's (OLO) Draft Report 2025-13: *Investing in the Arts: How County Government Funds Cultural Organizations and Public Arts Venues*.

We appreciate the comprehensive analysis performed by OLO staff. Montgomery County government has a well-deserved reputation for support of art in all its forms. This support is demonstrated by the numerous County-owned arts venues operated by non-profit organizations providing public access to art in all its forms of expression. These venues have been created over decades and under various circumstances, often as part of economic development, as well as fulfilling needs and interests expressed by county residents. This is accomplished by dedicated staff who I want to acknowledge and appreciate their input to help OLO produce this report.

The draft report includes the following recommendations.

Recommendation #1: Request the County Executive to strengthen performance evaluation and oversight for County-funded contracts with arts organizations, particularly those providing general operating support.

CAO Response: We agree that the terms and scope of non-competitive contracts need to be strengthened, and we are currently working with contract monitoring departments to accomplish this goal.

Recommendation #2: Require that the County’s Department of General Services (DGS) improve oversight, communication, and transparency in the management of County-owned arts facilities by implementing regular lease reviews, clarifying responsibilities, designating County liaisons, and providing detailed information on in-kind support.

CAO Response: We agree that there is a need to improve oversight, communication, and transparency in the management of County- owned arts facilities. If there is an expectation that the entity in county-owned space provides services to the county or public, those terms and conditions should be established within a contract for services or grant agreement, not a lease or license. County contracts for services customarily provide a designated liaison, regular check-ins and tracking of performance metrics and in-kind contributions, etc. The contract or grant agreement should be coupled with the real estate license. The license should establish the terms and conditions for using space and outlining each parties’ responsibilities as it relates to the space specifically (i.e. utilities, building maintenance, etc.).

Recommendation #3: Recommend that the County Executive revisit and clarify the County’s utility policy to ensure consistent application across all nonprofit arts and humanities organizations operating in County-owned facilities.

CAO Response: We agree that consistency across the portfolio is prudent. However, it is important to distinguish the three named entities occupying space in the McGee Library from the rest of the arts portfolio discussed in the report. The three tenants in the library are lessees and do not have service contracts with the County. Each is simply a tenant. The tenants pay their *pro rata* share of County operating expenses i.e. maintenance and utilities as ‘rent’. Other entities mentioned in this report have service contracts with the County where services are provided for compensation including use of county-owned buildings.

Thank you for providing a thorough review of this important issue. We look forward to discussing these items at the Council work session.

RM/dd

cc: Fariba Kassiri, Deputy Chief Administrative Officer, Office of the County Executive
Luisa Cardona, Assistant Chief Administrative Officer, Office of the County Executive
Tricia Swanson, Director of Strategic Partnerships, Office of the County Executive
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