

OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850Isiah Leggett  
County Executive

## M E M O R A N D U M

February 2, 2010

TO: Nancy Floreen, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Amendment to the FY09-14 Capital Improvements Program and Supplemental Appropriation #9-S10-CMCG-1 to the FY10 Capital Budget  
Montgomery County Government  
Department of Transportation  
Silver Spring Lot 16 Parking Garage (No. 501004), \$2,592,000

I am recommending a supplemental appropriation to the FY10 Capital Budget and amendment to the FY09-14 Capital Improvements Program in the amount of \$2,592,000 for Silver Spring Lot 16 Parking Garage (No. 501004). Appropriation for this project will fund the County's cost for developer design and construction of an underground public parking garage in accordance with a General Development Agreement (GDA) to support parking needs in the Silver Spring area.

This amendment is required to allow the County to close on the sale of Public Parking Lot 16 in accordance with an executed General Development Agreement. Under the agreement, the developer is obligated to build a parking garage in accordance with certain County standards and transfer the ownership of the garage to the County under a condominium regime on a turn key basis. The County is obligated to transfer the ownership of the County land to the developer and pay an additional fixed price for the condominium. Under the conditions precedent to closing, the County must first obtain all required County approvals. Appropriation of the funds for the fixed price of the condominium is one of the required County approvals. The recommended amendment is consistent with the criteria for amending the CIP because the project offers a significant opportunity, which will be lost if not taken at this time. The General Development Agreement provides for the redevelopment of the area through a mixed use private project providing street front retail and residential uses, including affordable housing, while providing a timely and necessary increase in the availability of County operated public parking.

Nancy Floreen  
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I recommend that the County Council approve this supplemental appropriation and amendment to the FY09-14 Capital Improvements Program in the amount of \$2,592,000 and specify the source of funds as Silver Spring Parking Lot District Current Revenue.

I appreciate your prompt consideration of this action.

Attachment: Amendment to the FY09-14 Capital Improvements Program and Supplemental Appropriation #9-S10-CMCG-1

cc: Joseph Beach, Director, the Office of Management and Budget  
Richard Nelson, Director, Department of Housing and Community Affairs  
Arthur Holmes, Jr., Director, Department of Transportation

## Silver Spring Lot 16 Parking Garage -- No. 501004

Category  
Subcategory  
Administering Agency  
Planning Area

Transportation  
Parking  
Transportation  
Silver Spring

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

January 20, 2010  
No  
None.  
Final Design Stage

### EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY08	Rem. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	240	0	0	240	0	40	120	80	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	2,352	0	0	2,352	0	0	1,176	1,176	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,592</b>	<b>0</b>	<b>0</b>	<b>2,592</b>	<b>0</b>	<b>40</b>	<b>1,296</b>	<b>1,256</b>	<b>0</b>	<b>0</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

Current Revenue: Parking - Silver Spring	2,592	0	0	2,592	0	40	1,296	1,256	0	0	0
<b>Total</b>	<b>2,592</b>	<b>0</b>	<b>0</b>	<b>2,592</b>	<b>0</b>	<b>40</b>	<b>1,296</b>	<b>1,256</b>	<b>0</b>	<b>0</b>	<b>0</b>

### OPERATING BUDGET IMPACT (\$000)

Maintenance				44	0	0	0	8	18	18
Energy				49	0	0	0	9	20	20
Program-Other				137	0	0	0	27	55	55
Offset Revenue				-158	0	0	0	-30	-64	-64
<b>Net Impact</b>				<b>72</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>29</b>	<b>29</b>

#### DESCRIPTION

This project provides for an underground, 160 space, public parking garage on the current site of Public Parking Lot #16 in Silver Spring. The underground, public parking garage will be designed and constructed by a private development partner the County selected through a competitive, Request For Proposal (RFP) process. The County has completed a General Development Agreement (GDA) that obligates the developer to design and construct the public garage and title it to the County as a condominium on a turn key basis at a fixed price. The value of the County land is credited against the design and construction costs of the County garage. This PDF represents the entire cost to the County for the facility (net of the value of land). The private development has received Project and Site Plan approval.

#### CAPACITY

The underground, public parking garage will consist of 160 County owned and operated public parking spaces.

#### JUSTIFICATION

Public Parking Lot #16 is being redeveloped in accordance with the Silver Spring Sector plan. Based on analysis conducted by the Division of Parking Management, the project public parking garage is appropriately sized to meet the needs of the planned private redevelopment project and the current parking needs of the service area. Mandatory Referral to M-NCPPC for the County's underground, public parking garage has been completed.

#### OTHER

A pedestrian impact analysis has been completed for this project.

#### FISCAL NOTE

Value of land transferred to developer of \$1,278,000 to be credited against construction cost. County to pay an additional \$2,592,000 which brings the total garage value to \$3,870,000.

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP												
<table border="1"> <tr> <td>Date First Appropriation</td> <td>FY09</td> <td>(\$000)</td> </tr> <tr> <td>First Cost Estimate</td> <td></td> <td></td> </tr> <tr> <td>Current Scope</td> <td>FY10</td> <td>2,592</td> </tr> <tr> <td>Last FY's Cost Estimate</td> <td></td> <td>0</td> </tr> </table>	Date First Appropriation	FY09	(\$000)	First Cost Estimate			Current Scope	FY10	2,592	Last FY's Cost Estimate		0	M-NCPPC Silver Spring Urban District Silver Spring Regional Services Center Silver Spring Chamber of Commerce United RST, L.L.C.	See Map on Next Page
Date First Appropriation	FY09	(\$000)												
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Current Scope	FY10	2,592												
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<table border="1"> <tr> <td>Appropriation Request</td> <td>FY10</td> <td>0</td> </tr> <tr> <td>Supplemental Appropriation Request</td> <td></td> <td>2,592</td> </tr> <tr> <td>Transfer</td> <td></td> <td>0</td> </tr> </table>	Appropriation Request	FY10	0	Supplemental Appropriation Request		2,592	Transfer		0					
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Resolution: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY09-14 Capital Improvements Program and  
Supplemental Appropriation #9-S10-CMCG-1 to the FY10 Capital Budget  
Montgomery County Government  
Department of Transportation  
Silver Spring Lot 16 Parking Garage (No. 501004), \$2,592,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

Project Name	Project Number	Cost Element	Amount	Source of Funds
Silver Spring Lot 16 Parking Garage	501004	PDS	\$240,000	
		Construction	<u>\$2,352,000</u>	
TOTAL			\$2,592,000	Sil.Spg. PLD Current Revenue

4. This amendment is required to allow the County to close on the sale of Public Parking Lot 16 in accordance with an executed General Development Agreement. Under the agreement, the developer is obligated to build a parking garage in accordance with certain County standards and transfer the ownership of the garage to the County under a condominium regime on a turn key basis. The County is obligated to transfer the ownership of the County land to the developer and pay an additional fixed price for the condominium. Under the conditions precedent to closing, the County must first obtain all required County approvals. Appropriation of the funds for the fixed price of the condominium is one of the required County approvals. The recommended amendment is consistent with the criteria for amending the CIP because the project offers a significant opportunity, which will be lost if not taken at this time. The General Development Agreement provides for the redevelopment of the area through a mixed use private project providing street front retail and residential uses, including affordable housing, while providing a timely and necessary increase in the availability of County operated public parking.

The County Executive recommends an amendment to the FY09-14 Capital Improvements Program and a supplemental appropriation in the amount of \$2,592,000 for Silver Spring Lot 16 Parking Garage (No. 501004), and specifies that the source of funds will be Silver Spring Parking Lot District Current Revenue.

5. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY09-14 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Silver Spring Lot 16 Parking Garage	501004	PDS Construction	\$240,000 \$2,352,000	
TOTAL			\$2,592,000	Sil.Spg. PLD Current Revenue

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council



## SUPPLEMENTAL OR SPECIAL APPROPRIATION REQUEST SUMMARY

**1. Please fill in the following table:**

Agency	Montgomery County Government
Department	Transportation
Fund (County Government only)	CIP
Fiscal year	FY10
Supplemental or Special	Supplemental

**2. What is the amount and source of funding?**

Source of funding (Please list sources)	Amount
Silver Spring Parking Lot District Current Revenue	\$2,592,000
Total request	\$2,592,000

**3. Please explain why you did not request this during the annual budget process.**

The developer has previously amended the General Development Agreement to extend the original closing date based on an inability to obtaining financing in the current credit environment. Based on our understanding of the credit environment, we had planned to submit the project for approval in the FY11-16 Capital Improvements Program cycle. Recently, the developer informed us that he had been able to obtain special financing involving tax credits through the County Department of Housing and Community Affairs and requested to schedule the property closing on March 1, 2010.