Resolution No.: 18-729

Introduced:

February 28, 2017

Adopted: February 28, 2017

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

SUBJECT: Extend the Time for Council Action for Approval of Declaration of No

Further Need: Disposition of 9975 Medical Center Drive, Treatment and

Learning Center (TLC)

Background

- 1. Montgomery County Code §11B-45 requires the Council to approve a Declaration of No Further Need before the County Executive can dispose of real property that has more than nominal value. Prior to seeking Council approval of a Declaration of No Further Need, the Executive must:
 - (a) submit all material terms of the proposed disposition and any appraisal the Executive relied on in setting the property's market value to the Council; and
 - (b) publish a declaration in the County Register and post a notice on the County website that the County has no further need for the property.

The Council must act on the Declaration of No Further Need within 60 days of receiving the Declaration or it is automatically approved. The Council may extend the 60-day deadline by resolution if the Council President has informed the Executive, within 30 days of receiving the proposed action, that the Council has not received all information necessary to review the proposed action.

2. On November 28, 2016, the Executive submitted a summary of the material terms for the disposition of a 4.3-acre parcel of County-owned land at 9975 Medical Center Drive to Treatment and Learning Center (TLC). TLC has leased the parcel since 1987. The Executive recommends conveying the land to TLC in consideration of TLC's prepaid lease. The Executive requested that the Council waive the requirement for a full market value transaction noting the value of unreimbursed services to Montgomery County residents, TLC's improvements to the property, and parity with other leases in the Shady Grove Life Sciences Center. The material terms also require TLC to continue to use the property for educational purposes for 10 years, followed by a 10-year period of profit sharing with the County.

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3. On January 9, 2017, the Council received Executive Order 180-16, Disposition of 9975 Medical Center Drive, Rockville, Maryland. This is the County Executive's Declaration of No Further Need.

- 4. On January 25, 2017 the Council President informed the County Executive that the Council may need to extend the time for consideration.
- 5. The Government Operations and Fiscal Policy (GO) Committee held a worksession on February 16, 2017 and considered questions from Council staff regarding the property's proximity to the planned Corridor Cities Transitway, the economic terms of the existing lease, the desire to have TLC continue to provide services to County residents, and whether an amended lease could serve the needs of TLC and the County. The GO Committee recommended the Council extend the time for action to allow additional work on potential changes to the material terms.

Action

The County Council for Montgomery County, Maryland approved the following resolution:

The time for Council action on the Declaration of No Further Need contained in Executive Order 180-16, Disposition of 9975 Medical Center Drive, Rockville, Maryland, is extended to December 31, 2017.

This is a correct copy of Council action.

Sinda M. Laver

Linda M. Lauer, Clerk of the Council