



Economic Development

PROGRAM DESCRIPTION AND OBJECTIVES

The objectives of this program are to:

- Develop the necessary infrastructure and amenities to facilitate expansion of the County's technology and other business sectors with high growth potential;
- Develop business incubators to foster the growth of start-up technology companies in the County; and
- Facilitate public-private partnerships to maintain and attract major County employers and to revitalize targeted central business districts and other strategic locations in the County.

HIGHLIGHTS

- Complete construction of a parking garage and related site modifications at the Universities at Shady Grove (USG)/University of Maryland System Campus. The County's commitment to fund the garage and grounds modifications leverages state aid for the construction of a new Biomedical Sciences/Engineering Education (BSE) academic building.
- Construction of the Wheaton Redevelopment office building and town square started in June 2017. The project remains on-schedule with a scheduled completion date of April 2020. Excavation for the office building and garage foundations is scheduled to be completed in January 2018.
- Provide funding to leverage State resources for the retention and expansion of the global headquarters of Marriott International Inc. in Montgomery County.
- Complete construction of the Conference Center Garage by Summer 2018.
- Provide marketing and technical assistance to local businesses impacted by construction of the Purple Line in the Long Branch Sector Plan Area.
- Continue funding for planning, design and public infrastructure associated with the redevelopment of the White Oak Science Gateway Master Plan.
- Continue funding for plans, studies, analysis, and development coordination activities by the County necessary to implement redevelopment in the White Flint Sector Plan Area.

WHEATON REDEVELOPMENT

The Wheaton Redevelopment Program capital investment objectives are to aid in the redevelopment and revitalization of the downtown Central Business District by providing, in partnership with private development interests: infrastructure improvements designed to support private development; strategic acquisition of local properties to provide better linkages; public amenities and facilities at redevelopment sites; green space/public activity and/or entertainment space; public parking to support increased development activity; infrastructure improvements, such as unified public streetscape; and facade and other enhancements to deteriorating building structures.

The County Executive is committed to ensuring that the local community is fully involved and that private development plans are fully coordinated with all pertinent governmental functions. Thus, the County Executive has tasked the Department of Transportation (DOT), through its Division of Parking Management, with administering the Wheaton Redevelopment Program. Through DOT, the Executive-appointed Wheaton Redevelopment Advisory Committee, and the Mid-County Regional Services Center, the Executive ensures that citizens and businesses have an active voice in a well-coordinated review of new projects and in making recommendations to the County Executive.

Program Contacts

Contact Jose Thommana of the Department of Transportation at 240.777.8732 or Pofen Salem of the Office of Management and Budget at 240.777.2773 for more information regarding this capital budget project.

Capital Program Review

One ongoing project is recommended for FY19-24: Wheaton Redevelopment Program which provides funding to support public/private development projects, including private residential and/or commercial development, a new headquarters for the Maryland-National Capital Park and Planning Commission (M-NCPPC), offices for the Wheaton Regional Services Center and other County agencies, a town square, and public parking. The building will have a geothermal heating and cooling system which is likely to result in LEED Platinum certification for the office building. The FY19-24 total for the Wheaton Redevelopment Program is \$179.42 million.

Construction started in June 2017 with a scheduled completion date of April 2020. The project is on-schedule with excavation scheduled to finish in January 2018. This project is critical to the County's economic development goals and the long-term economic vitality of Wheaton.

WHITE FLINT REDEVELOPMENT

In 2010, the Montgomery County Council approved the new White Flint Sector Plan. The Plan establishes a vision for transforming what has been an auto-oriented suburban development pattern into a denser, mixed-use "urban" center in which people can walk to work, shops, and transit. The Plan also calls for a financing mechanism that would generate significant revenues from properties and developments within the Sector Plan Area. The County Council further defined this financing mechanism in Bill 50-10, which establishes a White Flint Special Taxing District.

In addition to the financing implementation, specialized services are required for the complex land assemblage and disposition actions associated with implementation of Stage I. Staff time and services are required to manage and coordinate efforts to develop detailed staging plans, to assess opportunities to maximize property dedications, and to negotiate property dedications to avoid or minimize acquisition costs.

Program Contacts

Contact Dee Metz of the Office of the County Executive at 240.777.2510, or Alison Dollar of the Office of Management and Budget at 240.777.2769 for more information regarding this capital budget project.

Capital Program Review

One ongoing project is recommended for FY19-24: White Flint Redevelopment Program which provides for the plans, studies, analysis, and development coordination activities by the County necessary to implement redevelopment in the White Flint Sector Plan Area. The total FY19-24 funding for this project is \$3.26 million.

Related and complementary projects, White Flint District East: Transportation, White Flint District West: Transportation, and White Flint West Workaround, are described in the Transportation section. The Conference Center Garage is slated for completion of construction in FY18.

WHITE OAK SCIENCE GATEWAY REDEVELOPMENT

In 2014, the Montgomery County Council approved the new White Oak Science Gateway Master Plan. The Plan establishes a vision for transforming what has been an industrial area into a denser, mixed-use commercial and residential center in which people can walk to work, shops, and transit. The County's initiative includes using both County-owned property (Site II) and privately-owned property as a public-private partnership and leveraging existing relationships with the adjacent Food and Drug Administration (FDA) campus to advance development activities in the Master Plan.

Specialized services are required for the complex land assemblage and disposition actions associated with implementation of development requirements. Staff time and services are required to manage and coordinate efforts to develop detailed plans, manage demolition and clean-up activities, design infrastructure, and to negotiate transactions with the development partner. This project includes funds to assist with the construction of master-planned roads (A-105, B-5, and improvements to FDA Boulevard), the demolition of existing structures and site clearing activities, and the staff time to coordinate all these activities.

Program Contacts

Contact Pete Fosselman of the Office of County Executive at 240.777.8416, Greg Ossont of the Department of General Services at 240.777.6192, or Alison Dollar of the Office of Management and Budget at 240.777.2769, for more information regarding this capital budget project.

Capital Program Review

One ongoing project is recommended for FY19-24: White Oak Science Gateway Redevelopment Project which provides for public infrastructure as well as the plans, studies, analysis, and development coordination activities by the County necessary to implement redevelopment in the White Oak Science Gateway Master Plan Area. The FY19-24 total for this project is \$46.12 million.

A related and complementary ongoing project, White Oak Science Gateway Infrastructure Development is described in the Transportation section on the Office Of Management and Budget's website <https://apps.montgomerycountymd.gov/BASISCAPITAL/Common/Project.aspx?ID=P501540&CID=3&SCID=9>

BUSINESS DEVELOPMENT

The Business Development Capital Program, formerly administered by the Montgomery County Department of Economic Development, is administered by the Office of the County Executive. The objectives of this program are to:

- Provide attractive, well-coordinated improvements for key industry sectors; and
- Expand the educational and research resources available for Montgomery County residents, employers, and workforce.

Program Contacts

Contact Tina Benjamin of the Office of the County Executive at 240.777.2006 or Pofen Salem of the Office of Management and Budget at 240.777.2773 for more information regarding this capital budget project.

Capital Program Review

One ongoing project is recommended for FY19-24: Marriott International Headquarters and Hotel Project which provides funding for the retention of Marriott International Inc.'s new \$500 million headquarters facility in Montgomery County. The County's commitment leverages State funding to retain and expand the global headquarters of Marriott International Inc. in the County to construct a new 700,000 square foot Class A office building and a new hotel in the downtown Bethesda area. The County's investment will not only be recouped directly from the incremental real and personal property tax generated from the project, but also above and beyond direct and indirect economic impacts that Marriott International Inc. creates in the State of Maryland.

In FY19, the first \$5.5 million payment will be disbursed for this \$22 million project.

LONG BRANCH REDEVELOPMENT

The Long Branch Redevelopment Program is an initiative to aid in the revitalization of the Long Branch community of Silver Spring through planning and infrastructure assistance. The construction of the Purple Line will influence the development potential of the sector plan area on both a short- and long-term basis. Two Purple Line stations are planned in Long Branch - one on Arliss Street, just to the north of Piney Branch Road, and the other on University Boulevard, just south of its intersection with Piney Branch Road. As

such, efforts are needed to help ensure that the multitude of businesses in Long Branch can prosper during the construction of the Purple Line, and just as importantly, after it is operational.

In order to minimize any disruption that may affect the Long Branch business community, a multi-prong approach will be implemented through: 1) marketing assistance that highlights the availability and presence of existing businesses during construction; 2) training, available to all businesses along the Purple Line, that will focus on adjusting to a new marketplace and developing business opportunities during construction; 3) signage that will direct patrons to shops, restaurants and available parking; and 4) technical assistance designed to strengthen existing companies.

This strategy is consistent with the Purple Line Corridor Community Development Agreement's goal to help locally established businesses prosper both during and after the construction period and to minimize disruptions during construction.

■ Program Contacts

Contact Judith Stephenson of the Office of County Executive at 240.777.2012 or Pofen Salem of the Office of Management and Budget at 240.777.2773 for more information regarding this capital budget project.

■ Capital Program Review

The total FY19-24 funding for this project is \$300,000, which is the same amount approved in the FY17-22 CIP.



Long Branch Town Center Redevelopment (P150700)

Category	General Government	Date Last Modified	01/04/18
SubCategory	Economic Development	Administering Agency	County Executive
Planning Area	Silver Spring and Vicinity	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	300	-	75	225	225	-	-	-	-	-	-
TOTAL EXPENDITURES	300	-	75	225	225	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Current Revenue: General	300	-	75	225	225	-	-	-	-	-	-
TOTAL FUNDING SOURCES	300	-	75	225	225	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	-	Year First Appropriation	FY15
Appropriation FY 20 Request	-	Last FY's Cost Estimate	300
Cumulative Appropriation	300		
Expenditure / Encumbrances	-		
Unencumbered Balance	300		

Project Description

This project provides for planning needed to support redevelopment in the Long Branch Sector Plan area. The construction of the Purple Line will influence the development potential of the sector plan area on both a short- and long-term basis. Two Purple Line stations are planned in Long Branch - one on Arliss Street, just to the north of Piney Branch Road, and the other on University Boulevard, just south of its intersection with Piney Branch Road. The County will coordinate through a multi-departmental approach that will include the Office of County Executive, Department of Transportation, Department of Housing and Community Affairs and the Silver Spring Regional Service Center. Activities will also be planned in partnership with the Maryland Transit Administration (MTA), property owners and businesses in this sector plan area with input from the surrounding community. The State will have the primary responsibility for coordinating efforts to mitigate impacts of the Purple Line in Long Branch. As such, efforts are needed to help ensure that the multitude of businesses in Long Branch can prosper during the construction of the Purple Line, and just as importantly, after it is operational. In order to minimize any disruption that may affect the Long Branch business community, a multi-prong approach will be implemented through: 1) marketing assistance that highlights the availability and presence of existing businesses during construction; 2) training, available to all businesses along the Purple Line, that will focus on adjusting to a new marketplace and developing business opportunities during construction; 3) signage that will direct patrons to shops, restaurants and available parking; and 4) technical assistance designed to strengthen

existing companies. This strategy is consistent with the Purple Line Corridor Community Development Agreement's goal to help locally established businesses prosper both during and after the construction period and to minimize disruptions during construction.

Location

Long Branch Sector Plan area, Silver Spring, Maryland.

Estimated Schedule

The provision of marketing and technical assistance to local businesses impacted by construction of the Purple Line will be undertaken in FY18 and FY19.

Project Justification

The Long Branch community is a very diverse, high density multi-ethnic community. It has been designated as a revitalization area by the County and as an Enterprise Zone by the State of Maryland. The project objective would be to minimize any disruption that may affect the Long Branch business community during construction of the Purple Line, as well as help locally established businesses prosper during and after the construction period.

Fiscal Note

Expenditures are realigned to support the County Executive's initiative to aid in the revitalization of the Long Branch community now that the Purple Line project is proceeding.

Coordination

The Office of the County Executive, Department of Housing and Community Affairs, Department of Transportation, Maryland Transit Administration, Maryland State Highway Administration, Purple Line Transit Partners, Long Branch Advisory Committee, Long Branch Business League, and Montgomery Housing Partnership.



Marriott International Headquarters and Hotel Project

(P361703)

Category	General Government	Date Last Modified	01/04/18
SubCategory	Economic Development	Administering Agency	County Executive
Planning Area	Bethesda-Chevy Chase and Vicinity	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Other	22,000	-	-	22,000	5,500	5,500	5,500	5,500	-	-	-
TOTAL EXPENDITURES	22,000	-	-	22,000	5,500	5,500	5,500	5,500	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Current Revenue: Economic Development Fund	11,000	-	-	11,000	-	-	5,500	5,500	-	-	-
Recordation Tax Premium (MCG)	11,000	-	-	11,000	5,500	5,500	-	-	-	-	-
TOTAL FUNDING SOURCES	22,000	-	-	22,000	5,500	5,500	5,500	5,500	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	-	Year First Appropriation	
Appropriation FY 20 Request	-	Last FY's Cost Estimate	22,000
Cumulative Appropriation	11,000		
Expenditure / Encumbrances	-		
Unencumbered Balance	11,000		

Project Description

This grant provides for the retention of Marriott International Inc.'s new \$500 million headquarters facility in Montgomery County. The facility will be approximately 700,000 square feet in size and include an adjacent Marriott brand hotel. The headquarters building will house upwards of 3,250 permanent full-time employees and equivalent contract workers, as well as 250 part-time workers and equivalent contract workers.

Location

7730 Wisconsin Avenue, Bethesda.

Estimated Schedule

Facility to be delivered in late 2022.

Project Justification

The County and the State have a unique economic development opportunity to retain the global headquarters of Marriott International Inc. (currently ranked 221 on the Fortune 500 Company list) and its 3,500 employees in the County, and to also induce approximately \$500 million in capital investment from the project to construct a new 700,000 square feet Class A office building and a new hotel in the downtown Bethesda area. The grant made to Marriott International Inc., will be recouped directly from the incremental real and personal property tax generated from the project in less than seven years, above and beyond the \$1.2 billion in direct and indirect economic impacts that Marriott International Inc. creates in the State of Maryland.

Fiscal Note

The State of Maryland will contribute \$22 million towards this project. The State's contribution will be made directly to Marriott International Inc. The terms of the Marriott agreement require appropriation of \$11 million in FY17 but annual payments will not begin until FY19. The source of funds may be revised in the future. Currently, the funding sources are assumed to be Recordation Tax Premium and the Economic Development Fund.

Coordination

Department of Transportation, Department of Permitting Services, Department of Finance, Maryland Department of Commerce, and Maryland State Highway Administration.



Wheaton Redevelopment Program (P150401)

Category	General Government	Date Last Modified	12/21/17
SubCategory	Economic Development	Administering Agency	Transportation
Planning Area	Kensington-Wheaton	Status	Under Construction

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	16,048	10,653	3,003	2,392	1,736	656	-	-	-	-	-
Land	1,011	1,011	-	-	-	-	-	-	-	-	-
Site Improvements and Utilities	10,559	1,361	3,578	5,620	4,238	1,382	-	-	-	-	-
Construction	136,455	4,306	33,792	98,357	50,204	47,274	879	-	-	-	-
Other	15,343	290	5,623	9,430	6,531	2,899	-	-	-	-	-
TOTAL EXPENDITURES	179,416	17,621	45,996	115,799	62,709	52,211	879	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Federal Aid	418	417	1	-	-	-	-	-	-	-	-
G.O. Bonds	77,266	4,087	24,694	48,485	20,989	26,617	879	-	-	-	-
Land Sale	15,000	-	-	15,000	-	15,000	-	-	-	-	-
Contributions	862	-	-	862	862	-	-	-	-	-	-
Current Revenue: General	1,300	750	310	240	120	120	-	-	-	-	-
Current Revenue: Permitting Services	25,000	-	20,991	4,009	4,009	-	-	-	-	-	-
Current Revenue: Solid Waste Disposal	8,876	-	-	8,876	8,287	589	-	-	-	-	-
Long-Term Financing	38,327	-	-	38,327	28,442	9,885	-	-	-	-	-
PAYGO	11,617	11,617	-	-	-	-	-	-	-	-	-
State Aid	750	750	-	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	179,416	17,621	45,996	115,799	62,709	52,211	879	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	120	Year First Appropriation	FY04
Appropriation FY 20 Request	120	Last FY's Cost Estimate	179,416
Cumulative Appropriation	179,176		
Expenditure / Encumbrances	137,542		
Unencumbered Balance	41,634		

Project Description

This project provides for the planning, studies, design, and construction of an office building, public parking garage, and a town square on the site of Parking Lot 13 and the Mid-County Regional Services Center (RSC) in Wheaton. The project components include 1) an approximately 308,100 square feet (s.f.) office building to be owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC); 2) an approximately 400 space underground public parking garage to be delivered to the Wheaton Parking Lot District (PLD); and 3) a town square located on Lot 13 and the current RSC site. The new headquarters for M-NCPPC will occupy approximately 132,000 s.f. of the building, including space for a child care facility. The remainder of the building space will be used by the County for office and retail under a long-term lease agreement. The County intends to use its space for nearly 12,000 s.f. of street front retail space and move offices of the RSC, Wheaton Urban District, Department of Environmental Protection (DEP), Department of Permitting Services (DPS), Department of Recreation, the Community Use of Public Facilities, and Environmental Health Regulatory Services in the Department of Health and Human Services to this building. The building will have a geothermal heating and cooling system which is likely to result in LEED Platinum certification for the office building. After the building is delivered to M-NCPPC, the Commission will transfer the ownership of the parcels at 8787 Georgia Avenue in Silver Spring and 11200 Amherst Avenue in Wheaton to the County. The County will then transfer 8787 Georgia Avenue to the developer who will develop a privately financed mixed-use project on the site. The delivery will include air rights above the land over the parking garage for the space comprising the office building and over that portion of the land located between the building and Reddie Drive. The Town Square will be maintained and programmed by the RSC for community benefit. Publicly available WiFi will be among those community benefits. The obligations and relationship between County Government and M-NCPPC for the project are reflected in a Memorandum of Understanding dated May 31, 2013 and will be explicitly set forth in the Binding Agreements between the parties. This PDF also includes \$650,000 for consulting services to provide 1) a comprehensive parking study to identify potential redevelopment disruptions to the public parking supply and any related impacts of existing businesses and to identify potential mitigation options; 2) planning studies to review potential models and approaches to creating local jobs and job training opportunities prior to and during redevelopment, including relevant case examples in Montgomery County as well as innovative models from other local and national jurisdictions; and 3) a business assessment study to determine the number of businesses and the magnitude of the impact. The business assessment study is needed to support Council Bill 6-12 for the establishment of service provision and technical assistance to those small businesses adversely impacted by a County redevelopment project.

Location

Montgomery County Public Parking Lot 13, between Grandview Avenue and Triangle Lane; the RSC site on Reddie Drive, Wheaton; 8787 Georgia Avenue, Silver Spring; and Veterans Urban Park at 11200 Amherst Avenue, Wheaton, Maryland.

Estimated Schedule

The project design started in July 2014 and construction began in June 2017. Demolition of the RSC site began in November 2017. The Town Square is planned to be completed in Fall 2019 and the substantial completion of the office building is scheduled by Spring 2020. Close-out activities are expected to be completed in the beginning of FY21.

Project Justification

The Wheaton Redevelopment Program was established in 2000 with the goal of encouraging private reinvestment through targeted, complementary public investment. The complementary public investment that Wheaton most needs is investment in creating a centrally located public space and a daytime population that together will contribute to an 18-hour economy in downtown Wheaton. It is expected that this public investment will leverage private investment, some of which is already occurring in Wheaton. Plans & Studies: Wheaton CBD and Vicinity Sector Plan (2011), State of Maryland designation as a Smart Growth and TOD site (2010), Urban Land Institute Technical Assistance Panel (2009), the International Downtown Association Advisory report (2008), Wheaton's Public Safety Audit (2004), the Wheaton Redevelopment Advisory Committee visioning

process for the Wheaton core; National Mainstreet Center Planning Study (2000), and WRAC activities since established in 2000.

Fiscal Note

Minor project funding includes: 1) \$418,000 FY09 Federal grant, funded through the SAFETEA-LU transportation act; 2) A developer contribution of \$861,940 from M-NCPPC Public Use Space and Amenity Fund (November 5, 2010 Planning Board Resolution, 10-149, Site Plan 820110010); and 3) \$350,000 FY14 and FY15 State aid to support facade improvements and a pilot solar-powered trash compactor program. State aid has been adjusted to reflect actual spending and reimbursements. Non-tax supported long-term financing and PAYGO will be used to finance the costs for DEP, DPS and CUPF facility space. \$15M of the land sale proceeds from the M-NCPPC Headquarters in Silver Spring is programmed in FY20 to help finance the project costs. Total project cost includes \$8,930,000 for Streetscape and Facade work funded through FY12. The residential development on Lot 13 will not be funded in this PDF. Expenditure and funding schedules are adjusted to align with construction of the office building and to reflect updated space allocations.

Disclosures

A pedestrian impact analysis has been completed for this project. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Coordination

Washington Metropolitan Area Transit Authority, Office of the County Attorney, Maryland-National Capital Park and Planning Commission, Westfield Mall, Community Associations and Residents, private developers, Department of General Services, Department of Transportation, Department of Environmental Protection, Department of Permitting Services, Department of Housing and Community Affairs, Mid-County Regional Service Center, and State of Maryland. Special Projects Legislation [Bill No. 33-14] was adopted by Council June 17, 2014.



White Flint Redevelopment Program

(P151200)

Category	General Government	Date Last Modified	01/11/18
SubCategory	Economic Development	Administering Agency	County Executive
Planning Area	North Bethesda-Garrett Park	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	6,113	2,057	800	3,256	696	576	496	496	496	496	-
Land	117	117	-	-	-	-	-	-	-	-	-
Other	69	69	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,299	2,243	800	3,256	696	576	496	496	496	496	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
White Flint Special Tax District	6,299	2,243	800	3,256	696	576	496	496	496	496	-
TOTAL FUNDING SOURCES	6,299	2,243	800	3,256	696	576	496	496	496	496	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	(424)	Year First Appropriation	FY09
Appropriation FY 20 Request	576	Last FY's Cost Estimate	6,003
Cumulative Appropriation	4,163		
Expenditure / Encumbrances	2,244		
Unencumbered Balance	1,919		

Project Description

This program provides for the plans, studies, analysis, and development coordination activities by the County necessary to implement redevelopment in the White Flint Sector Plan Area. Specialized services as detailed in the Justification section below are required to implement the extensive public infrastructure requirements called for in the Sector Plan, and for the implementation of the specified public financing mechanism and related requirements for infrastructure funding. This program also provides for certain land acquisitions necessary to support Transit-Oriented Development (TOD) activities in the White Flint Sector Plan Area.

Cost Change

Cost increase reflects the net of a decrease in anticipated programmed expenditures prior to FY19, updated staffing charges, and the addition of FY23 and FY24 to this ongoing project.

Project Justification

In the spring of 2010, the Montgomery County Council approved the new White Flint Sector Plan, which covers a 430 acre area. The Plan establishes a vision for transforming what has long been an auto-oriented suburban development pattern into a denser, mixed-used 'urban' center in which people can walk to work, shops and transit. An expanded street grid and other infrastructure improvements will create walkable blocks containing residences, retail, offices and local services. The Plan also calls for a financing mechanism that would generate significant revenues from properties and developments within the Sector Plan Area. The County Council further defined this financing mechanism in Bill 50-10, which established a White Flint Special Taxing District, authorized the levy of a property tax and the issuance of bonds to finance transportation infrastructure improvements, and stated conditions for the loaning or advancing of County funds to the District. In Resolution No. 16-1570, the Council adopted an implementation strategy which required the Executive to carry out a feasibility or other study to assess whether debt repayment will require a district tax rate that exceeds certain policy goals, and called for the forward funding or advance funding of specified items in order to promptly implement the Sector Plan. In addition to the financing implementation, specialized services are required related to the complex land assemblage and disposition actions necessary to implement the new street grid and for the reconfiguration of Executive Boulevard/Old Georgetown Road associated with implementation of Stage 1. Staff time and services are required to manage and coordinate efforts to develop detailed staging plans, to assess opportunities to maximize property dedications, and to negotiate property dedications to avoid or minimize acquisition costs. Necessary services will include appraisals, legal services, title services and consultants versed in land assemblage. The County is also currently implementing roadway improvements through the Conference Center site, which is a County asset. Special requirements related to the Conference Center include negotiations with the private hotel owner as well as the Hotel and Conference Center management firm, and the provision of interim and permanent parking related to the impacts of road rights of way that traverse the site and will reduce the number of parking spaces available to patrons.

Fiscal Note

The funding source for this project is White Flint Special Taxing District tax revenues.

Coordination

Office of the County Executive, Department of Finance, Department of Transportation, Revenue Authority, Maryland Department of Transportation (MDOT), Maryland State Highway Administration (SHA), Developers



White Oak Science Gateway Redevelopment Project

(P361701)

Category	General Government	Date Last Modified	12/22/17
SubCategory	Economic Development	Administering Agency	General Services
Planning Area	Colesville-White Oak and Vicinity	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	1,200	221	179	800	200	200	200	200	-	-	-
Site Improvements and Utilities	7,100	5	2,095	5,000	5,000	-	-	-	-	-	-
Construction	40,000	-	-	40,000	10,000	10,000	10,000	10,000	-	-	-
Other	740	9	411	320	160	160	-	-	-	-	-
TOTAL EXPENDITURES	49,040	235	2,685	46,120	15,360	10,360	10,200	10,200	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
G.O. Bonds	48,400	235	2,365	45,800	15,200	10,200	10,200	10,200	-	-	-
Current Revenue: General	640	-	320	320	160	160	-	-	-	-	-
TOTAL FUNDING SOURCES	49,040	235	2,685	46,120	15,360	10,360	10,200	10,200	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	360	Year First Appropriation	FY17
Appropriation FY 20 Request	360	Last FY's Cost Estimate	49,040
Cumulative Appropriation	47,920		
Expenditure / Encumbrances	238		
Unencumbered Balance	47,682		

Project Description

This program provides for the planning and development coordination activities by the County necessary to implement the redevelopment of the 110-acre County-owned parcel on Industrial Parkway in White Oak (Site II). The site will be redeveloped in conjunction with the adjacent 170-acre parcel in a public-private partnership as one, comprehensive and coordinated 280-acre bioscience-focused mixed-use community per the approved White Oak Science Gateway (WOSG) Master Plan. The project includes \$40 million to assist with the funding needed to construct master-planned roads A-106, B-5 and improvements to FDA Boulevard. Additionally, funds for demolition of existing structures and site clearing activities, as well as costs for County staff to coordinate multiple activities, are included in the project.

Location

Silver Spring, Maryland

Estimated Schedule

The County's development partner has commenced development entitlements for the entire 280-acre project.

Project Justification

In 2014, the Montgomery County Council approved the new White Oak Science Gateway Master Plan. The Plan establishes a vision for transforming what has been an industrial area into a denser, mixed-use commercial and residential center in which people can walk to work, shops, and transit. The County's initiative includes using both County-owned property (Site II) and privately-owned property as a public-private partnership and leveraging existing relationships with the adjacent Food and Drug Administration (FDA) campus to advance development activities in the Master Plan. Specialized services are required for the complex land assemblage and disposition actions associated with implementation of Stage I development requirements. Staff time and services are required to manage and coordinate efforts to develop detailed staging plans, manage demolition and clean-up activities, design infrastructure, and to negotiate transactions with development partners. The proposed 280-acre development is large-scale, long-term and transformational. It will be a catalyst for desired revitalization and redevelopment in the White Oak sector area and elsewhere in the Eastern portion of Montgomery County. The project will create job opportunities throughout White Oak and the Eastern portion of Montgomery County and will expand the tax base.

Fiscal Note

In FY17, a supplemental appropriation for \$47.2M in G.O. Bonds was approved for this project.

Coordination

Department of Transportation, Department of Finance, Office of Management and Budget, Department of Housing and Community Affairs, Department of Permitting Services, Maryland Department of the Environment, M-NCPPC