



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 life sciences, technology and other business sectors with high growth potential;
- Develop business incubators to foster the growth of start-up 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

- Continue the public-private partnership to develop the White Oak Science Gateway life science, mixed use development.
- Utilize State Aid to create a "village center" to support existing small businesses and create new opportunities for private investment at the Burtonsville Crossing Shopping Center site.
- Utilize State Aid to build additional road infrastructure and site improvements in support of the County's plan to spur development of the North Bethesda area.
- Completed sidewalk and streetscape improvements along MD 355 and Old Georgetown Road to improve mobility and safety for users of the North Bethesda Metro Station.
- Collaborate with the Henry M. Jackson Foundation to develop a co-branded innovation facility that will advance life science research, innovation, and commercialization in the North Bethesda region.
- Pursuing new State Aid to add additional wet labs at the Germantown Innovation Center to continue to accelerate the growth of the biotechnology industry sector.
- Fund the design and construction of retail space at the Wheaton M-NCPPC Headquarters building.
- Advance the economic development goals of the Glenmont Sector Master Plan with the acquisition of property in the Glenmont Shopping Center area.

NORTH BETHESDA 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 2021, the Metro Board of Directors voted to change the name of White Flint to North Bethesda in support of the County and development community's initiatives to re-brand the area into a mixed-use development.

In addition to the financing implementation, specialized services are required for the complex land assemblage and disposition actions associated with the implementation of Stage I. Staff time and services funded in the operating budget 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 Thomas Lewis of the Office of the County Executive at 240.777.8276 or Julie Knight of the Office of Management and Budget at 240.777.2760 for more information regarding this capital budget project.

CAPITAL PROGRAM REVIEW

The White Flint Redevelopment 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. The total funded through FY23 is \$3.6 million. Two additional projects recommended for FY25-30 are the HJF Innovation Labs at Montgomery County, which is a collaboration between the County and the Henry M. Jackson Foundation to create a workspace that includes "mini" wet labs at the Foundation's Headquarters in North Bethesda; and the North Bethesda Metro Station Area Redevelopment Project, which supports infrastructure for the redevelopment of the North Bethesda area as a life science/mixed use development hub. The total cost of these projects is \$16.3 million.

Related and complementary projects, White Flint District East: Transportation, White Flint District West: Transportation, White Flint West Workaround, North Bethesda Metro Station Access Improvements, and North Bethesda Metro Station Northern Entrance, are described in the Transportation section. The total funded through FY23 is \$78.2 million.

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 Greg Ossont of the Department of General Services at 240.777.6192, or Julie Knight of the Office of Management and Budget at 240.777.2760, for more information regarding this capital budget project.

CAPITAL PROGRAM REVIEW

One ongoing project recommended for FY25-30 is the 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 total for this project is \$47.0 million.

A related and complementary ongoing project, the White Oak Local Area Transportation Improvement Program 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>

WHEATON/GLENMONT REDEVELOPMENT

In 2020, the County constructed a 14-story building, the M-NCPPC Wheaton Headquarters, located near the Wheaton Metro Station replacing the County-owned Wheaton Market Place parking lot with a Leadership in Energy and Environmental Design (LEED) Platinum-rated, mixed-use building, the Marion Fryer Town Square and a 400-space public parking garage. The building houses employees of several government agencies and departments, helping to further Wheaton's revitalization by their patronage of local businesses. The new building also gives down County residents more convenient access to government services.

The 2013 Glenmont Sector Plan reflects the community's vision for a transit-oriented, revitalized community for properties around the Glenmont Metro Station. The Plan provides opportunities for mixed-use developments around the Glenmont Shopping Center to expand housing choices for people of all ages and incomes and provide a variety of open spaces with some retail and commercial uses in appropriate locations.

PROGRAM CONTACTS

Contact Greg Ossont of the Department of General Services at 240.777.6192, or Julie Knight of the Office of Management and Budget at 240.777.2760, for more information regarding this capital budget project.

CAPITAL PROGRAM REVIEW

The Wheaton M-NCPPC Headquarters Retail project provides funding for the design and construction of the ground-floor retail space of the Wheaton Headquarters building for community use and potential retail tenants. The Glenmont Redevelopment Program supports the acquisition of property at the Glenmont Shopping Center. This property will be aggregated with other shopping center parcels for the purpose of realizing the phased development vision of the 2013 Glenmont Sector Plan where assembly and redevelopment occur over time. The total for these projects is \$4.5 million.

BUSINESS DEVELOPMENT

The Business Development Capital Program 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.
- Conversion of office space to additional wet lab space at the Germantown Innovation Center.

PROGRAM CONTACTS

Contact Gene Smith of the Office of the County Executive at 240.777.8827 or Julie Knight of the Office of Management and Budget at 240.777.2760 for more information regarding this capital budget project.



Glenmont Redevelopment Program

(P362503)

Category	General Government	Date Last Modified	01/06/24
SubCategory	Economic Development	Administering Agency	General Services
Planning Area	Silver Spring and Vicinity	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Land	432	-	-	432	432	-	-	-	-	-	-
Other	20	-	-	20	20	-	-	-	-	-	-
TOTAL EXPENDITURES	452	-	-	452	452	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Current Revenue: General	452	-	-	452	452	-	-	-	-	-	-
TOTAL FUNDING SOURCES	452	-	-	452	452	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	452	Year First Appropriation	FY25
Appropriation FY 26 Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

This project supports the acquisition of property at the Glenmont Shopping Center. The funding is needed to acquire surplus property from the Maryland Department of Transportation (MDOT) that will be aggregated with the shopping center parcels for the purpose of realizing the Sector Plan.

LOCATION

Approximately 20-acre site, bound by Randolph Road, Georgia Avenue, Layhill Road, and the Glen Way Gardens condominium development.

ESTIMATED SCHEDULE

Land acquisition anticipated in FY25

PROJECT JUSTIFICATION

The Glenmont Shopping Center is an appropriate location for a mixed-use town center with urban amenities such as a central open space, restaurants, and professional offices to achieve a dense urban node near the Metro station. The 1978 Sector Plan discussed the need for a physical upgrade of the shopping center structures to develop a "positive image" for the community. The 1997 Sector Plan characterized the center as poorly configured and unattractive with a confusing circulation pattern. To date, the recommendations of both plans have not been implemented. The center currently includes approximately 196,380 square feet of commercial space. Although it is fully leased, the physical structure is worn, and it lacks retail and entertainment services desired by the surrounding community. Fragmented ownership and lack of market demand for redevelopment have inhibited redevelopment and will continue to be a major challenge in the foreseeable future. Landowners cite the lack of sufficient economic incentive (private or public) for reinvestment in the property. Any significant redevelopment would require assembling all or some of the parcels. The 2013 Sector Plan supports a phased development where assembly and redevelopment occur over time.

COORDINATION

Department of General Services, Maryland Department of Transportation



HJF Innovation Labs at Montgomery County

(P152503)

Category	General Government	Date Last Modified	01/10/24
SubCategory	Economic Development	Administering Agency	County Executive
Planning Area	North Bethesda-Garrett Park	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Other	300	-	-	300	300	-	-	-	-	-	-
TOTAL EXPENDITURES	300	-	-	300	300	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Current Revenue: General	300	-	-	300	300	-	-	-	-	-	-
TOTAL FUNDING SOURCES	300	-	-	300	300	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	300	Year First Appropriation	FY25
Appropriation FY 26 Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

HJF Innovation Labs at Montgomery County is a co-branded innovation facility affiliated with the Montgomery County Business Center Innovation Network (BCIN). This partnership between Montgomery County and the Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc. (HJF) will accelerate the resources, expertise and investment required to advance HJF-developed technologies from concept to point-of-care for military service members and their families.

Funding will support buildout of 4,300 square feet of flexible "mini" wet labs, shared lab and equipment areas, an engineering space, business offices, and workspace, in the Foundation's headquarters office building to leverage HJF's other existing infrastructure and capabilities, which includes a state-of-the-art auditorium, meeting rooms and business expertise that spans intellectual property, information technology, commercialization, proposal development, clinical trial protocol drafting and management.

LOCATION

6720A Rockledge Drive, Bethesda, Maryland 20817

ESTIMATED SCHEDULE

Build out is anticipated to begin in Fall 2024. Occupancy is expected in Winter 2025.

PROJECT JUSTIFICATION

Demand for smaller-sized lab space, with shared equipment and services and easy access to meaningful innovation support and community resources currently exceeds supply. The new co-branded HJF Innovation Labs at Montgomery County, housed at the Foundation's Headquarters in Bethesda, will provide physical infrastructure supporting a broader framework for the delivery of high-value resources to accelerate the translation of medical innovations developed within the HJF or Montgomery County innovation networks to the marketplace for the dual-use fields. It will serve as a resource for Montgomery County health innovators and others in the region to spur the development of more innovation and jobs within Montgomery County. The ability for Montgomery County to collaborate with HJF as a founding partner of a co-branded HJF Innovation Labs at Montgomery County as HJF is launching its strategic initiative to strengthen the military medical innovation ecosystem, is a unique opportunity to leverage HFJ-supported federal, academic, and industry sponsored research programs to advance biohealth technologies.

COORDINATION

Office of the County Executive, Montgomery County Business Center Innovation Network, Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc.



North Bethesda Metro Station Area Redevelopment Infrastructure (P502315)

Category	General Government	Date Last Modified	01/06/24
SubCategory	Economic Development	Administering Agency	Transportation
Planning Area	North Bethesda-Garrett Park	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	3,200	50	2,086	1,064	1,064	-	-	-	-	-	-
Construction	12,800	-	8,000	4,800	4,800	-	-	-	-	-	-
TOTAL EXPENDITURES	16,000	50	10,086	5,864	5,864	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
State Aid	16,000	50	10,086	5,864	5,864	-	-	-	-	-	-
TOTAL FUNDING SOURCES	16,000	50	10,086	5,864	5,864	-	-	-	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Impact Type	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Maintenance	25	-	5	5	5	5	5
Energy	5	-	1	1	1	1	1
NET IMPACT	30	-	6	6	6	6	6

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	-	Year First Appropriation	FY23
Appropriation FY 26 Request	-	Last FY's Cost Estimate	16,000
Cumulative Appropriation	16,000		
Expenditure / Encumbrances	710		
Unencumbered Balance	15,290		

PROJECT DESCRIPTION

The FY23 State operating budget provided \$10 million in the Governor's supplemental budget for projects in the White Flint North Bethesda area to support infrastructure for the redevelopment of that area as a Life Science/mixed use development hub. The State also authorized \$6 million for FY24 for the same redevelopment purposes. The focus on life science is in alignment with the JLL market feasibility report commissioned by WMATA for the WMATA property at the North Bethesda/White Flint Metro Station, which

determined that "based on market research, physical capacity of the site, and current zoning and financial feasibility, a life science development is the highest and best use" for this property. The project will fund infrastructure that is designed to spur private sector redevelopment. These improvements will include investments to make the WMATA North Bethesda/White Flint Metro Station site pad ready, improvements to street grids and pedestrian and bicycle facilities and other placemaking investments.

LOCATION

Rockville / White Flint North Bethesda

ESTIMATED SCHEDULE

Road infrastructure and site improvements to ready the site for development will commence in FY24.

PROJECT JUSTIFICATION

The undeveloped WMATA site is at the core of the North Bethesda/White Flint redevelopment area and is a key to spurring further development of the entire White Flint area. The JLL Market Feasibility report analysis noted that land values reflected the cost of development and construction of pad-ready sites. Similarly, the JLL White Flint Station Joint Development Initiative study looked at the specifics of development for the WMATA site and concluded that "life science supports residual land value to WMATA only if "pad-ready" sites are offered (e.g. - infrastructure funded outside the project). Based on these studies, the top priority for WMATA and the County for the use of the supplemental budget funds is site work on the WMATA property at the North Bethesda/White Flint Metro station to make that currently unimproved site more "development ready" for an expected solicitation of a master developer.

FISCAL NOTE

\$10 million approved in the FY23 State budget; \$6 million approved in the FY24 State budget.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress. 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 (WMATA), Maryland National Capital Park and Planning Commission (MNCPPC), Montgomery County Economic Development Corporation (MCEDC), Department of Transportation, local community advisory groups such as the White Flint Downtown Advisory Committee, White Flint Planning Advisory Group, and the North Bethesda Transportation Management District. Studies include: WMATA White Flint Market Feasibility Report completed December 2021/released March 2022; WMATA-commission JLL, White Flint Station Joint Development Initiative study (November 2021); 2010 White Flint segment Master Plan; Pike District Placemaking Report (Maier and Warner, March 2019), and Advancing the Pike District study (Dec 2022).



Wheaton M-NCPPC Headquarters Retail (P362501)

Category	General Government	Date Last Modified	01/06/24
SubCategory	Economic Development	Administering Agency	General Services
Planning Area	Kensington-Wheaton	Status	Planning Stage

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	500	-	-	500	500	-	-	-	-	-	-
Construction	3,500	-	-	3,500	3,500	-	-	-	-	-	-
TOTAL EXPENDITURES	4,000	-	-	4,000	4,000	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Current Revenue: General	4,000	-	-	4,000	4,000	-	-	-	-	-	-
TOTAL FUNDING SOURCES	4,000	-	-	4,000	4,000	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	4,000	Year First Appropriation	FY25
Appropriation FY 26 Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	-		
Expenditure / Encumbrances	-		
Unencumbered Balance	-		

PROJECT DESCRIPTION

This project funds the design and construction of retail space at the Wheaton M-NCPPC Headquarters Building to either attract a retail tenant or build out the space for community use.

LOCATION

2425 Reddie Drive, Wheaton, MD 20902

ESTIMATED SCHEDULE

Design and construction to occur in FY25.

PROJECT JUSTIFICATION

The retail space at the Wheaton Headquarters Building was delivered to the County as a cold, dark shell. The County has been unsuccessful in leasing the space due to its unfinished state since potential tenants do not have funding to build out the space. In order to build out the space for community use or to attract a retail tenant, funding is needed for either basic buildout or tenant improvements funds.

DISCLOSURES

A pedestrian impact analysis has been completed for this project.

COORDINATION

Department of General Services, Regional Services Center, Office of the County Executive



White Oak Science Gateway Redevelopment Project

(P361701)

Category	General Government	Date Last Modified	01/06/24
SubCategory	Economic Development	Administering Agency	General Services
Planning Area	Colesville-White Oak and Vicinity	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Planning, Design and Supervision	2,021	1,242	779	-	-	-	-	-	-	-	-
Site Improvements and Utilities	4,779	4,054	725	-	-	-	-	-	-	-	-
Construction	40,000	-	1,000	39,000	275	1,000	1,000	6,900	22,100	7,725	-
Other	160	11	149	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	46,960	5,307	2,653	39,000	275	1,000	1,000	6,900	22,100	7,725	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY23	Est FY24	Total 6 Years	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	Beyond 6 Years
Current Revenue: General	160	71	89	-	-	-	-	-	-	-	-
G.O. Bonds	42,640	1,076	2,564	39,000	275	1,000	1,000	6,900	22,100	7,725	-
PAYGO	4,147	4,147	-	-	-	-	-	-	-	-	-
Recordation Tax Premium (MCG)	13	13	-	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	46,960	5,307	2,653	39,000	275	1,000	1,000	6,900	22,100	7,725	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 25 Request	-	Year First Appropriation	FY17
Appropriation FY 26 Request	-	Last FY's Cost Estimate	46,960
Cumulative Appropriation	46,960		
Expenditure / Encumbrances	5,349		
Unencumbered Balance	41,611		

PROJECT DESCRIPTION

This program provides for the planning and development coordination activities by the County necessary to implement the redevelopment of the 110-acre previously 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

White Oak area of Silver Spring, Maryland

ESTIMATED SCHEDULE

The County completed demolition of the existing structures and site clearing activities. The County's development partner presented a development schedule to Council in July 2019. Construction schedule is delayed based on project progress to date.

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 previously 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. Project schedule has been adjusted to reflect implementation schedule.

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, and Maryland-National Capital Park and Planning Commission