



Gaithersburg Transportation Improvements (P502607)

Category	Transportation	Date Last Modified	01/12/26
SubCategory	Pedestrian Facilities/Bikeways	Administering Agency	Transportation
Planning Area	Gaithersburg and Vicinity	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Construction	11,644	-	11,644	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	11,644	-	11,644	-	-	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY25	Est FY26	Total 6 Years	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	Beyond 6 Years
Impact Tax	11,644	-	11,644	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	11,644	-	11,644	-	-	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 27 Request	-	Year First Appropriation	FY26
Appropriation FY 28 Request	-	Last FY's Cost Estimate	-
Cumulative Appropriation	11,644		
Expenditure / Encumbrances	-		
Unencumbered Balance	11,644		

PROJECT DESCRIPTION

This project defines uses of funds generated through the County Impact Tax received as a result of development projects in Gaithersburg. Expenditures in this project include projects determined and executed by the City of Gaithersburg. The City of Gaithersburg will only use these funds for projects or project elements that meet the requirements of Section 52-50 of the Montgomery County Code. The City will implement these projects and will invoice the County for expenses that the County has certified as eligible uses of impact tax funds. The following subprojects identified by the City of Gaithersburg may be funded through this project.

- Old Towne Shared Use Path
- Quince Orchard Boulevard Shared Use Path
- Industrial Drive Shared Use Path
- Washingtonian Boulevard Shared Use Path
- Conservation Lane Shared Use Path
- West Deer Park Road Shared Use Path
- Kentlands Shared Use Path

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- I-270/NIST East Side Shared Use Path
 - Russell Avenue Shared Use Path
 - New Sidewalks
 - New Bus Shelters

LOCATION

City of Gaithersburg and its immediate surrounding area.

ESTIMATED SCHEDULE

Implementation of the City-implemented projects will follow the schedules reflected in the City's capital program.

PROJECT JUSTIFICATION

Impact taxes are generated by development projects within the City of Gaithersburg and accrue to a separate account as required under Section 52-41 of the County Code. This project is Exhibit A of the Memorandum of Understanding (MOU) between the City of Gaithersburg and Montgomery County required under Section 52-41 and will be updated as future impact tax funds become available and proposed uses by the City and County change.

FISCAL NOTE

An FY26 supplemental appropriation allocated \$11,644,000 for the City's implementation of eligible projects. Subsequent impact tax receipts are expected to be programmed with approximately 65 percent of funds allocated to City-implemented projects and 35 percent of funds allocated to County-implemented projects.

County Projects

Pursuant to Paragraph 8 of the Memorandum of Understanding (the "MOU") by and between the Mayor and Council of Gaithersburg (the "City") and Montgomery County, Maryland (the "County") dated August 7, 2025, the "County projects" are:

- Bus Rapid Transit: System Development (P501318) for MD 355 BRT planning activities;
- Bus Rapid Transit: MD 355 Central (P502005);
- Great Seneca Science Corridor Transit Improvements (P502202) for project construction and fleet procurement; and
- Bus Rapid Transit: MD 355 Lakeforest Transit Center (P502708) for project design and construction.

The County Council resolution approving this project description form (P502607) does not constitute the County Council's approval of, or appropriation of funding for, the above-mentioned County projects. Each of the County projects is subject to: (1) the approval of the County Council under Section 302 {Capital Improvements} of the County Charter; and (2) the appropriation of funds by the County Council under Article 3 {Finance} of the County Charter.

DISCLOSURES

A pedestrian impact analysis will be performed during design or is in progress. Expenditures will continue indefinitely.

COORDINATION

City of Gaithersburg