MEMORANDUM

July 14, 2017

TO:

County Council

FROM:

Gene Smith, Legislative Analyst

SUBJECT:

Site II – Viva White Oak Project

Those expected for this briefing:

Ramona Bell-Pearson, Assistant Chief Administrative Officer Greg Ossont, Deputy Director, Department of General Services Peter Fosselman, White Oak Science Gateway Implementation Coordinator

Executive staff will provide an update on the progress of the Viva White Oak Project, including the developer's proposed sketch plan for the 280-acre site (see ©1-6). The presentation slides from the Executive staff are expected after this memo goes to print and will be included as an addendum.

The Council approved the Declaration of No Further Need for the disposition of Site II by Resolution 18-727 on February 14, 2017 (see ©7-10). During its early review of the material terms for the disposition of Site II, the Council requested this briefing prior to the developer submitting the sketch plan to the Planning Board (see ©11-15). In addition, the County is hosting a presubmittal meeting to receive comments from the community about the sketch plan. The meeting is tonight, July 18, from 6:30 - 8:30 PM at the White Oak Community Recreation Center (see ©4).

Council staff will compile comments and unanswered questions by Councilmembers about the proposed sketch plan should the Council desire additional follow up by Executive staff prior to the submission of the sketch plan to the Planning Board.

| This packet contains: | Circle # |
|--|----------|
| Executive staff, re: update about the proposed sketch plan and project | 1 |
| Resolution 18-727 | 7 |
| Executive memo, re: material terms | 11 |



OFFICES OF THE COUNTY EXECUTIVE

Isiah Leggett
County Executive

Timothy L. Firestine Chief Administrative Officer

July 14, 2017

MEMORANDUM

TO:

Roger Berliner, Council President

FROM:

Ramona Bell-Pearson

Assistant Chief Administrative Office

SUBJECT:

Viva White Oak Briefing

The purpose of this memorandum is to provide background for the upcoming Executive staff briefing that is currently scheduled for July 18, 2017. As you are aware, the County Executive agreed to provide the County Council with a briefing prior to the County approving the submittal of a sketch plan application to the Maryland National Capital Park and Planning Commission (M-NCPPC). The Executive Staff has recently completed coordination with our development partner Global Life Development Corporation (GLDC) to facilitate their completion of the sketch plan application which is the initial step in the regulatory entitlements process.

The County's development partner, GLDC, and their design professionals are preparing a draft sketch plan booklet. As required, GLDC will be hosting a pre-submission community meeting on July 18, 2017 at 6:30 pm. A copy of the notice is attached for your review. The M-NCPPC checklist for submission requirements for a sketch plan include elements such as massing, densities, types of uses, staging, open space and circulation exhibits is also attached for your information. At the upcoming briefing for Council, Executive Staff will illustrate many of the sketch plan elements as well as provide an update on the County's fulfillment of certain obligations that are required as part of the general development agreement (GDA).

GLDC, has prepared the applications for the comprehensive sketch plan and is meeting their obligations to fund all costs for design and land use entitlements for the entire 280 acre site.

- I. Phase One sketch plan related to Residential and Commercial Development:
 - A) 280 acres to be developed in three phases

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- B) Phase One will consist of 2 million square feet and will have a residential development cap of 1000 residential units
- C) Phase One will permit development of no more than 1,000 market rate residential units until such time as 300,000 square feet of commercial development proceeds to building permit.

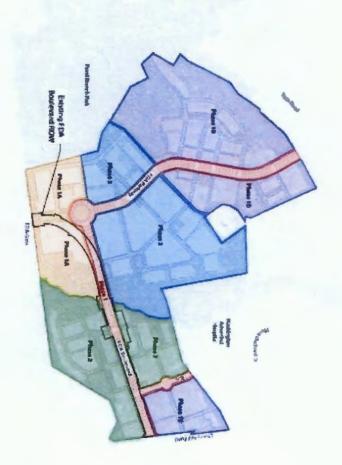
II. Phase One sketch plan related to infrastructure to be developed:

| <u>Project</u> | Development Type | Cost |
|---------------------------------------|------------------|-------|
| Plum Orchard/FDA Blvd Connector (B-5) | New Road | \$10M |
| Industrial Pkwy Extension (A-106) | New Road | \$50M |
| Industrial Pkwy Bikeway (A-106) | Bikeway | \$9M |
| FDA Blvd Widening (B-10) | Widening | \$26M |

The above information relates to the major development and sketch plan details for phase one or 2 million square feet of the 280 acre site. Specifics related to future phases and infrastructure will be determined once the phase one plan has been fully approved and development has commenced. Market conditions including supply and demand will determine how the future phases are developed. I have attached a concept drawing that illustrates the planned phase locations and the relevant infrastructure elements related to those phases. Please note that some phases are broken out into subsections such as phase 1(a) and 1(b) however the total development are will still consist of no more than 2 million square feet.

I hope this information is helpful. I can be reached directly at (240) 777-2561 or Ramona.Bell-Pearson@montgomerycountymd.gov if you have any questions. Greg Ossont, Peter Fosselman and I look forward to presenting the briefing to the full Council on July 18, 2017.





NOTICE

TO:

Adjacent and Confronting Property Owners, and Members of Homeowners

and Civic Associations

FROM:

Linowes and Blocher LLP

DATE:

June 30, 2017

RE:

Pre-Submittal Meeting on the Sketch Plan Application for Viva White Oak

You are invited to attend a pre-submittal meeting on the referenced Sketch Plan scheduled for July 18, 2017 at the White Oak Community Recreation Center, Large Social Hall, 1700 April Lane, Silver Spring, Maryland 20904, from 6:30 pm – 8:30 pm. The property that is the subject of the Sketch Plan application consists of approximately 280 acres of land zoned CR 1.0/C1.0/R0.5/H220' and is located on US Route 29, southwest of Gracefield Road in Silver Spring. The Sketch Plan proposes up to 12.2 million square feet of mixed-use development on the property. The purpose of this meeting is to explain the Sketch Plan application and to hear your comments prior to filing the Sketch Plan application with the Montgomery County Planning Board.

In order to appropriately accommodate all attendees, please call Scott Wallace at (301) 961-5124 by July 17, 2017 if you will be attending this meeting.

Thank you.

Checklist

| See Submission Requirements for more details about the items below: | | | |
|---|-----------|-----------------------|--------------------------|
| Initial Applications: Submit only 3 copies of all relevant items below | | Engineer/ Surveyor | M-NCPPC Staff |
| Final Applications: Submit applicable number of copies per the checklist | | | |
| | : | Submitted or N/A | Accepted or Not Accepted |
| 1. Complete application form and checklist | 1 | | |
| 2. Complete fee schedule worksheet and fee | 1. | | |
| | | | |
| 3. Outreach Information | 2 sets of | | |
| 3.1 Notice List prepared in conformance with the Manual of | labels & | · | |
| Development Review Procedures on printer labels and paper copy | 1 paper | | |
| of labels | copy 2 | | |
| 3.3 Pre-submission Meeting information, including: | | | |
| 3.3.1 Notarized affidavit with meeting time, date and location | 1 | | |
| 3,3.2 Copy of invitation letter with list of "Invitees" | 1 | | |
| 3.3.3 List of meeting participants and copy of attendee sign-in sheet | | | |
| 3.3.4 Copy of meeting minutes | 1 | 1 147,011 | |
| 3.4 Site Posting Information, including: | | | * |
| 3.4.1 Notarized affidavit with location and date of sign posting | 1 | | |
| 3.4.2 Plan drawing with location of sign(s) (8" x 11") | 1 | | |
| 3.4.3 Photograph of posted sign with date stamp | 1 | | |
| | | | |
| 4. Sketch Plan Booklet (11" x 17" Booklet) with the following: | 12 | | |
| 4.1 General Information | | | |
| 4.1.1 Complete application form and checklist | | | |
| 4.1.2 Complete fee schedule worksheet and fee | | | |
| 4.2 Justification Statement Indicating how the project meets the requirements and standards of the zone and will further the objectives of the applicable master or sector plan | | - | |
| 4.3 Illustrative Plans showing: | | | |
| 4.3.1 Building densities, massing, heights, and the anticipated mix of uses; | | | |
| 4.3.2 Locations of public use and other open spaces; | | | |
| 4.3.3 Pedestrian, bicycle, and vehicular circulation, parking, and loading; and | | | |
| 4.3.4 Relationships between existing or proposed adjacent buildings and rights of way | | | |
| 4.4 A table of proposed public benefits and the incentive density requested for each. | | | |
| 4.5 A general phasing outline of structures, uses, rights-of-way, | | | |
| sidewalks, dedications, public benefits, and future preliminary and site | | | |
| plan applications. | | | |

Sketch Plan Application: 7 of 7

| | | | No. Copies | Engineer/ Surveyor | M-NCPPC Staff |
|---------------|-------------------|--|--------------------------------|-----------------------|--------------------------|
| | | arrative describing how the sketch plan will: 1 Meet the objectives, general requirements, and standards of the zone; | 12 | Submitted or N/A | Accepted or Not Accepted |
| | 4.6. | 2 Further the recommendations and objectives of the applicable master or sector plan; | 12 | | |
| | | Achieve compatible internal and external relationships between existing and proposed nearby buildings, open space, and uses; Provide satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking, and loading; | | | |
| | 4.6. 4.6. | | | | |
| | | ertificate of Compliance attesting that the application conforms to all oplicable federal, state and local laws and regulations | 12 | | |
| | <u>I</u> 5.1 T | orting Information for Sketch Plan (Provide in 11"x 17" Booklet - Orawings and Notes must be readable) he proposed / filed NRI/FSD he proposed /filed SWM concept or a narrative describing | 12 | | |
| ; | е | nvironmental site design strategy with exhibits | | | |
| | | ocal Vicinity Map, at 1" = 200', showing area within 1,000' of site perimeter | | | · ·: |
| | | a. Topography at five-foot contour intervals b. Transit facilities | | | - |
| | | c. Public Parks and Recreational Facilities | | | |
| | | d. Cultural Features (e.g., libraries, museums, entertainment venues) | | | |
| | | e. Streets & Roads: Master Plan ROWs and easements | | | |
| | 5.3 E | xisting Site Conditions Map | | | · |
| | | a. Must include area up to 100' from the site perimeter b. Zoning c. Buildings and Structures d. Roads, Alleys, Parking Areas, Sidewalks, Trails, etc. | | | |
| | | e. Utilities | | | |
| | | OF image of the entire proposed Sketch Plan booklet and coordinating drawings on a cd | 2 | | |
| | 8. WS | SC Information Sheet and Paid Receipt | 2 | | |
| appik Sigi | cation, a | or surveyor hereby certifies that all required information for the submission of a prelim not that to the best of his/her knowledge, information, and reasonable belief, the informa- of Q Engineer, Q Surveyor | inary pian of ation and dat | la are accurate. | n included in this |
| Name | в (Туре с | or Print) | | | |

Resolution No.: 18-727

Introduced:

December 13, 2016

Adopted:

February 14, 2017

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

SUBJECT: Amendment to Resolution No. 18-195 Approving the Declaration of No Further Need: Disposition of Site II Property on Industrial Parkway in Silver Spring

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.

On November 13, 2014, the Executive submitted a summary of the material terms for the disposition of County-owned land, known as Site II, on Industrial Parkway in Silver Spring. The Executive recommended that the land be disposed of through transfers as a part of a joint development partnership. The land was acquired in 2009 from the Washington Suburban Sanitary Commission for the purpose of developing a science and technology center with associated research, development, and manufacturing uses. The property is included in the East County Center for Science and Technology. The development partner, Percontee (dba Global Lifesci Development Corporation "GLDC"), was selected in response to a 2008 Request for Proposals (RFP) from entities interested in developing the property. On November 28, 2014, the Council sent the Executive questions on the material terms.



Page 2 Resolution No.: 18-727

3. On November 24, 2014, the Council received Executive Order 214-14, Material Terms for Disposition of 2201 Industrial Parkway, Silver Spring, Maryland "Site II." This is the Executive's Declaration of No Further Need. On June 10, 2015, the Executive sent a memo to the Council informing Councilmembers that Executive Order 214-14 had been published in the Register, that no public comments had been received, and that the disposition was ready for the Council's consideration and approval.

- 4. On January 15, 2015, the Joint Government Operations and Fiscal Policy (GO) and Planning, Housing, and Economic Development (PHED) Committee held a worksession on the material terms and Declaration of No Further Need. The Joint Committee requested additional information and recommended the Council hold a public hearing on the disposition. The Joint Committee recommended the Council extend the time for action to consider additional information and any testimony from the public hearing.
- 5. On January 20, 2015, the Council adopted Resolution 18-27, which extended the time for action to July 31, 2015.
- 6. A public hearing was held on February 24, 2015.
- 7. On April 14, 2015, the Council was briefed on the transportation issues associated with the proposed development of Site II.
- 8. On June 22, 2015, the Joint Committee held a second joint worksession to consider the material terms. The Joint Committee reviewed the revised material terms and the recommendation that the Council waive the requirement that any disposition of this property be a full market value transaction. The Committee supported those terms with the amendments recommended by Council Staff and supported by Executive Staff as follows: the GDA should specifically mention the 60/40 split for cost sharing; differentiate between infrastructure that only serves the project versus infrastructure that serves a broader area; indicate that the County will have full rights of access to all financial records to maintain complete transparency of the revenues, expenses, and profit-sharing; and indicate that no transfer of land to GLDC would occur until there is an approved sketch plan and preliminary plan. In addition, the Joint Committee recommended that the Executive continue to negotiate how profits will be shared between the County and GLDC.
- 9. The Joint Committee recommended that the Declaration of No Further Need be approved and the property be disposed of in the manner described in the material terms memorandum submitted by the County Executive on June 17, 2015, with the above referenced revisions. The Joint Committee further recommended that the Council waive the requirement that disposition of this property be at full market value.
- 10. On June 23, 2015, the Council adopted Resolution No. 18-195 approving the Declaration of No Further Need and waived the requirement that the property be disposed of at full market value based upon the material terms submitted by the Executive on June 17, 2015 with the revisions noted.

Page 3 Resolution No.: 18-727

11. The Executive was unable to negotiate an agreement with GLDC based upon the material terms previously approved by the Council in Resolution No. 18-195. On November 15, 2016, the Executive sent the Council revised material terms for the disposition of Site II as a sale to GLDC.

- 12. On December 6, 2016 the Council President informed the County Executive that the Council may need to extend the time for consideration in order to receive the Executive's proposed changes to the local area review for transportation improvements in the White Oak area, to consider testimony from the public hearing, and to consider responses to the Council's questions on the material terms. On December 13, 2016, the Council adopted Resolution No. 18-688 extending the time for its consideration of the revised material terms until March 15, 2017.
- 13. The Council held a public hearing on the revised material terms on January 17, 2017. The Joint Government Operations and Fiscal Policy (GO) and Planning, Housing, and Economic Development (PHED) Committee held a worksession on the revised material terms on January 26, 2017 and recommended approval with the expectation that GLDC would make every effort to use business practices that meet or exceed the goals of the County Local Small Business Reserve Program, the County MFD Program, and the County Prevailing Wage Law on all construction contracts awarded by GLDC on this project.

Action

The County Council for Montgomery County, Maryland amends Resolution No. 18-195 by approving the following resolution:

- (1) The Declaration of No Further Need for the disposition of 2201 Industrial Parkway, Silver Spring, Maryland is approved and the property may be disposed of under the revised material terms provided by the County Executive in his memorandum of November 15, 2016;
- (2) The Council waives the requirement that disposition of this property be a full market value transaction;
- (3) The Council expects GLDC to make every effort to use business practices that meet or exceed the goals of the County Local Small Business Reserve Program, the County MFD Program, and the County Prevailing Wage Law on all construction contracts awarded by GLDC on this project;
- (4) The Council requests the Executive to report annually on GLDC's progress on this project, including information about the number and type of jobs created and GLDC's efforts to meet or exceed the goals of the County Local Small Business Reserve Program, the County MFD Program, and the County Prevailing Wage Law for contracts awarded by GLDC on this project; and

(5) This action is conditioned on the disposition to GLDC based upon the revised material terms described by the Executive in his memorandum of November 15, 2016. Any significant change to the revised material terms of this disposition must be submitted to the Council for approval.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council



OFFICE OF THE COUNTY EXECUTIVE ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

June 17, 2015

To:

George Leventhal, President

Montgomery County Council

From:

Isiah Leggett, County Executive

Subject:

Site 2 Disposition

This memorandum supplements my previous memo of June 11, 2015, which transmitted the confidential draft of the proposed General Development Agreement (GDA) containing the material terms of the proposed transaction. With this submission I am providing an outline that is intended to make public details contained in the GDA that are material terms of that Agreement.

The economic interests and benefits for the County that would be derived from the success of the Joint Development extend far beyond the profitability of the Joint Development. The opportunity to leverage the County's exceptionally unique asset, the United States Food and Drug Administration (FDA) Headquarters, located in the White Oak Sector plan area cannot be overlooked. Not only will this public – private partnership between Percontee and the County benefit the County financially, but it will also enhance the County's reputation as a world leader in the biomedical and biotechnology industry sectors.

The proposed 300-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. Accelerated tax revenues will support the funding of previously unfunded transportation infrastructure that will create greater mobility for residents and businesses regionally.

Public benefits such as job-creation incentive programs, ultra-high speed broadband data transmission infrastructure, day care facilities, enhanced environmental protection features, school facilities, affordable housing programs, public service centers, public parks and open spaces, public art; etc. will also be accelerated.

Executive staff has a proposed agreement with Percontee that will provide the County taxpayers with highly unique benefits and protections that are intended to rival other development partnerships the County has entered into previously. I am urging

George Leventhal, Council President June 17, 2015 Page 2

the County Council to approve the Declaration of No Further Need as soon as possible so that none of the exciting opportunities will be lost.

The following is a summary of material terms from the GDA that have been communicated to the Council over the past several months:

- The County selected Global LifeSci Development Corporation (GLDC), through
 a competitive solicitation to assume the role of Master Developer for the Joint
 Development project. Executive staff will work in collaboration with GLDC on
 the Joint Development. GLDC will be responsible for assembling its planning
 and development team, subject to the County's commercially reasonable rights of
 approval.
- The County's land basis in the Joint Development has been established through an
 independent appraisal and the County will be credited with the full current fair
 market value of Site II. GLDC's land basis in the Joint Development has also
 been established through an independent appraisal using the same appraiser and
 the same basis of valuation, and GLDC will be credited with the full current fair
 market value of the GLDC Property.
- The relative proportions of the full, fair market values of Site II and the GLDC Property shall be the basis for the parties' relative proportions in future interests derived from the appreciation in value of the Joint Development.
- GLDC is responsible for funding all costs of design and land use entitlements costs of the Joint Development. Spending would be reviewed and approved by the County.
- GLDC would be responsible for developing and preparing the applications for comprehensive sketch plan, pre-preliminary plan, preliminary plan, and future site plan approvals for the entire 300-acre Joint Development (collectively, the "Applications").
- The County would have rights of approval of the Sketch Plan, Phasing Plan, and
 Project Infrastructure Plan prior to GLDC submitting those plans to M-NCPPC.
 GLDC would be responsible for submitting to M-NCPPC, and diligently pursuing
 M-NCPPC's approval of the sketch plan, the pre-preliminary plan, the
 preliminary plan, the Phasing Plan, the Project Infrastructure Plan, and future site
 plans for the entire 300-acre Joint Development (collectively, the "Entitlements").
- As part of the Applications to be submitted to M-NCPPC for the Entitlements,
 GLDC and the County will coordinate and agree on the specific Phasing Plan of development that would address, at a minimum, the following:

- o an appropriate balance and mix of intended land uses for each phase of the Joint Development (including, but not necessarily limited to, employment, lodging, retail/entertainment, institutional, various public and civic uses, and quality residential uses), reflecting the County's policy to encourage employment, community revitalization, and economic development with an emphasis on the biomedical and biotechnology industries and the innovation economy, and not primarily a residential development;
- Ultra-high speed broadband data transmission infrastructure;
- o the graduated transportation trip mitigation goals required for each phase of the Joint Development;
- o the timing of the graduated transportation infrastructure improvements needed to serve each phase of the Joint Development including BRT.
- The initial material terms memorandum dated November 13, 2014 proposed a 60% residential cap for the first phase of 3 million square feet. I have noted that some Councilmembers are concerned that the initial phase of the development is not defined enough to assure Councilmembers that a 60% cap is sufficient to incentivize the acceleration of commercial development. For that reason, I am recommending that Phase 1 development be limited to not more than 2 million square feet total, which is a reduction from the 3 million square feet I originally proposed.
- I have also proposed to limit residential development to not more than 1,000 market rate units until a minimum of 300,000 square feet of commercial development proceeds to building permit. Based on the approved zoning for the project, this recommendation essentially withholds approximately 80% of the overall residential development potential until commercial development occurs.
- As part of the Applications to be submitted to M-NCPPC for the Entitlements, GLDC and the County would also coordinate and agree on the Project Infrastructure Plan.
- The following is a summary of the transportation improvements that will likely be needed for Phase 1:

| Plum Orchard / FDA Blvd Connector (B-5) | New Road | \$10M |
|---|----------|-------|
| Industrial Pkwy Extension (A-106) | New Road | \$50M |
| Industrial Pkwy Bikeway (A-106) | Bikeway | \$9M |
| FDA Blvd Widening (B-10) | Widening | \$26M |
| White Oak Circulator Contribution | Transit | \$1M |
| LATR Placeholder | LATR | \$7M |

George Leventhal, Council President June 17, 2015 Page 4

- Generally, the project will be responsible for the proportionate share of the costs
 of these improvements. The cost sharing program is based on the partnership land
 basis, which is established by appraisals as a 60/40 split. The County's
 participation on project transportation infrastructure improvements will be funded
 from a variety of sources including the CIP, leveraging the County's land value
 and considering a special taxing district, if feasible.
- Prioritization will be considered after further study and analysis. However, some
 elements are apparent at this time. For example, there would be no benefit for
 circulator service at the start of the project, whereas the Industrial Parkway
 Extension is likely the first improvement that should be programmed for the site.
 All of these improvement projects will be incorporated into future CIPs, providing
 Council the opportunity to review cost, priority and development schedules.
- The 'graduated scale' is an obligation of the GDA and will be a requirement of
 the sketch plan. The Executive Branch will have approval authority of all
 submissions to the M-NCPPC. M-NCPPC will require applications to be
 consistent with master plan requirements, specifically the NADMS requirements.
 The project will need to demonstrate how the graduated scale achieves the
 required 30% NADMS.
- The County may transfer title to portions of Site II to GLDC at GLDC's sole cost
 of transfer and recordation, subject to the County's reservation of its right to
 retain certain parcels of Site II and/or have the right to acquire certain parcels of
 GLDC's Property within the Joint Development for purposes of certain strategic
 governmental uses, including any local (e.g., schools, libraries, civic buildings,
 etc.), State, Federal, or governmental or quasi-governmental uses.
- The partners will be financially responsible for their proportionate share of nontransportation infrastructure to support the joint development such as a school site dedication, community facilities, parkland dedication, etc.
- The County would receive credit under the GDA for the full current, independently-appraised fair market value of Site II, and GLDC would receive credit under the GDA for the full current, independently-appraised fair market value of the GLDC Property. In the event that the Parties agree to a transfer of any portion of title to Site II to GLDC, then after the time of transfer, GLDC would be entitled to use that transferred portion of Site II along with the GLDC Property as collateral to finance and construct on-site and off-site infrastructure and other improvements necessary to deliver finished lots to end-users.



George Leventhal, Council President June 17, 2015 Page 5

- GLDC will be responsible for branding and marketing the Joint Development, with cooperation and coordination of the County at no out-of-pocket cost to the County, unless the County otherwise expressly agrees.
- The GDA will require GLDC to use commercially reasonable efforts to perform a
 variety of obligations. For example, GLDC would be responsible for funding all
 costs of design and land entitlements and diligently preparing development plans
 to be submitted to M-NCPPC. Failure to do so would constitute a failure to
 perform.
- All customary efforts to minimize the County's risk will be utilized as is the case
 with all County projects. Participation in the upside and, conversely, the downside
 is inherent. County exposure will be primarily limited to covering public
 infrastructure costs should taxes and fees from real estate sales be insufficient to
 cover those costs.
- GLDC would be required to use commercially reasonable efforts to meet any
 obligations of the GDA in delivering commercial development. The residential
 cap reinforces the urgency of commercial development with a hard stop.
- GLDC's failure to perform is handled through exercising the County's right to seek remedies or terminate the agreement.
- I have directed that the GDA include an obligation for GLDC and the County to
 use commercially reasonable efforts to attract education and research
 entities/institutions to the White Oak Sector plan area.
- Executive staff will brief the County Council prior to approval of the sketch plan and its submission to M-NCPPC.

As I mentioned earlier the GDA anticipates using the property appraisals to determine fair market value of the 300 acre parcel when necessary to transact any conveyances of property. It should be noted, however, that Executive Staff will need flexibility to obtain development opportunities to facilitate revitalization and redevelopment of the White Oak area. For that reason I am requesting that Council approve this disposition of property and waive the obligation to obtain full fair market value. This will enable me to direct Staff to consider the best opportunities for this property including possible use for strategic economic development projects, government to government development projects, public amenities, etc.

IL:rbp

(15)