

**MEMORANDUM**

June 15, 2018

TO: County Council  
FROM: <sup>GO</sup> Glenn Orlin, Deputy Director  
SUBJECT: Expedited Bill 21-18, Special Capital Improvements Project – Rockville Core  
PURPOSE: Public Hearing followed by Action on Bill – roll call vote required

Expedited Bill 21-18, Special Capital Improvements Project – Rockville Core, sponsored by Lead Sponsor Council President at the request of the County Executive, was introduced on May 24. Action is scheduled following this hearing.

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. Expedited Bill 21-18 would authorize the planning, design and renovation of the Grey Courthouse, Project No. 361702, in the Rockville area.

This packet contains:	<u>Circle #</u>
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Expedited Bill No. 21-18  
Concerning: Special Capital  
Improvements Project - Rockville  
Core  
Revised: 5/22/2018 Draft No. 1  
Introduced: May 24, 2018  
Expires: November 24, 2019  
Enacted: [date]  
Executive: [date signed]  
Effective: [date takes effect]  
Sunset Date: None  
Ch. [#], Laws of Mont. Co. [year]

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Council President at the Request of the County Executive

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**AN EXPEDITED ACT** to: authorize the planning, design, construction, and renovation of the Rockville Core, Project No. 361702, in the Rockville area.

By adding to the Laws of Montgomery County 2018

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*



## LEGISLATIVE REQUEST REPORT

Expedited Bill 21-18

### *Special Capital Improvements Project – Rockville Core*

- DESCRIPTION:** The County Executive requests that capital project No. 361702 Rockville Core authorized as a “Special Capital Improvements Project” pursuant to Section §302 of the County Charter and Section §20-1 of the Montgomery County Code.
- PROBLEM:** Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The estimated locally-funded cost of this project in the FY19 Capital Budget and FY19-24 Capital Improvements Program is \$25,519,000 for planning, design, site improvement and utilities, and construction costs.
- GOALS AND OBJECTIVES:** This project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space. This project came about as part of a comprehensive analysis of maximizing the use of County versus leased space. This project will be financed with appropriation backed debt funded through lease savings.
- COORDINATION:** PEPCO, Department of Transportation, Maryland Department of Transportation, City of Rockville. Departments moving into the renovated Grey Courthouse including, Department of Technology Services (ERP offices), Department of Health and Human Services, Office of Procurement, CountyStat, Office of Human Resources (Training), Office of Medical Services, Department of Finance, and Community Use of Public Facilities.
- FISCAL IMPACT:** N/A
- ECONOMIC IMPACT:** This project came about as a part of a comprehensive analysis of maximizing the use of County versus leased space.
- EVALUATION:** Capital projects are evaluated biennially by the County Executive and County Council as part of the Capital Improvements Program review.
- EXPERIENCE ELSEWHERE:** N/A
- SOURCE OF INFORMATION:** General Services
- APPLICATION WITHIN MUNICIPALITIES:** To be researched.
- PENALTIES:** None Required

Bill



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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

May 22, 2018

TO: Hans Riemer, President, County Council  
FROM: Isiah Leggett, County Executive *[Signature]*  
SUBJECT: Special Capital Improvements Project Legislation  
Rockville Core (P361702)

RECEIVED  
MONTGOMERY COUNTY  
MAY 22 11 02 AM '18

In accordance with Section 302 of the County Charter and Section 20-1 of the Montgomery County Code, I am forwarding the attached Special Capital Improvements Project Legislation Authorization and Legislative Request Report for the Rockville Core (P361702) project.

This request is necessary because the local cost of the above project exceeds the FY19 Special Capital Improvements Project Legislation threshold of \$16,431,000 as set by Executive Order. The purpose of the project is set forth below.

The Rockville Core project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space. This project came about as part of a comprehensive analysis of maximizing the use of County versus leased space. This project will be financed with appropriation backed debt funded through lease savings.

I recommend prompt passage of this legislation to advance this project.

IL:hvp

Attachments (5)

c: Bonnie Kirkland, Assistant Chief Administrative Officer  
Jennifer A. Hughes, Director, Office of Management and Budget  
Greg Ossont, Deputy Director, Department of General Services



Fiscal Impact Statement  
Council Bill XX-18 Special Capital Improvements Project  
Rockville Core

1. **Legislative Summary.**

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The Executive requested a bill for one project – Rockville Core - that now requires Special Capital Improvement Project legislation.

2. **An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.**

There are no expenditures or revenues associated with this bill. The bill only authorizes the designation of the Rockville Core as a Special Capital Improvement Project.

3. **Revenue and expenditure estimates covering at least the next 6 fiscal years.**

See item #2 above.

4. **An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.**

Not applicable. There are no personnel costs associated with this bill.

5. **Later actions that may affect future revenue and expenditures if the bill authorizes future spending.**

Not applicable.

6. **An estimate of the staff time needed to implement the bill.**

Not applicable. This bill does not affect staff responsibilities.

7. **An explanation of how the addition of new staff responsibilities would affect other duties.**

Not applicable.

8. **An estimate of costs when an additional appropriation is needed.**

Not applicable.

9. A description of any variable that could affect revenue and cost estimates.

Not applicable.

10. Ranges of revenue or expenditures that are uncertain or difficult to project.

Not applicable.

11. If a bill is likely to have no fiscal impact, why that is the case.

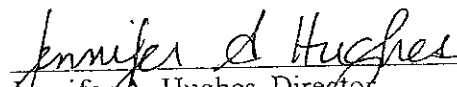
This bill authorizes the designation of the project as a Special Capital Improvement project. No new appropriation is required.

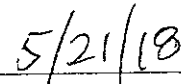
12. Other fiscal impacts or comments.

None.

13. The following contributed to and concurred with this analysis:

Helen P. Vallone, Office of Management and Budget.

  
\_\_\_\_\_  
Jennifer A. Hughes, Director  
Office of Management and Budget

  
\_\_\_\_\_  
Date

Economic Impact Statement  
Council Bill XX-18, Special Capital Improvements Project  
Rockville Core

**Background:**

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The Executive requested a bill for one project Rockville Core - that now requires Special Capital Improvement Project legislation.

**1. The sources of information, assumptions, and methodologies used.**

This bill has no economic impact, as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

**2. A description of any variable that could affect the economic impact estimates.**

Not applicable. This bill has no economic impact, as it serves only to authorize the designation of the Rockville Core Capital Improvement Project.

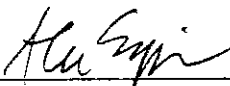
**3. The Bill's positive or negative effect, if any on employment, spending, saving, investment, incomes, and property values in the County.**

The bill has no economic impact – as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

**4. If a Bill is likely to have no economic impact, why is that the case?**

The bill has no economic impact – as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

**5. The following contributed to and concurred with this analysis:** David Platt,  
Finance and Helen P. Vallone, Management and Budget.

  
\_\_\_\_\_  
Alexandre A. Espinosa, Director  
Department of Finance

5/18/2018  
Date





**Rockville Core**  
(P361702)

Category: General Government Date Last Modified: 02/01/18  
 SubCategory: County Offices and Other Improvements Administering Agency: General Services  
 Planning Area: Rockville Status: Preliminary Design Stage

Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
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**EXPENDITURE SCHEDULE (\$000s)**

Planning, Design and Supervision	3,361	41	541	2,779	803	734	734	508	-	-
Site Improvements and Utilities	100	-	-	100	4	48	48	-	-	-
Construction	20,890	5	-	20,885	835	10,025	10,025	-	-	-
Other	1,168	-	-	1,168	47	561	560	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>25,519</b>	<b>46</b>	<b>541</b>	<b>24,932</b>	<b>1,689</b>	<b>11,368</b>	<b>11,367</b>	<b>508</b>	-	-

**FUNDING SCHEDULE (\$000s)**

Long-Term Financing	25,519	46	541	24,932	1,689	11,368	11,367	508	-	-
<b>TOTAL FUNDING SOURCES</b>	<b>25,519</b>	<b>46</b>	<b>541</b>	<b>24,932</b>	<b>1,689</b>	<b>11,368</b>	<b>11,367</b>	<b>508</b>	-	-

**OPERATING BUDGET IMPACT (\$000s)**

Maintenance	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	928	-	558	37	111	111	111
Program-Other	-	-	-	(11,423)	-	(1,352)	(1,392)	(2,893)	(2,893)	(2,893)
Cost Savings	-	-	-	-	-	-	-	-	-	-
<b>NET IMPACT</b>	-	-	-	<b>(10,495)</b>	-	<b>(794)</b>	<b>(1,355)</b>	<b>(2,782)</b>	<b>(2,782)</b>	<b>(2,782)</b>

**APPROPRIATION AND EXPENDITURE DATA (\$000s)**

Appropriation FY 19 Request	830	Year First Appropriation	FY16
Appropriation FY 20 Request	11,368	Last FY's Cost Estimate	23,119
Cumulative Appropriation	1,446		
Expenditure / Encumbrances	57		
Unencumbered Balance	1,389		

**PROJECT DESCRIPTION**

This project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space.

**LOCATION**

27 Courthouse Square

**ESTIMATED SCHEDULE**

Design began in Summer 2017. Construction will be completed Summer 2021.

**COST CHANGE**

Increase is based on updated project cost estimates.

**PROJECT JUSTIFICATION**

Montgomery County Strategic Space Planning Study for the Grey Courthouse was completed in November 2012. The study confirmed that various departments could be relocated from leased space into the facility. The Government Core Facilities Optimization Master Plan Study (funded under Project 500721) analyzed short and long-term growth needs, speed and ease of implementation, cost effectiveness, creation of a suitable government complex, as well as improvement of government services and accessibility. The Government Core Facilities Optimization Master Plan Study noted that additional parking would need to be provided upon occupancy of the Grey Courthouse. This project came about as a part of a comprehensive analysis of maximizing the use of County versus leased space.

**OTHER**

Special Capital Projects Legislation will be proposed by the County Executive.

**FISCAL NOTE**

This project will be financed with appropriation backed debt funded through lease savings.

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**DISCLOSURES**

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

**COORDINATION**

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PEPCO, Department of Transportation, Maryland Department of Transportation, and the City of Rockville. Departments which may be moving into the renovated Grey Courthouse include the Department of Technology Services (ERP offices), Department of Health and Human Services, Office of Procurement, County Stat, Office of Human Resources (Training), Office of Medical Services, Department of Finance, Community Use of Public Facilities,