



April 2, 2025

Honorable Kate Stewart
Council President, Montgomery County Council
Council Office Building
100 Maryland Avenue, 6th Floor
Rockville, MD 20850

Dear Council President Stewart,

I write on behalf of the City of Gaithersburg to offer the following comments on **Fiscal Year (FY) 2026 Capital Budget and Supplemental Appropriations to the FY25 Capital Budget and Amendments to the FY25-30 Capital Improvements Program (CIP)**.

As you know, Crown High School is currently under construction in the City of Gaithersburg and is a critical investment projected to relieve overcrowding at multiple area high schools. The project **Crown High School - \$20M to complete interior of the auditorium, shelled classrooms and labs, and construct the originally planned stadium** has our full support and we look forward to the project's completion in 2027.

The City of Gaithersburg supports the additional \$1.322M appropriation for **Bus Stop Improvements**, as the project provides for the installation and improvement of capital amenities at bus stops across the County to make them safer, more accessible and attractive to users, and improve pedestrian safety for transit passengers.

We also support the appropriation of \$1.5M for the development of a **Comprehensive Flood Management Plan** for Montgomery County, as this type of countywide flood planning is helpful to all municipalities in the County. By identifying and quantifying areas at risk of flooding, by working together, we can better prioritize capital improvement program projects and implementation schedules.

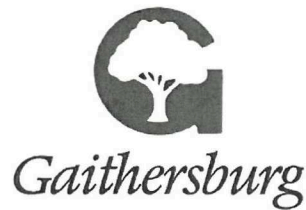
While the Housing Opportunities Commission's (HOC) request for two amendments to the FY25-30 Capital Improvements Program (CIP) has been shifted to the County's proposed FY '26 Operating Budget, the City of Gaithersburg would like to lend its support specifically for the **Cider Mill Capital Improvements project** for balcony, lighting, and security improvements. The Cider Mill community borders the City of Gaithersburg, is directly adjacent to the Lakeforest Mall redevelopment site, and is in critical need of attention and investment by HOC.

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CITY MANAGER
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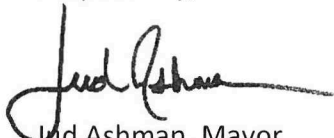


Finally, the City of Gaithersburg requests reimbursement from a transportation impact tax capital projects account, one that was already dedicated to City projects but requiring County allocation. The City, on March 6th, followed up on over 8 years of discussions to finally request reimbursement from the County's Impact Tax Account, which has accumulated \$15.3 million and which is, under Article IV, Chapter 52 of the County Code, and Section 52-41(e) in particular, as well as a 2006 MOU between the City and County, dedicated only to City use for transportation projects included in the City's Master Plan and the City's Capital Improvement Plan. This request has two parts:

- 1) Reimbursement of \$532,992.71 in outstanding costs for projects specifically listed in the 2006 MOU; and
- 2) Reimbursement of the remaining \$14.8 million that will remain in the Impact Tax Account, dedicated to City projects, to be used for projects included in the City's Master Plan and CIP which have arisen since 2006, far exceed the remaining amount in the account, and need the County's approval on a revised project list (attached) so that these transportation impact tax funds can be used, as intended, to assist with these City projects.

Thank you for your consideration of our feedback and requests, and please let me know if you have any questions.

Respectfully,



Jud Ashman, Mayor
City of Gaithersburg

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EXHIBIT A
CITY OF GAITHERSBURG
IMPACT TAX ELIGIBLE PROJECTS

MOU Listed Project	City CIP#	Project Name	Estimated Total Project Cost	Estimated Impact Fee Eligible Cost	Total Spent to Date	Total Impact Tax Eligible Spent to Date	Total Remaining to Spend	Total Impact Tax Eligible Remaining to Spend
Formerly CIP 79-3 (sidewalks and bike path projects)	CIP-034	Quince Orchard Boulevard Street Rehab: Diamond Drive to Firstfield Rd (Shared Use Path)	\$2,050,000	\$2,050,000	\$259,587.22	\$259,587.22	\$1,790,412.78	\$1,790,412.78
	CIP-190	Russell Avenue Improvement Project (Shared Use Path portion)	\$3,750,000	\$2,550,000	\$203,575.00	\$0.00	\$3,546,425.00	\$2,550,000.00
	CIP-203	Olde Towne to Washington Grove Shared Use Path	\$3,500,000	\$3,500,000	\$0.00	\$0.00	\$3,500,000.00	\$3,500,000.00
	CIP-024	I-370 Bicycle Connection (Industrial Drive Shared Use Path)	\$2,750,000	\$2,350,000	\$0.00	\$0.00	\$2,750,000.00	\$2,350,000.00
	CIP-018	East Side of NIST - Multi-Use Path	\$2,700,000	\$2,324,000	\$128,425.81	\$38,828.59	\$2,571,574.19	\$2,285,171.41
	CIP-021	Washingtonian Boulevard Bicycle Connections	\$2,600,000	\$2,600,000	\$237,576.90	\$237,576.90	\$2,362,423.10	\$2,362,423.10
	CIP-020	Quince Orchard Park to Conservation Lane - Bicycle Connections	\$550,000	\$550,000	\$0.00	\$0.00	\$550,000.00	\$550,000.00
	CIP-TBD	Kentlands Shared Use Path	\$3,959,000	\$3,959,000	\$0.00	\$0.00	\$3,959,000.00	\$3,959,000.00
	CIP-TBD	West Deer Park Road Shared Use Path	\$3,090,500	\$3,090,500	\$0.00	\$0.00	\$3,090,500.00	\$3,090,500.00
	CIP-181 CIP-025	Sidewalk Gaps	\$2,000,000	\$2,000,000	\$0.00	\$0.00	\$2,000,000.00	\$2,000,000.00
Formerly CIP 98-7 (bus shelters and benches projects)								
	Various	New Bus Shelters		\$200,000	\$0.00	\$0.00	\$200,000.00	\$200,000.00
		TOTAL:	\$27,149,500	\$25,173,500	\$829,164.93	\$535,992.71	\$26,320,335.07	\$24,637,507.29