

Resolution No.: 18-300
 Introduced: September 29, 2015
 Adopted: October 20, 2015

**COUNTY COUNCIL
 FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Councilmembers Floreen, Katz, Leventhal, Navarro, Riemer, Elrich, and Berliner

SUBJECT: Amendment to the FY15-20 Capital Improvements Program and
 Special Appropriation to the FY16 Capital Budget
 Montgomery County Government
 Department of Transportation
 Wheaton Redevelopment Program (No. 150401), \$2,852,857

Background

1. Section 308 of the Montgomery County Charter provides for a special appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.

2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.

The County Council recommends the following capital project appropriation increase:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Wheaton Redevelopment Bonds/Long-Term Financing	150401	PDS	\$345,975	GO Bonds/Long- Term Financing
Wheaton Redevelopment Bonds/Long-Term Financing	150401	Construction	<u>\$2,506,882</u>	GO Bonds/Long- Term Financing
	TOTAL		\$2,852,857	

3. This special appropriation is required to begin design of the geothermal system to be included in the office building component of the Wheaton Redevelopment Program. The special appropriation includes funding for design and construction.

4. Notice of public hearing was given and a public hearing was held.

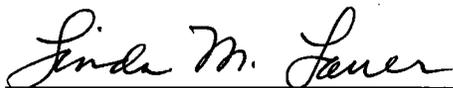
Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY15-20 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a special appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Wheaton Redevelopment Bonds/Long-Term Financing	150401	PDS	\$345,975	GO Bonds/Long-Term Financing
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TOTAL			\$2,852,857	

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council

Wheaton Redevelopment Program (P150401)

Category: General Government
 Sub Category: Economic Development
 Administering Agency: Transportation (AAGE30)
 Planning Area: Kensington-Wheaton

Date Last Modified: 11/17/14
 Required Adequate Public Facility: No
 Relocation Impact: None
 Status: Planning Stage

	Total	Thru FY14	Rem FY14	Total 6 Years	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	13357 43,011	4,507	1,321	7,528 24,405	2,000	2,800	1,440	1,443	0	0	0
Land	1,010	1,010	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	10,559	1,346	0	9,213	3,750	2,044	3,419	0	0	0	0
Construction	113,996 -144,489	686	0	113,310 10,803	0	7,210	60,122 58,972	31,866 34,308	9,912	0	0
Other	7,778	179	132	7,467	475	0	300	5,500	1,192	0	0
Total	143,847 146,700	7,728	1,453	137,519 134,008	6,225 11,900	11,854 11,900	63,831 65,281	42,252 43,009	11,104	0	0
FUNDING SCHEDULE (\$000s)											
Contributions	862	0	0	862	0	862	0	0	0	0	0
Current Revenue: General	1,300	650	325	325	325	0	0	0	0	0	0
Federal Aid	418	417	1	0	0	0	0	0	0	0	0
G.O. Bonds	76,876 71,872	0	1,077	71,199 70,295	3,019	5,920 5,635	31,423 32,562	22,690 22,201	5,855	0	0
Long-Term Financing	64,357 83,009	0	0	64,357 83,009	2,706	5,218 5,054	30,856 30,029	20,327 18,074	5,249	0	0
PAYGO	6,036	6,036	0	0	0	0	0	0	0	0	0
State Aid	850	625	50	175	175	0	0	0	0	0	0
Total	143,847 146,700	7,728	1,453	134,008 137,519	6,225 11,900	11,854 11,900	63,831 65,281	42,252 43,009	11,104	0	0

Appropriation Request	FY 16	500
Supplemental Appropriation Request	2,853	0
Transfer		0
Cumulative Appropriation		136,690
Expenditure / Encumbrances		7,815
Unencumbered Balance		128,875

Date First Appropriation	FY 04
First Cost Estimate	
Current Scope	FY 18/16 148,847
Last FY's Cost Estimate	143,847

146,700

Description

This project provides for the planning, studies, design, and construction of an office building, public parking garage, and a town square on the site of Parking Lot 13 and the Mid-County Regional Services Center (RSC) in Wheaton. The project components include 1) an approximately 266,000 s.f. office building to be owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC); 2) an approximately 400 space underground public parking garage to be delivered to the Wheaton Parking Lot District (PLD); and 3) a town square located on Lot 13 and the current RSC site. The new headquarters for M-NCPPC will occupy approximately 132,000 s.f. of the building, including space for a child care facility. The remainder of the building space will be used by the County for office and retail under a long-term lease agreement. The County intends to use its space for nearly 15,000 s.f. of street front retail space and move offices of the RSC, Wheaton Urban District, Department of Environmental Protection, and Department of Permitting Services to this building. After the building is delivered to M-NCPPC, the Commission will transfer the ownership of the parcels at 8787 Georgia Ave. in Silver Spring and 11200 Amherst Ave. in Wheaton to the County. The County will then transfer 8787 Georgia Ave. to the developer who will develop a privately financed mixed-use project on the site. The delivery will include air rights above the land over the parking garage for the space comprising the office building and over that portion of the land located between the building and Reedie Drive. The town square will be maintained and programmed by the RSC for the community benefit. The obligations and relationship between County Government and M-NCPPC for the project are reflected in a Memorandum of Understanding dated May 31, 2013 and will be explicitly set forth in the Binding Agreements between the parties.

This PDF also includes \$650,000 for consulting services to provide 1) a comprehensive parking study to identify potential redevelopment disruptions to the public parking supply and any related impacts of existing businesses and to identify potential mitigation options; 2) planning studies to review potential models and approaches to creating local jobs and job training opportunities prior to and during redevelopment, including relevant case examples in Montgomery County as well as innovative models from other local and national jurisdictions; and 3) a business assessment study to determine the number of businesses and the magnitude of the impact. The business assessment study is needed to support Council Bill 6-12 for the establishment of service provision and technical assistance to those small businesses adversely impacted by a County redevelopment project.

As part of the agreement, this project also includes a privately owned mixed use residential building with independent financing and significant affordable housing components.

The building will have geothermal heating and cooling system which is likely to result in LEED Platinum Certification for the office building.

Location

Montgomery County Public Parking Lot 13, between Grandview Avenue and Triangle Lane; the RSC site on Reedie Drive, Wheaton; 8787 Georgia Avenue, Silver Spring; and Veterans Urban Park at 11200 Amherst Avenue, Wheaton, Maryland.

Wheaton Redevelopment Program (P150401)

Estimated Schedule

The project design is expected to begin in July 2014 and construction is expected to begin in the summer of 2016 with delivery of the office building in mid-2018. Demolition of the RSC site will begin as soon as the site can be vacated. The town square is planned to be completed in the fall of 2018.

Cost Change

~~The cost increase is based on negotiated costs of constructing a 12-story office building that includes additional County government offices and changes to the concept design of the building and the town square based on community input.~~

Justification

The Wheaton Redevelopment Program was established in 2000 with the goal of encouraging private reinvestment through targeted, complementary public investment. The complementary public investment that Wheaton most needs is investment in creating a centrally located public space and a daytime population that together will contribute to an 18-hour economy in downtown Wheaton. It is expected that this public investment will leverage private investment, some of which is already occurring in Wheaton.

Plans & Studies: Wheaton CBD and Vicinity Sector Plan (2011), State of Maryland designation as a Smart Growth and TOD site (2010), Urban Land Institute Technical Assistance Panel (2009), The International Downtown Association Advisory report (2008); Wheaton's Public Safety Audit (2004); The Wheaton Redevelopment Advisory Committee visioning process for the Wheaton core; National Mainstreet Center Planning Study (2000); WRAC activities since established in 2000.

Fiscal Note

Minor project funding includes: 1) \$418,000 FY09 federal grant, funded through the SAFETEA-LU transportation act; 2) A developer contribution of \$861,940 from M-NCPPC Public Use Space and Amenity Fund, November 5, 2010 Planning Board Resolution, 10-149, Site Plan 820110010; and 3) \$350,000 FY14 and FY15 State aid to support façade improvements and a pilot solar-powered trash compactor program.

Non-tax supported long-term financing will be used to finance the costs for DEP and DPS facility space. Total project cost includes \$8,930,000 for Streetscape and Façade work funded through FY12.

The residential development on Lot 13 will not be funded in this PDF.

Disclosures

A pedestrian impact analysis has been completed for this project.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Coordination

WMATA, Office of the County Attorney, M-NCPPC, Westfield Mall, Community Associations and Residents, Private developers, Department of General Services, Department of Transportation, Department of Environmental Protection, Department of Permitting Services, Department of Housing and Community Affairs, Mid-County Regional Service Center, and State of Maryland. Special Projects Legislation [Bill No. 33-14] was adopted by Council June 17, 2014.

The cost increase is based on estimated costs of design and construction of a geothermal heating and cooling system for the office building.