

# Economic Impact Statement

Office of Legislative Oversight

## Expedited Bill 27-21

## Wheaton Regional Headquarters – Lease Approval

### SUMMARY

The Office of Legislative Oversight (OLO) believes that Expedited Bill 27-21 would have insignificant economic impacts on the County. The Bill would approve a 40-year lease between the Maryland-National Capital Park and Planning Commission (M-NCPPC) and the County for office space in the recently constructed Wheaton Regional Headquarters building that is being used for various County departments. Because the term of the lease is more than 20 years, Council approval is required under Maryland State law. The primary economic impacts to the County occurred through previous planning and budgetary decisions to construct the building and move various departments to the building, not the Council's approval of the lease to comply with State law.

---

### BACKGROUND

If enacted, Expedited Bill 27-21 would approve a lease between the Maryland-National Capital Park and Planning Commission (M-NCPPC) and the County for 177,031 square feet of space in the recently constructed Wheaton Regional Headquarters to be used for various County departments.<sup>1</sup>

---

### METHODOLOGIES, ASSUMPTIONS, AND UNCERTAINTIES

Council approval of the lease is required under Md. Code Ann., Land Use § 17-204(a) because the term of the lease exceeds 20 years. The decision to construct Wheaton Regional Headquarters and relocate various departments to the building was made through previous planning and budgetary processes. These decisions are responsible for local economic impacts of construction and relocation. For this reason, OLO believes formalizing these decisions to comply with Maryland State law through the Council's pro forma approval of the lease would have insignificant economic impacts.

---

### VARIABLES

Not applicable

---

<sup>1</sup> Montgomery County Council, Expedited Bill 27-21, Wheaton Regional Headquarters – Lease Approval, introduced on June 29, 2021.

# Economic Impact Statement

Office of Legislative Oversight

## IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

### Businesses, Non-Profits, Other Private Organizations

While previous construction of Wheaton Regional Headquarters and relocation of various County departments to the building has impacted private organizations in the County, OLO believes that Expedited Bill 27-21 would have insignificant impacts to these organizations in terms of the Council's priority indicators.<sup>2</sup>

### Residents

OLO believes that Expedited Bill 27-21 would have insignificant impacts to County residents in terms of the Council's priority indicators.

---

## DISCUSSION ITEMS

Not applicable

---

## WORKS CITED

Montgomery County Code. Sec. 2-81B. Economic Impact Statements.

Montgomery County Council. Expedited Bill 27-21, Wheaton Regional Headquarters – Lease Approval. Introduced on June 29, 2021.

---

## CAVEATS

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

---

## CONTRIBUTIONS

Stephen Roblin (OLO) prepared this report.

---

<sup>2</sup> Montgomery County Code. Sec. 2-81B. Economic Impact Statements.