



Life Sciences and Technology Centers (P789057)

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|---------------|----------------------|----------------------|------------------|
| Category | General Government | Date Last Modified | 01/07/25 |
| SubCategory | Economic Development | Administering Agency | County Executive |
| Planning Area | Countywide | Status | Ongoing |

EXPENDITURE SCHEDULE (\$000s)

| Cost Elements | Total | Thru FY24 | Rem FY24 | Total 6 Years | FY 25 | FY 26 | FY 27 | FY 28 | FY 29 | FY 30 | Beyond 6 Years |
|----------------------------------|--------------|--------------|------------|---------------|--------------|----------|----------|----------|----------|----------|----------------|
| Planning, Design and Supervision | 3,369 | 2,824 | 145 | 400 | 400 | - | - | - | - | - | - |
| Land | 39 | 39 | - | - | - | - | - | - | - | - | - |
| Site Improvements and Utilities | 73 | 73 | - | - | - | - | - | - | - | - | - |
| Construction | 3,177 | 175 | 402 | 2,600 | 2,600 | - | - | - | - | - | - |
| Other | 12 | 12 | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 6,670 | 3,123 | 547 | 3,000 | 3,000 | - | - | - | - | - | - |

FUNDING SCHEDULE (\$000s)

| Funding Source | Total | Thru FY24 | Rem FY24 | Total 6 Years | FY 25 | FY 26 | FY 27 | FY 28 | FY 29 | FY 30 | Beyond 6 Years |
|-------------------------------|--------------|--------------|------------|---------------|--------------|----------|----------|----------|----------|----------|----------------|
| Current Revenue: General | 5,400 | 1,853 | 547 | 3,000 | 3,000 | - | - | - | - | - | - |
| G.O. Bonds | 410 | 410 | - | - | - | - | - | - | - | - | - |
| PAYGO | 260 | 260 | - | - | - | - | - | - | - | - | - |
| Recordation Tax Premium (MCG) | 600 | 600 | - | - | - | - | - | - | - | - | - |
| TOTAL FUNDING SOURCES | 6,670 | 3,123 | 547 | 3,000 | 3,000 | - | - | - | - | - | - |

APPROPRIATION AND EXPENDITURE DATA (\$000s)

| | | | |
|-----------------------------|---------|--------------------------|-------|
| Appropriation FY 26 Request | (1,000) | Year First Appropriation | FY90 |
| Cumulative Appropriation | 7,670 | Last FY's Cost Estimate | 7,670 |
| Expenditure / Encumbrances | 4,087 | | |
| Unencumbered Balance | 3,583 | | |

PROJECT DESCRIPTION

This project has supported a myriad of enhancements related to the County's life sciences and entrepreneurial climate. This project originally provided funds to design and construct the public amenities at the Shady Grove Life Sciences Center. The project has supported the development and land use plans for the Germantown Life Sciences Park (GLSP) and the Site II development. Additionally, the project has supported the development of the Germantown and Rockville business incubators and upgrades to the Silver Spring Incubator. Specific tasks included feasibility studies, due diligence, refining Programs of Requirements (PORs), design and construction. Additions to the original project scope included: revised development and subdivision plans to increase site density (FY00); subdivision plans for prospective Life Sciences and Technology Centers (FY03); planning for the Rockville Incubator (FY07);

and the pursuit of all needed steps for Site II to be accepted into the Maryland Voluntary Clean-Up Program (FY11). This project may also be used for incubator renovations, the preliminary development of other incubators, tech parks, or other economic development capital projects should future new opportunities become available. In FY22, funds were provided for the conversion of excess office space into wet labs in the lab corridor of the Germantown Incubator. In FY25, the project added funds to support the continued conversion of vacant offices at the Germantown center into wet labs, including the partitioning of labs into bench space. This funding also supports the refresh of the co-working space at the Rockville center, and the branding and technology improvements of the centers. In FY25, a portion of appropriated funds are to be expended for tenant improvements at the initial location of the Montgomery County-branded AI Innovation Center.

ESTIMATED SCHEDULE

Tenant improvements at the Montgomery County-branded AI Innovation Center are expected to begin in the latter half of FY25.

COST CHANGE

Cost decrease recognizes savings from the completion of projects under budget and the removal of projected State Aid.

PROJECT JUSTIFICATION

For the past five years the Germantown Incubator has had excess office space and insufficient wet lab space to meet the demand of small life science companies. The labs are routinely at 100 percent occupancy while the office space is routinely 28-44 percent vacant. Generally each lab company also occupies office space. By increasing the number of available wet labs, the incubator can serve more emerging life science companies by providing both lab and office space, thereby reducing the current office space vacancy. Improving the County's facilities will maximize potential use of space, including innovation, collaboration spaces, shared labs with bench rentals and shared equipment, etc. to transition the facilities to experienced globally recognized innovation ecosystem activators incorporating expanded programming and technical assistance.

OTHER

The original component of the Capital Improvements Program project, the construction of all required amenities and improvements to meet M-NCPPC's subdivision requirement for the SGLSC property, is complete. The Rockville Innovation Center and the Germantown Innovation Center have been open for business. Site II was accepted into the Maryland Voluntary Clean-Up Program and has been conveyed to Percontee. The Silver Spring Innovation Center has been renovated.

FISCAL NOTE

The project has been adjusted to remove the assumption of receipt of \$1,000,000 in State Aid through the Build Our Future Grant Pilot Program which was not awarded.

COORDINATION

State of Maryland, TEDCO, Maryland Department of Public Works and Transportation - Division of Capital Development, the Maryland-National Capital Park and Planning Commission, Montgomery County Economic Development Corporation, and tenants of the Germantown Innovation Center. Facility Planning: Montgomery County Government, Montgomery College, WSSC Water, and private developers