



Committee: PHED
Committee Review: Completed
Staff: Eunice Jeong, Legislative Analyst; Naeem Mia, Legislative Analyst
Purpose: Final action – vote expected
Keywords: DHCA

AGENDA ITEM #29
May 11, 2023
Action

SUBJECT

Amendment to the FY23-28 CIP: Countywide Façade Easement Program

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- PHP Committee voted 3-0 in favor of approving this item.

DESCRIPTION/ISSUE

This FY24 update is a scope change cost increase, reflecting additional state aid for White Oak neighborhood revitalization and façade improvement, in the amount of \$500,000. \$500,000 in State Aid reflects State grants for capital projects awarded during the 2024 Maryland General Assembly session.

As a background, this ongoing project provides for revitalizing commercial areas throughout Montgomery County with a focus on older commercial properties. The objective is to provide support to small businesses and to encourage private investments. Improvements will include gateway signage, pedestrian lighting, connectivity, streetscape elements, plant material installation, acquisition of long-term facade and center signage easements, and other amenities. The Department of Housing and Community Affairs (DHCA) will begin the project with a focus on commercial areas proximate to residential improvement projects currently underway in DHCA's Focused Neighborhood Assistance program, which will serve as a complement to existing redevelopment efforts that are already in progress. This program will provide a comprehensive approach and balance residential and commercial revitalization activities in these aging communities. This program is not limited to the initially identified commercial areas and may also be expanded to other communities in the County.

The project focus will initially include five commercial areas identified by DHCA, located in the Glenmont and Layhill Shopping Centers, Montgomery Village, Hillandale, and the Wheaton Central Business District. Three of the targeted areas, Wheaton, Montgomery Village, and a portion of Hillandale were also selected in part due to their location in Montgomery County's Opportunity Zones. However, this program may expand to other commercial areas throughout the County for additional implementation flexibility.

This report contains:

Staff memo for 5/1 PHP committee

Transmittal memo from the County Executive

PDF P762102, Countywide Façade Easement Program

Pages 1-2

©1-5

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MEMORANDUM

April 26, 2023

TO: Planning, Housing, & Parks (PHP) Committee

FROM: Eunice Jeong, Legislative Analyst
Naeem M. Mia, Legislative Analyst

SUBJECT: **FY23-28 CIP Amendments:** Countywide Façade Easement Program

PURPOSE: Vote on County Executive's recommendation for the Council's consideration

Expected Attendees:

- Scott Bruton, Deputy Director, DHCA
- Mary Gentry, Chief of Housing, DHCA
- Pofen Salem, Chief of Finance and Administration, DHCA
- Rogers Stanley, Chief, Neighborhood Revitalization Section, DHCA
- Anita Aryeetey, Fiscal and Policy Analyst, Office of Management and Budget (OMB)

FY23-28 Capital Improvements Program

- Countywide Façade Easement Program

1. Countywide Façade Easement Program (FY23-28 Recommended PDF © 1-2)

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Countywide Façade Easement Program

	Total	Thru FY22	Rem FY22	Total 6 years	FY23	FY24	FY25	FY26	FY27	FY28	Beyond 6 years
Previously Approved	4,042	92	444	3,506	416	719	672	563	568	568	-
CE Recommended	4,542	92	444	4,006	416	1,219	672	563	568	568	-
Delta	500	0	0	500	0	500	0	0	0	0	-

Source of funds: Current Revenue, Recordation Tax Premium, State Aid

Council staff recommendation: Approve as recommended by the Executive.

This packet contains:

Transmittal memo from the County Executive
 PDF P762102, Countywide Façade Easement Program

Pages

© 1-5
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OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

April 18, 2023

TO: Evan Glass, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: Amendments to the Recommended FY23-28 Capital Improvements Program and the FY24 Capital Budget

I am transmitting further revisions to my recommended FY23-28 Capital Improvements Program (CIP) based on our State delegation's success in securing additional State aid for critical capital budget projects and to better position key transportation projects to pursue Federal funding.

Bus Rapid Transit (BRT)

I recommend amending the Bus Rapid Transit: MD 355 South/North, the Bus Rapid Transit: MD 355 Central, and the Bus Rapid Transit: Veirs Mill Road projects to reflect Federal grant conventions regarding cost escalations and contingencies. In addition, the Bicycle-Pedestrian Priority Area Improvements - Veirs Mill Road/Randolph Bicycle project is proposed to be merged into the Veirs Mill Road BRT project to maximize potential Federal funding. New State aid is added to all three BRT projects to reflect additional funding approved by the Maryland General Assembly, and State lottery proceeds dedicated to County BRT projects. Funding from the Op Lanes Maryland project is deferred while Gov. Wes Moore's Administration reevaluates the best way to proceed with addressing transportation improvements along the I-270 and I-495 corridors. In addition, I recommend adding a new Twinbrook Connector Trail project to relocate the existing Parklawn North Connector Trail from the roadway shoulder to facilitate the new BRT line on Veirs Mill Road.

Other Transportation

I recommend an amendment to create a new US 29 Streetlighting project, recognizing \$2,840,000 in additional State aid. This project will support the planning, design, installation, and energization of streetlights along US 29 between I-495 and MD 198.

Amendments to the Recommended FY23-28 Capital Improvements Program and the FY24 Capital Budget

April 18, 2023

Page 2 of 3

I recommend an amendment to recognize additional State funds that will support a new \$1,000,000 MD198 Sidewalk Improvements project to add sidewalk connections between Dino Drive and McKnew Road. I also recommend adding \$160,000 to the Traffic Signals project to fund school beacon improvements due to newly appropriated State resources.

The Burtonsville Park and Ride Improvements project is amended to reflect an additional \$1,000,000 in State aid awarded to design and construct a shared parking garage to support FLASH service on the US 29 corridor and redevelopment of the adjacent commercial property.

Finally, newly awarded and pre-authorized State aid will facilitate a six-month construction acceleration for the Bowie Mill Road Bikeway.

The Maryland General Assembly has also provided funding to WMATA for the North Bethesda Metro Station Northern Entrance project. MCDOT continues to work with WMATA to refine the project scope and implementation plan and to identify development partners and additional funding sources.

Housing and Community Development

I recommend a supplemental appropriation to create a new project funded by State aid to support the renovation and revitalization of the Burtonsville Crossing Shopping Center. In all, the State has allocated \$7,000,000 for site improvements of this location. In addition, I recommend amending the Countywide Façade Easement Program to reflect \$500,000 in State aid to support White Oak neighborhood revitalization and façade improvements. These projects will assist in reactivating important community assets on the County's East side.

Culture and Recreation

The Wheaton Arts and Cultural Center project is updated to reflect \$1,000,000 in State aid, allowing us to begin build-out of the facility's interior in FY28, earlier than previously programmed. In addition, I recommend adding \$1,056,000 in State aid to the Library Refurbishment Level of Effort project to reflect an additional \$555,600 provided to construct building and site improvements at the Long Branch Library, and \$500,000 to support the Damascus Library and Senior Center Refurbishment.

High School Wellness Centers

I recommend amending the High School Wellness Centers project to add \$1,000,000 provided by the General Assembly to support this important work. Council shares my interest in keeping centers for our neediest students on schedule. These additional funds will be an important hedge against construction cost increases and project delays.

State aid for MCPS Playgrounds

An additional \$1,350,000 in State aid was awarded to Montgomery County to fund improvements for Montgomery County Public Schools playgrounds throughout the County. The

County will coordinate with MCPS to identify playground sites that MCPS will construct.

Olney Police Substation

I recommend creating a new project to support facility planning for the Olney Satellite Police Station and Community Facility serving the 4th District supported by State aid. The County will work closely with the State Delegation to secure the additional State resources needed to implement the project.

Maryland-National Capital Park and Planning Commission (M-NCPPC)

I am pleased to report that our partners at M-NCPPC have successfully raised non-County funds to support County parks. M-NCPPC staff will be working with County Council and Office of Management and Budget staff to program more than \$13.5 million in additional State and Federal funding in the following projects: Ballfield Initiatives; Legacy Urban Space; Ovid Hazen Wells Recreational Park Improvements; Park Acquisitions; Park Refreshers; Planned Lifecycle Asset Replacement – Local Parks; Planned Lifecycle Asset Replacement – Non-Local Parks; Power Line Trail; Trails Hard Surface Renovation; and Wheaton Regional Park.

The timing of State aid in these amendments will allow a modest increase in the FY24 set-aside for general obligation bonds. I urge the Council to maintain this additional FY24 set-aside to help manage likely construction cost increases.

I want to thank all those who contributed to these projects – particularly Montgomery County’s representatives in the Maryland General Assembly. We are eager to partner with the State to provide important facilities for our residents.

Department staff is available to answer any questions as you consider these amendments as we work together to finalize the FY24 Capital and Operating Budgets.

ME: mb

Enclosure: FY23-28 Amended Biennial CIP: April Budget Amendments Summary
Amended Project Description Forms
General Obligation Bond Adjustment Chart

cc: Montgomery County Councilmembers
Marlene Michaelson, Executive Director, Montgomery County Council
Karla Silvestre, President, Montgomery County Board of Education
Dr. Monifa B. McKnight, Superintendent, Montgomery County Public Schools
Jeffrey Zyontz, Chair, Montgomery County Planning Board
Executive Branch Department Heads and Office Directors
Office of Management and Budget Staff

FY 23-28 Biennial Recommended CIP
Budget Amendments Summary (\$000s) - Round 2

Project #	Project Name	Explanation of Adjustment	FY23-28 Change (\$000s)	Funding Sources
New Projects				
P472401	Olney Satellite Police Station and Community Facility	New State Aid-funded project to support facility planning.	100	State Aid
P502406	MD 198 Sidewalk Improvements	New State Aid-funded project to add sidewalk connections between Dino Drive and McKnew Road.	1,000	State Aid
P502405	Twinbrook Connector Trail	New project to relocate the existing trail to maintain connectivity due to Veirs Mill Road Bus Rapid Transit project implementation.	1,500	G.O. Bonds
P502407	US 29 Streetlighting	New project reflecting additional State Aid.	2,840	State Aid
FY23 Supplementals				
P362311	Burtonsville Crossing Shopping Center	Reflects additional State Aid.	7,000	State Aid
Scope Change				
P362309	State Aid for MCPS Playgrounds	Reflects additional State Aid.	1,350	State Aid
P502309	Bus Rapid Transit: MD 355 South/North	Escalates design costs and adds planning/design for Clarksburg Transit Center. Replaces Op Lanes funding for final design with State Aid.	2,796	State Aid, Op Lanes Maryland Transit Funding
P501913	Bus Rapid Transit: Veirs Mill Road	Combines this project with Veirs Mill Road/Randolph Road BiPPA, which had a cost increase following updated estimates. Cost escalation for BRT design, construction and buses.	82,235	Federal Aid, G.O. Bonds, State Aid, State Bus Rapid Transit Fund
P507154	Traffic Signals	Reflects additional State Aid.	160	State Aid
P640902	High School Wellness Center and Expanded Wellness Services	Reflects additional State Aid.	1,000	State Aid
P711502	Library Refurbishment Level of Effort	Reflects additional State Aid to support the Damascus Library and Senior Center which occupy the same facility, and for Long Branch Library Building and Site Improvements.	1,056	State Aid
P762102	Countywide Facade Easement Program	Reflects additional State Aid for White Oak neighborhood revitalization and facade improvement.	500	State Aid
Cost Change				
P502203	Burtonsville Park and Ride Improvements	Reflects additional State Aid and clarifies project scope.	1,000	State Aid
P502005	Bus Rapid Transit: MD 355 Central	Updates expenditures and funding schedule to reflect cost increases and new state/federal aid assumptions.	66,768	Federal Aid, Current Revenue: Mass Transit, State Aid, Op Lanes Maryland Transit Funding
P502003	Bicycle-Pedestrian Priority Area Improvements - Veirs Mill/Randolph	Combines this project with Bus Rapid Transit: Veirs Mill Road (501913) project to maximize federal aid.	(11,466)	Federal Aid, G.O. Bonds

FY 23-28 Biennial Recommended CIP
Budget Amendments Summary (\$000s) - Round 2

Project #	Project Name	Explanation of Adjustment	FY23-28 Change (\$000s)	Funding Sources
Schedule Adjustments				
P502108	Bowie Mill Road Bikeway	Accelerated based on awarded and pre-authorized State Aid.	3,675	G.O. Bonds, State Aid
P722106	Wheaton Arts and Cultural Center	Adds State Aid to accelerate some interior buildout into FY28.	1,000	G.O. Bonds, State Aid



Countywide Facade Easement Program (P762102)

Category	Community Development and Housing	Date Last Modified	04/14/23
SubCategory	Community Development	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Planning Stage

	Total	Thru FY22	Rem FY22	Total 6 Years	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	1,065	92	144	829	132	138	140	139	140	140	-
Construction	3,300	-	300	3,000	250	1,050	500	400	400	400	-
Other	177	-	-	177	34	31	32	24	28	28	-
TOTAL EXPENDITURES	4,542	92	444	4,006	416	1,219	672	563	568	568	-

FUNDING SCHEDULE (\$000s)											
Current Revenue: General	3,742	92	144	3,506	416	719	672	563	568	568	-
Recordation Tax Premium (MCG)	300	-	300	-	-	-	-	-	-	-	-
State Aid	500	-	-	500	-	500	-	-	-	-	-
TOTAL FUNDING SOURCES	4,542	92	444	4,006	416	1,219	672	563	568	568	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)				
Appropriation FY 24 Request		1,219	Year First Appropriation	FY21
Cumulative Appropriation		952	Last FY's Cost Estimate	4,042
Expenditure / Encumbrances		92		
Unencumbered Balance		860		

PROJECT DESCRIPTION

This project provides for revitalizing commercial areas throughout Montgomery County with a focus on older commercial properties. The objective is to provide support to small businesses and to encourage private investment. Improvements will include gateway signage, pedestrian lighting, connectivity, streetscape elements, plant material installation, acquisition of long term facade and center signage easements, and other amenities. The Department of Housing and Community Affairs (DHCA) will begin the project with a focus on commercial areas proximate to residential improvement projects currently underway in DHCA's Focused Neighborhood Assistance program, which will serve as a complement to existing redevelopment efforts that are already in progress. This program will provide a comprehensive approach and balance residential and commercial revitalization activities in these aging communities. This program is not limited to the initially identified commercial areas and may also be expanded to other communities in the County.

LOCATION

The project focus will initially include five commercial areas identified by DHCA, located in the Glenmont and Layhill Shopping Centers, Montgomery Village, Hillandale, and the Wheaton Central Business District. Three of the targeted areas, Wheaton, Montgomery Village and a portion of Hillandale were also selected in part due to their location in Montgomery County's Opportunity Zones. However, this program may expand to other commercial areas throughout the County for additional implementation flexibility.

ESTIMATED SCHEDULE

Schedule change to reflect accelerated implementation of a facade easement project in FY22. White Oak neighborhood facade improvements will begin in FY24.

COST CHANGE

Cost increase due to the addition of State Aid for White Oak neighborhood revitalization and facade improvements.

PROJECT JUSTIFICATION

As older commercial areas throughout the County continue to age, it is important for the County to provide technical and financial assistance to assure those aging properties are improved to meet today's commercial standards and demands. The Countywide Facade Easement Program will require participants to maintain their properties for a negotiated term, with the intent to leverage investment provided by the public sector to encourage private property and business owners to make physical improvements to their buildings. The objective is to provide more attractive and aesthetically pleasing commercial environments that are safe shopping areas for residents and to generate a greater impact on the older commercial areas throughout the County.

OTHER

DHCA will review various M-NCPPC master and sector plans to evaluate and identify specific commercial areas to participate in the program.

FISCAL NOTE

Some areas may be eligible for the Federal Community Development Block Grant funding.

\$5000,000 in State Aid reflects State grants for capital projects awarded during the 2024 Maryland General Assembly session.

DISCLOSURES

Expenditures will continue indefinitely. The County Executive asserts that this project conforms to the requirement of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

COORDINATION

Office of the County Executive, Regional Services Centers, Office of the County Attorney, Department of Permitting Services, Office of Procurement, the Maryland-National Capital Park and Planning Commission, Maryland Department of the Environment, and Montgomery County Economic Development Corporation.