

Resolution No.: 17-865
Introduced: July 30, 2013
Adopted: September 10, 2013

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY13-18 Capital Improvements Program and Supplemental Appropriation #2-S14-CMCG-2 to the FY14 Capital Budget Montgomery County Government Department of General Services Wheaton Redevelopment Program (No. 150401), \$350,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive, who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
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.
3. The County Executive 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 Program	150401	Other	\$350,000	State Aid
TOTAL			\$350,000	

4. This increase is needed to appropriate a \$350,000 Community Legacy grant from the Maryland Department of Housing and Community Development. This grant has two parts: \$125,000 will fund a pilot solar-powered trash compactor program and the remainder, \$225,000, will fund façade improvements. Both parts are targeted to the State designated Wheaton Transit Oriented Development area. The recommended amendment is consistent with the criteria for amending the CIP because it leverages non-County funds and will foster Wheaton revitalization.
5. The County Executive recommends an amendment to the FY13-18 Capital Improvements Program and a supplemental appropriation in the amount of \$350,000 for the Wheaton Redevelopment Program (No.150401), and specifies that the source of funds will be State Aid.
6. Notice of public hearing was given and a public hearing was held.

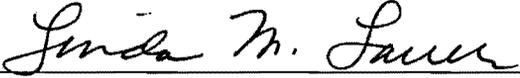
Action

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

The FY13-18 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form, and a supplemental 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 Program	150401	Other	\$350,000	State Aid
TOTAL			\$350,000	

This is a correct copy of Council action.


 Linda M. Lauer, Clerk of the Council

Wheaton Redevelopment Program (P150401)

Category	General Government	Date Last Modified	5/2/13
Sub Category	Economic Development	Required Adequate Public Facility	No
Administering Agency	County Executive (AAGE03)	Relocation Impact	None
Planning Area	Kensington-Wheaton	Status	Planning Stage

	Total	Thru FY12	Rem FY12	Total 6 Years	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	13,216	3,745	270	9,201	640	1,300	3,344	1,300	1,300	1,317	0
Land	1,010	1,010	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	4,509	1,309	0	3,200	0	0	0	3,200	0	0	0
Construction	53,183	409	249	52,525	0	0	0	2,000	24,000	25,525	0
Other	1,770	4,420	130	1,692	0	175	175	0	0	1,346	0
73,688 Total	73,338	6,603	463	66,272	640	4,300	3,344	6,500	25,300	29,188	0

	Total	Thru FY12	Rem FY12	Total 6 Years	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)											
Contributions	862	0	0	862	0	0	0	862	0	0	0
Current Revenue: General	1,300	0	0	1,300	640	335	325	0	0	0	0
Federal Aid	418	417	1	0	0	0	0	0	0	0	0
G.O. Bonds	64,572	0	462	64,110	0	965	3,019	5,638	25,300	29,188	0
PAYGO	5,686	5,686	0	0	0	0	0	0	0	0	0
State Aid	850	500	0	350	0	175	175	0	0	0	0
73,688 Total	73,338	6,603	463	66,272	640	4,300	3,344	6,500	25,300	29,188	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 14	325
Supplemental Appropriation Request		350
Transfer		0
Cumulative Appropriation		9,580
Expenditure / Encumbrances		8,821
Unencumbered Balance		2,759

Date First Appropriation	FY 04
First Cost Estimate	
Current Scope	FY 14 73,268
Last FY's Cost Estimate	73,268

73,688

Description

This revised PDF will allow for the solicitation of proposals for public and private development on Lot 13, the site of the existing Wheaton Regional Services Center, and Lot 34. The revised project provides for the planning, design, and for construction of a town square at the southern side of Parking Lot 13, which is at least 1/3 the area of the site. Proposals must include private residential and/or commercial development, a new headquarters (up to 132,000 square feet) for M-NCPPC that reflects its status as an independent agency, offices for the Wheaton Regional Services Center (up to 10,000 square feet), a town square (that is at least one-third the size of Lot 13) and to provide parking in accordance with the Parking Lot District standards. In addition, proposers will be asked to provide an option for additional development to include County Government Departments (up to 108,000 square feet for DPS and DEP) and financing options that could minimize the upfront CIP costs. M-NCPPC will own the office building. The County may consider alternative financing and ownership options for its portion of the development. If the County is unable to select a developer for this project by December 1, 2013 the Council intends to introduce a CIP amendment to allow M-NCPPC to build its own headquarters in Wheaton. Following selection of a developer, M-NCPPC will enter into negotiations with Montgomery County which will ultimately result in transfer of control of 8787 Georgia Avenue to the County upon delivery. This revised PDF includes \$650,000 for the County's facility planning and for consulting services to provide 1) a comprehensive parking study to identify potential redevelopment disruptions to parking supply and demand, the related impact to existing businesses, and potential solutions or mitigation, and 2) planning studies that review potential models and approaches to creating local jobs and job training opportunities prior to or during redevelopment, including relevant case examples in Montgomery County as well as innovative models from other local and national jurisdictions. Additionally, the revised PDF removes funding for the evaluation of the financial feasibility for the WMATA bus bay site proposed in the existing PDF, and replaces that study with a business assessment study to determine the number of businesses and the magnitude impacted by the redevelopment project. The business assessment study is required by Council Bill 6-12 for the establishment of service provisions and technical assistance to those small businesses adversely impacted by a County redevelopment project. Any future study of the feasibility of developing the WMATA bus bay will be coordinated with WMATA as it develops plans to redevelop its Wheaton properties.

Estimated Schedule

The Executive has indicated his intent to issue an RFP by June 1 and select a developer by November 1. Planning and engineering will commence in FY14. Construction of the private sector development is anticipated to begin in FY16 with the County's construction of the town square planned to follow with a FY18 start. The façade and streetscape improvement program, that was suspended when this Wheaton Redevelopment Project was approved, will be reassessed after completion of the town square.

Cost Change

Remove

*Compliator program (\$125,000) and
façade improvements (\$225,000).*

Wheaton Redevelopment Program (P150401)

Unknown factors that may also affect the final project cost and schedule include: the ultimate scale and integration of the public-private partnership, the coordinated concept design for the town square among all stakeholders, the utilization of existing parking facilities in Wheaton CBD, and the successful land transfer of 8787 Georgia Avenue between M-NCPPC and the County Government. Funding, schedule and sources may change subject to public-private agreements. *Costs have been increased to reflect an FY14*

Justification

supplemental appropriation of state aid for a pilot solar-powered trash

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

- \$418,000 federal grant, funded through the SAFETEA-LU transportation act, was received in FY09.
- 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.
- Total project cost includes \$8,930,000 for Streetscape and Façade work funded through FY12.

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, Department of General Services, Department of Transportation, Private developers, Department of Housing and Community Affairs, Mid-County Regional Services Center, State of Maryland,