

MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

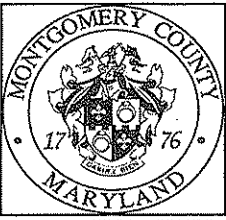
Subject Designation of Strategic Economic Development Project	Executive Order No. 98-12	Subject Suffix
Originating Department Offices of the County Executive	Department No.	Effective Date May 1, 2012

DESIGNATION OF A STRATEGIC ECONOMIC DEVELOPMENT PROJECT

Pursuant to Code of Montgomery County Regulations ("COMCOR") 11B.45.01.02.C, the County Executive may except dispositions of certain real properties from the Property Disposition Regulations if the surplus property is designated as a strategic economic development project. In accordance with the requirements established by this Executive Order the property discussed herein is intended to be so designated.

BACKGROUND

1. WHEREAS, on March 23, 2010, the County approved the White Flint Sector Plan (the "Plan"), which provides, among other things, for the redevelopment of properties in close proximity to the White Flint Metro Station, which is a "transit station" as defined by Section 7-101(o) of the Annotated Code of Maryland, Transportation Article (the "Code").
2. WHEREAS, the Plan has extensive smart growth goals and the potential for great economic returns to the State and the County. In furtherance of those goals, the Plan recommends, among other things, significant infrastructure improvements (roads, utilities and streetscape improvements) within the area covered by the Plan in order to achieve those benefits.
3. WHEREAS, Section 7-102(a)(1) of the Code establishes the legislative policy of the State of Maryland that the realization of transit-oriented development ("TOD") throughout the State represents transportation purposes that are essential for the satisfactory movement of people and goods, the alleviation of present and future traffic congestion, the economic welfare and vitality, and the development of the metropolitan area of Baltimore and other political subdivisions of the State.
4. WHEREAS, Section 7-101(m)(3) of the Code permits the Secretary of the Department of Transportation ("MDOT") and the local governing body that manages land use and planning responsibility for the relevant area to designate a TOD.
5. WHEREAS, on November 30, 2010, the Montgomery County Council, at the request of the County Executive, adopted Resolution No. 16-1570 to designate the White Flint Sector Plan Area as a TOD, and included that resolution with its annual joint State-County transportation priority letter.
6. WHEREAS, on March 2, 2012, in accordance with Code of Maryland Regulation (COMAR) 34.02.02.04-.07, the State Clearinghouse recommended to declare the Property (as defined herein) surplus to the State, and to offer to convey the Property to the County pursuant to Section 8-309(g) of the Code, with the



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understanding that the County shall use the Property to implement the TOD Designation, which is a transportation purpose pursuant to Section 7-102(a)(1) of the Code.

7. WHEREAS, on March 9, 2012, following a recommendation from Governor Martin O'Malley's Smart Growth Subcabinet, the Secretary of MDOT and the County Executive of the County, supplemented the County TOD designation with a joint formal designation ("Designation") of the White Flint Transit Oriented Development Area ("TOD Area"), as a TOD pursuant to Section 7-101 (m)(3) of the Code.

8. WHEREAS, the State Highway Administration ("SHA") currently owns approximately 3.8446 acres of real property located near the intersection of Montrose Parkway and Rockville Pike that was originally acquired for Right-of-Way purposes and which is currently used for parking under various agreements with the County and other public and private users (the "Property"). The County desires to relocate such parking uses to a structure (the "Conference Center Garage") that will be co-located with the parking necessary to meet the needs of the Bethesda North Marriott Hotel & Conference Center ("Conference Center"), of which the State of Maryland retains a partial ownership interest, as well as to address other area public and commuter parking needs. The construction of the Conference Center Garage will become necessary upon the re-alignment of Executive Boulevard as recommended in the Sector Plan.

9. WHEREAS, Consistent with the State Clearinghouse recommendation, the County intends to purchase the Property from SHA for the purchase price of \$2,233,076.72 pursuant to Section 8-309(g) of the Code.

10. WHEREAS, subsequent to the conveyance of the Property to the County, the County intends to dispose of the Property to Federal Realty Investment Trust (the "Developer") at its fair market value, estimated to be \$23,250,000 pursuant to the County's licensed real estate appraiser, for inclusion in a TOD project being undertaken by the Developer. The Developer has agreed to implement the TOD Designation by developing a TOD on the Property pursuant to plans approved by the County, and has agreed to record a covenant running with the Property, obligating the development of the Property as a TOD.

11. WHEREAS, the County will utilize the proceeds of the proposed disposition to fund the design and construction of the Conference Center Garage, or other infrastructure improvements that serve to implement the TOD Designation and the goals of the Plan. Any use of the funds outside of design and construction of the Conference Center Garage will occur only upon the mutual agreement of the County and MDOT.

12. WHEREAS, County Regulation 11B.45.01.02.C specifically provides that Regulation 11B.45.01 does not apply to sites disposed of for purposes related to, among other things, housing and matters of significant or strategic interest to the County's economic development.



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ACTION

NOW, THEREFORE, in consideration of the above recitals, it is determined that under COMCOR 11B.45.01, Disposition of Real Property, Section 2.0.C, the sale of the Property (as defined herein) is excepted from the disposition process because the Property is surplus property and because the disposition will provide the County with necessary funds to construct the Conference Center Garage or other infrastructure improvements that serve to implement the goals of the Plan and the TOD area, advance the economic development goals of Montgomery County, achieve strategic redevelopment objectives which demonstrates how this disposition of property is a matter of strategic interest to the County's economic development.

TERM

This Executive Order expires on 12-31-12

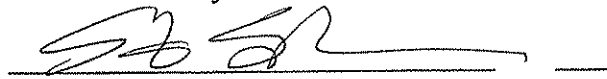
This Executive Order is issued under the Authority of the Code of Montgomery County Regulations 11B.45.01 Section 2.0.C Disposition of Real Property.

Approved:


Isiah Leggett, County Executive

May 1, 2012
Date

Recommended by:


Steve Silverman
Director, Department of Economic Development

5/1/12
Date

Approved as to form and legality
Office of the County Attorney



Date: 5/1/12