



**Committee:** Joint  
**Committee Review:** At a future date  
**Staff:** Robert H. Drummer, Senior Legislative Attorney  
**Purpose:** To introduce agenda item – no vote expected  
**Keywords:** #SilverSpringBID

AGENDA ITEM 13C  
January 12, 2021  
**Introduction**

## SUBJECT

Bill 3-21, Special Taxing Area Laws – Silver Spring Business Improvement District – Established

Lead Sponsors: Councilmember Riemer and Council President Hucker

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To introduce Bill – no vote expected

## DESCRIPTION/ISSUE

Bill 3-21 would:

- establish a business improvement district in Silver Spring;
- establish guidelines for the District and authorize a district corporation to manage the District; and
- authorize a tax on nonexempt property located in the District to finance the operations of the district corporation.

## SUMMARY OF KEY DISCUSSION POINTS

Would a business improvement district benefit property and persons within the district?

### This report contains:

Bill 3-21	©1
Legislative Request Report	©17
Sponsor Memorandum	©18

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**M E M O R A N D U M**

January 7, 2021

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney

SUBJECT: Bill 3-21, Special Taxing Area Laws – Silver Spring Business Improvement District – Established

PURPOSE: Introduction – No Council vote required

Bill 3-21, Special Taxing Area Laws – Silver Spring Business Improvement District – Established, sponsored by Lead Sponsors, Councilmember Riemer and Council President Hucker, is scheduled to be introduced on January 12, 2021. A public hearing is tentatively scheduled for February 2, 2021 at 1:30 p.m.<sup>1</sup>

Bill 3-21 would:

- establish a business improvement district in Silver Spring;
- establish guidelines for the District and authorize a district corporation to manage the District; and
- authorize a tax on nonexempt property located in the District to finance the operations of the district corporation.

MD Code, Economic Development, §§ 12-601 through 12-612 authorize the County to establish a business improvement district in the County. Section 12-602 states the purpose of a business improvement district must be to:

- (2) promote the general welfare of the residents, employers, employees, property owners, commercial tenants, consumers, and the general public within the geographic area of the business improvement districts.

The State law provides that the County must establish the district based on an application from a group of private property owners in the proposed district. Bill 3-21 would establish a business improvement district in an area similar, but not identical, to the current Silver Spring Urban District created by Chapter 60 of the County Code.

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<sup>1</sup>#SilverSpringBID

The district would be operated by a district corporation organized by the property owners in the district. The County would impose a business improvement tax on non-exempt property owners in the district and may provide additional funds, including a portion of the Silver Spring Parking Lot District revenues. The district corporation would be required to provide public services and facilities to serve the property and persons within the district instead of the County as a whole.

A memorandum from the lead sponsors, Councilmember Riemer and Council President Hucker, explaining the reason for this Bill is at ©18-19.

This packet contains:	<u>Circle #</u>
Bill 3-21	1
Legislative Request Report	17
Riemer and Hucker Memorandum	18

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Bill No. 3-21  
Concerning: Special Taxing Area Laws –  
Silver Spring Business Improvement  
District – Established  
Revised: 1/5/2021 Draft No. 6  
Introduced: January 12, 2021  
Expires: July 12, 2022  
Enacted: \_\_\_\_\_  
Executive: \_\_\_\_\_  
Effective: \_\_\_\_\_  
Sunset Date: None  
Ch. \_\_\_\_\_, Laws of Mont. Co. \_\_\_\_\_

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsors: Councilmember Riemer and Council President Hucker

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**AN ACT** to:

- (1) establish a business improvement district in Silver Spring;
- (2) establish guidelines for the District and authorize a district corporation to manage the District;
- (3) authorize a tax on nonexempt property located in the District to finance the operations of the district corporation; and
- (4) generally amend the laws governing a business improvement district in Silver Spring.

By adding

Montgomery County Code  
Chapter 62, Silver Spring Business Improvement District  
Sections 62-1, 62-2, 62-3, 62-4, 62-5, 62-6, 62-7, 62-8, and 62-9

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Sections 62-1, 62-2, 62-3, 62-4, 62-5, 62-6, 62-7, 62-8, and 62-9 are**  
 2 **added as follows:**

3           **Chapter 62. [Reserved] Silver Spring Business Improvement District.**

4 **62-1. Definitions. As used in this Chapter:**

5           Board means the board of directors of the Silver Spring Business Improvement  
 6 District corporation.

7           Commercial tenant means a lessee or other lawful occupant, other than the  
 8 owner, of nonexempt property within the District.

9           Condominium means property subject to a condominium regime as stated in  
 10 §11-101 of the Real Property Article of the Annotated Code of Maryland.

11           Cooperative housing corporation means a corporation where each stockholder  
 12 or member, by virtue of such ownership or membership, has a cooperative  
 13 interest in the corporation as defined in §5-6B-01 of the Corporations and  
 14 Associations Article of the Annotated Code of Maryland.

15           Department means the Department of Transportation or another County  
 16 department or office designated by the Executive to perform functions under  
 17 this Chapter.

18           District means the Silver Spring Business Improvement District established  
 19 under this Chapter and covering the geographic area of the County described in  
 20 Section 62-2.

21           District corporation means the Downtown Silver Spring Business Improvement  
 22 District, Inc. which was formed to operate the Silver Spring Business  
 23 Improvement District in accordance with this Chapter.

24           Homeowners association means an incorporated or unincorporated association  
 25 with the authority to enforce the provisions of a declaration imposing a  
 26 mandatory fee for the benefit of some or all of the lots in a development as  
 27 defined in §11B-101 of the Real Property Article.

28 Maintaining streetscape amenities means cleaning, repairing rehabilitating, or  
 29 replacing streetscape amenities.

30 Maintaining the streetscape includes cleaning sidewalks, driveways, streets, and  
 31 other public areas; collecting trash; and caring for trees and other plantings.  
 32 Maintaining the streetscape includes streetscaping of the medians and street  
 33 sweeping but does not include maintaining the road or the curbs.

34 Members of the district means the owners of nonexempt property in the District.

35 Nonexempt property means all real property in the District that is not exempt  
 36 from paying real property taxes except a:

37 (1) condominium unit or cooperative housing corporation unit that  
 38 exists on or before the date this law takes effect;

39 (2) homeowner's association; and

40 (3) residential property with fewer than 4 dwelling units.

41 Streetscape amenity includes such items as bulletin boards and electronic  
 42 displays; communication systems; containers for growing things; fountains and  
 43 pools; drinking fountains; functional and decorative lighting; outdoor seating;  
 44 restrooms; seating and other street furniture; shelters for pedestrians and persons  
 45 using public transportation; non-standard paving; sidewalks; trees and other  
 46 plantings; trash containers; vending booths and kiosks; works of art; any outdoor  
 47 item that an optional method developer agreed to install and maintain as a  
 48 condition of site plan approval; and other items of a similar character or purpose.

49 **62-2. Silver Spring Business Improvement District – Established.**

50 (a) Findings. The Council, after receiving an application to establish a  
 51 district corporation and conducting a public hearing on the application, as  
 52 required by §§12-608 and 12-609 of the Economic Development Article  
 53 of the Annotated Code of Maryland, finds that a business improvement  
 54 district would promote the general welfare of the residents, employers,

55 employees, property owners, commercial tenants, consumers and the  
 56 general public within the downtown area of Silver Spring.

57 (b) Established. The Silver Spring Business Improvement District is  
 58 established pursuant to §§12-601 to 12-612 of the Economic  
 59 Development Article of the Annotated Code of Maryland.

60 (c) Boundary. The Silver Spring Business Improvement District includes all  
 61 land in the thirteenth election district of the County within the area  
 62 described as follows:

63 (1) beginning at a point on the Maryland-District of Columbia  
 64 boundary line at the intersection of the west right-of-way of  
 65 Georgia Avenue with the Maryland-District of Columbia  
 66 boundary line, and running in a northwesterly direction along the  
 67 Maryland-District of Columbia boundary line, and crossing  
 68 Sixteenth Street along an extension of that boundary line to its  
 69 intersection with the west right-of-way line of Sixteenth Street;

70 (2) then in a northerly direction along the west right-of-way line of  
 71 Sixteenth Street, crossing East-West Highway to its intersection  
 72 with a southwesterly extension of the northerly right-of-way line  
 73 of Spring Street;

74 (3) then in a northeasterly direction along that extension crossing  
 75 Sixteenth Street to its intersection with the east right-of-way line  
 76 of Sixteenth Street;

77 (4) then in a northeasterly direction along the northern right-of-way  
 78 line of Spring Street, crossing Second Avenue, First Avenue,  
 79 Georgia Avenue, and Alton Parkway, then continuing  
 80 southeasterly crossing Fairview Road, Cameron Street, to its  
 81 intersection with Colesville Road

- 82 (5) then in a southeastern direction along the extension of the  
83 northeastern boundary of Spring Street across Colesville Road,  
84 crossing Roeder Road and across its intersection with Ellsworth  
85 Drive;
- 86 (6) then in a southwesterly direction along the southeast right-of-way  
87 line of Cedar Street;
- 88 (7) then in a southeasterly direction along the northeast right-of-way  
89 line of Cedar Street, crossing Wayne Avenue, to its intersection  
90 with the southeast right-of-way line of Wayne Avenue;
- 91 (8) then in a southwesterly direction along the southeast right-of-way  
92 line of Wayne Avenue to its intersection with Fenton Street;
- 93 (9) then in a southern direction along the eastern right-of-way of  
94 Fenton Street crossing Bonifant Street, Easley Street, Thayer  
95 Avenue, Silver Spring Avenue, Sligo Avenue, to its intersection  
96 with Gist Avenue;
- 97 (10) then in a southern direction along the extension of the eastern right-  
98 of-way of Fenton Street crossing Gist Avenue to the extension of  
99 its intersection with the south right-of-way line of Gist Avenue;
- 100 (11) then in a western direction along the extension of the south right-  
101 of-way of Gist Avenue crossing Fenton Street to its intersection  
102 with the west right-of-way line of Fenton Street;
- 103 (12) then in a western direction approximately 260 feet to the extension  
104 of the northeast corner of Lot 44, Block C-1, Blair, as shown in  
105 Plat No. 23916, recorded November 20, 2008, among the land  
106 records of Montgomery County, Maryland;
- 107 (13) then in a south and southwesterly direction along the east line of  
108 Lot 44, as shown in Plat No. 23916, recorded November 20, 2008,



- 109                    among the land records of Montgomery County, Maryland, to the  
 110                    northeast right-of-way line of Philadelphia Avenue;  
 111                    (14) then crossing Philadelphia Avenue to the intersection of the  
 112                    southwestern right-of-way line of Philadelphia Avenue and the  
 113                    east corner of Lot 58, Block H, Blair Section One, as shown in Plat  
 114                    No. 7074, recorded June 20, 1963, among the land records of  
 115                    Montgomery County, Maryland,  
 116                    (15) then in a southwesterly direction along the lot line, which is the  
 117                    southeast line of Lot 58 Block H Blair section One as shown in  
 118                    Plat No. 7974, recorded June, 20, 1963, among the land records of  
 119                    Montgomery County, Maryland, to its intersection with the  
 120                    northeast lot line of Lot 34, Block H, Blair as shown in Plat No.  
 121                    229, recorded June, 7, 1922, among the land records of  
 122                    Montgomery County, Maryland;  
 123                    (16) then in a northwesterly direction along the northeast property line  
 124                    of Lot 34 to its intersection with the common lot line, which is the  
 125                    east line of Lot 35 and the west lot line of Lot 34, Block H, Blair,  
 126                    as shown in Plat 229, recorded June 7, 1922, among the land  
 127                    records of Montgomery County, Maryland;  
 128                    (17) then in a southwesterly direction along the common line of Lot 35  
 129                    and Lot 34, Block H, as shown in, Plat 229, recorded June 7, 1922,  
 130                    among the land records of Montgomery County, Maryland, to the  
 131                    intersection of the northeast right-of-way line of Selim Road.  
 132                    (18) then in a southeasterly direction along the northeastern right-of-  
 133                    way line of Selim Road to its intersection with the northern right-  
 134                    of-way line of Burlington Avenue;

- 135           (19) then in a southwesterly direction along the extension of the
- 136                 northern right-of-way line of Burlington Avenue crossing Selim
- 137                 Avenue;
- 138           (20) then in a southwesterly direction along the northern right-of-way
- 139                 of Burlington Avenue to its intersection with the east right-of-way
- 140                 of Georgia Avenue;
- 141           (21) then in a western direction crossing Georgia Avenue to the western
- 142                 right-of-way
- 143           (22) then in a southerly direction along the western right-of-way of
- 144                 Georgia Avenue to the point of beginning; and
- 145           (23) any lot that is partially within and partially outside of the areas
- 146                 under paragraphs (1) through (22).

147 **62-3. District Corporation.**

148           (a) Establishment. The owners of nonexempt property in the District

149                 established a district corporation called the Downtown Silver Spring

150                 Business Improvement District, Inc. located at 8757 Georgia Avenue,

151                 Silver Spring, MD 20910, and applied to the County to manage the

152                 District. The application included:

- 153           (1) a statement setting forth:
- 154                 (A) the proposed name and address of the district corporation;
- 155                 and
- 156                 (B) the street address of each owner of nonexempt property
- 157                 within the District;
- 158           (2) a statement expressing the intent to establish a district corporation
- 159                 that is signed by:
- 160                 (A) owners of at least 51% interest in the assessed value of the
- 161                 nonexempt property and, subject to subsection (b) of this

162 section, a designated board member of a condominium or  
 163 cooperative housing corporation within the proposed  
 164 district; and

165 (B) owners of at least 51% of the total number of parcels of  
 166 nonexempt property and, subject to subsection (b) of this  
 167 section, a designated board member of a condominium or  
 168 cooperative housing corporation within the District;

169 (3) a proposed 3-year business plan that contains:

170 (A) the goals and objectives of the District;

171 (B) the annual proposed business improvement district tax for  
 172 the proposed district's common operations and the formula  
 173 used to determine each member's district tax; and

174 (C) the maximum amount and the nature of start-up costs  
 175 incurred before the District's establishment;

176 (4) a tax assessor's map of the geographic area of the District;

177 (5) a list of the proposed initial board of the proposed district  
 178 corporation;

179 (6) the proposed articles of incorporation and the bylaws of the district  
 180 corporation; and

181 (7) for all nonexempt property within the District:

182 (A) the name and mailing address of each owner; and

183 (B) the most recent assessed value.

184 (b) *Condominiums or cooperative housing corporation may petition.*

185 (1) Notwithstanding any other provision of this Chapter, subject to  
 186 paragraph (2) of this subsection, a condominium or cooperative  
 187 housing corporation that is located in the District may petition to  
 188 join the district corporation.

189           (2)    A condominium or cooperative housing corporation described  
 190           under paragraph (1) of this subsection may petition to join the  
 191           District only if:

192           (A)   the condominium or cooperative housing corporation is  
 193           governed by a board;

194           (B)   the board votes to join the district corporation; and

195           (C)   the board has a representative member of the board sign the  
 196           appropriate documents required under subsection (b)(2) of  
 197           this section.

198           (3)   For the purposes of the votes cast under subsection (b)(2) of this  
 199           section:

200           (A)   a condominium or cooperative housing corporation shall be  
 201           considered a single parcel; and

202           (B)   the decision reached by the board shall constitute the vote  
 203           of the condominium or cooperative housing corporation.

204    **62-4. Board of directors.**

205           (a)    *In general.* A board of directors must govern the district corporation.

206           (b)    *Membership.*

207           (1)    Subject to paragraph (2) of this subsection, the board of a district  
 208           corporation consists of at least five members, but no more than  
 209           nine members, appointed by the members of the District.

210           (2)    Appointment procedures.

211           (A)    Until the first meeting of the board of directors, the entire  
 212           board must consist of the 8 directors constituting the initial  
 213           board of directors, as set forth in the district corporation's  
 214           articles of incorporation. Thereafter, the entire board must  
 215           be comprised of such number of directors that may be

216 specified by resolution of the board. The directors must be  
 217 classified by the time the directors hold office by dividing  
 218 them into three classes, each of which shall contain the same  
 219 number of directors (if necessary, one (1) class may contain  
 220 one (1) more or one (1) less director than the other two (2)  
 221 classes). After the initial members, the directors must be  
 222 elected by the members.

223 (B) The first election of directors by the members must be held  
 224 within 120 days after the date this law takes effect.  
 225 Subsequent elections must be held annually as provided in  
 226 subparagraph C.

227 (C) The board must appoint a nominating committee, which  
 228 must nominate a slate of candidates for each annual election.  
 229 Members may nominate additional candidates at the  
 230 meeting called for the purpose of electing directors.  
 231 Members and persons other than members are eligible to  
 232 become directors. Only directors may serve on a committee.

233 (i) Prior to the first election of directors, the nominating  
 234 committee must nominate three slates of candidates:  
 235 one slate to serve as the first class of directors for the  
 236 term of 3 years; one slate to serve as the second class  
 237 of directors for the term of 2 years and one slate to  
 238 serve as the third class of directors for the term of 1  
 239 year. At the first election of directors, the members  
 240 must hold a separate election to elect each class of  
 241 directors.

242 (ii) At each annual election of directors thereafter, the  
 243 successors to the class of directors whose term  
 244 expires that year must be elected for the term of 3  
 245 years, so that the term of office of one class of  
 246 directors expires in each year.

247 (iii) For each election of directors, each member may cast  
 248 no more than their total number of votes for any one  
 249 candidate. Directors must not be elected through  
 250 cumulative voting.

251 (iv) Each director elected by the members must serve  
 252 until his or her successor is elected, or until his or her  
 253 earlier death, resignation or removal in accordance  
 254 with the district's bylaws.

255 (c) Chair; officers. From among its members, the board must elect a chair  
 256 and other officers.

257 (d) Quorum.

258 (1) A majority of the voting members of the board is a quorum.

259 (2) The board may act on a resolution only by the affirmative vote of  
 260 a majority of the voting members.

261 (e) Compensation; reimbursement for expenses. A member of the board:

262 (1) must not receive compensation as a member of the board; but

263 (2) may be reimbursed for expenses incurred in performing the  
 264 member's duties.

265 (f) Powers. The board must exercise its powers by resolution.

266 (g) Annual report. The board must file an annual report with the Executive  
 267 and the Council that includes:

268 (1) a financial statement for the preceding year;

- 269           (2)    a proposed operating budget for the current fiscal year;  
 270           (3)    any proposed revisions to the business plan; and  
 271           (4)    a narrative statement or chart showing the results of operations in  
 272                   comparison to stated goals and objectives.

273   **62-5. District corporation net earnings; powers.**

274           (a)    Earnings. The net earnings of the district corporation must benefit only  
 275                   the district corporation.

276           (b)    Powers.

277           (1)    Except as limited by its articles of incorporation, the district  
 278                   corporation has all the powers set forth in §§12-601 to 12-612 of  
 279                   the Economic Development Article of the Annotated Code of  
 280                   Maryland and this Chapter.

281           (2)    A district corporation may:

282                   (A)   receive money from the County, the State, other  
 283                           governmental units, or nonprofit organizations;

284                   (B)   charge fees for its services;

285                   (C)   have employees and consultants as it considers necessary;  
 286                           and

287                   (D)   use the services of other governmental units.

288           (c)    Use of powers. A district corporation must operate and exercise its  
 289                   powers solely to accomplish one or more of the legislative purposes of  
 290                   §§12-601 to 12-612 of the Economic Development Article of the  
 291                   Annotated Code of Maryland and this Chapter.

292   **62-6. Funding.**

293           (a)    Preliminary business improvement district tax roll. Within 10 days after  
 294                   the effective date of this law, the district corporation must provide the

295 Executive and Council with a preliminary business improvement district  
 296 tax roll.

297 (b) Imposition of business improvement district tax.

298 (1) The Council must impose a business improvement district tax to  
 299 provide funds for the operation of the District.

300 (2) The Council must impose on members of the District the district  
 301 tax at a rate specified by the board and approved by the Council.

302 (3) The tax imposed under this subsection must not count against the  
 303 limits on property tax revenue in Section 305 of the County  
 304 Charter.

305 (c) Collection. The district tax must be collected in the same manner as real  
 306 property taxes are collected and distributed each quarter to the District.

307 (d) Reimbursement for collection costs. The district corporation must  
 308 reimburse the County for the costs incurred in collecting the district tax.

309 (e) Parking Lot District fees.

310 (1) The Council may transfer revenue from parking fees to the district  
 311 corporation received from the fees that or delete are are collected  
 312 in the District.

313 (2) The amount of revenue from parking fees transferred to the district  
 314 corporation must not exceed the amount calculated by multiplying:

315 (A) the number of parking spaces in the District by

316 (B) the number of enforcement hours per year by

317 (C) 20 cents.

318 **62-7. District corporation duties.**

319 (a) In general. The district corporation must provide public services and  
 320 facilities in the District that are:



321 (1) primarily of benefit to the property and persons within the District  
 322 rather than to the County as a whole; and

323 (2) in addition to services and facilities that the County provides  
 324 generally.

325 (b) Services. The district corporation must provide services that include:

326 (1) maintaining the streetscape and streetscape amenities on:

327 (A) public rights-of-way; and

328 (B) any property that is used by the general public;

329 (2) promoting and programming public interest activities that benefit  
 330 both residential and commercial interests of the District (and which  
 331 may incidentally benefit neighboring communities);

332 (3) providing additional streetscape amenities and facade  
 333 improvements; and

334 (4) monitoring activities to enhance the safety and security of persons  
 335 and property in public areas of the District.

336 (c) Allocation of duties. The Department is not responsible for streetscaping  
 337 of the medians and street sweeping inside the curbs in the District. The  
 338 Department is responsible for other maintenance inside, and including,  
 339 the curbs. Outside of the curbs, the Department is only responsible for  
 340 repair of standard concrete sidewalks. The district corporation is  
 341 responsible for brick or other non-standard sidewalk maintenance. This  
 342 allocation of functions may be altered by written agreement between the  
 343 Department and the district corporation.

344 (d) Insurance. The district corporation must secure reasonable and  
 345 appropriate insurance for its activities

346 **62-8. Expansion of the District.**

347 (a) Expansion by the District. The District may expand the geographic area  
 348 of the District if:

349 (1) a petition for inclusion is submitted from:

350 (A) owners of at least 51% interest in the assessed value of the  
 351 nonexempt property and, subject to subsection (b) of this  
 352 section, a designated board member of a condominium or  
 353 cooperative housing corporation proposed for inclusion in  
 354 the district; and

355 (B) owners of at least 51% of the total number of parcels of  
 356 nonexempt property and, subject to subsection (b) of this  
 357 section, a designated board member of a condominium or  
 358 cooperative housing corporation proposed for inclusion in  
 359 the district;

360 (2) the petition under paragraph (1) of this subsection is accepted by a  
 361 majority vote of the board of the district corporation; and

362 (3) the appropriate documents, as applicable, are submitted under §12-  
 363 608 of the Economic Development Article of the Annotated Code  
 364 of Maryland and a hearing is held under §12-609 of the Economic  
 365 Development Article.

366 (b) Expansion by condominium or cooperative housing corporation.

367 (1) Notwithstanding any other provision of this title and subject to  
 368 paragraph (2) of this subsection, a condominium or cooperative  
 369 housing corporation that is in the proposed expanded geographic  
 370 area of the District may petition to join the expansion.

371 (2) A condominium or cooperative housing corporation described  
 372 under paragraph (1) of this subsection may petition to join the  
 373 expansion only if:

- 374                   (A) the condominium or cooperative housing corporation is  
 375                   governed by a board;  
 376                   (B) the board votes to join the district corporation; and  
 377                   (C) the board has a representative member of the board sign the  
 378                   appropriate documents required under §12-608 of the  
 379                   Economic Development Article.  
 380                   (3) For the purposes of the votes cast under subsection (a)(1):  
 381                   (A) a condominium or cooperative housing corporation must be  
 382                   considered a single parcel; and  
 383                   (B) the decision reached by the board must constitute the vote  
 384                   of the condominium or cooperative housing corporation.

385 **62-9. Review and evaluation of the District.**

- 386                   (a) Review; development of procedures for evaluation. The Executive must:  
 387                   (1) review the effectiveness and desirability of continuing the district  
 388                   every 3 years beginning from the time this Act takes effect;  
 389                   (2) develop by method 2 regulation policies and procedures for  
 390                   evaluating the desirability of continuing the District; and  
 391                   (3) recommend to the Council whether the District should continue.  
 392                   (b) Effect of disapproval. If the Council adopts a resolution disapproving of  
 393                   the continuing existence of the District:  
 394                   (1) the District must cease to exist as directed by the Council; and  
 395                   (2) the district corporation must continue its existence only as long as  
 396                   necessary to terminate operation in a reasonable manner.

## LEGISLATIVE REQUEST REPORT

Bill 3-21

*Special Taxing Area Laws – Silver Spring Business Improvement District – Established*

<b>DESCRIPTION:</b>	Bill 3-21 would: <ul style="list-style-type: none"><li>• establish a business improvement district in Silver Spring;</li><li>• establish guidelines for the District and authorize a district corporation to manage the District; and</li><li>• authorize a tax on nonexempt property located in the District to finance the operations of the district corporation.</li></ul>
<b>PROBLEM:</b>	Property owners in Silver Spring are planning to apply for the establishment of a business improvement district.
<b>GOALS AND OBJECTIVES:</b>	Improve public services and facilities within the Silver Spring Urban District.
<b>COORDINATION:</b>	Regional Service Center, Finance
<b>FISCAL IMPACT:</b>	To be provided
<b>ECONOMIC IMPACT:</b>	To be provided
<b>EVALUATION:</b>	To be provided
<b>EXPERIENCE ELSEWHERE:</b>	To be researched
<b>SOURCE OF INFORMATION:</b>	Robert H. Drummer, Senior Legislative Attorney
<b>APPLICATION WITHIN MUNICIPALITIES:</b>	N/A
<b>PENALTIES:</b>	N/A



**MONTGOMERY COUNTY COUNCIL**  
ROCKVILLE, MARYLAND

**MEMORANDUM**

To: Montgomery County Council

From: At-Large Councilmember Hans Riemer and Council President Tom Hucker

Date: December 7, 2021

Re: Silver Spring Business Improvement District (BID)

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For years, we have worked hard to create dynamic urban centers across the County that can compete with other destinations in our region such as Alexandria, Arlington, downtown DC and Tysons Corner. Over the last two decades, Silver Spring has become a desirable place to live, locate a business, and enjoy entertainment. However, Silver Spring continues to face serious competition from neighboring jurisdictions and requires additional resources and support in order to address quality of life challenges and improve public service delivery in ways that keep residents happy and attract visitors. For that reason, we are introducing Bill 3-21 to establish the Silver Spring Business Improvement District to enhance the work of the Urban District and our Regional Services Center to create a thriving and economically competitive Silver Spring.

In an effort to provide a greater level of service, the Silver Spring BID will provide concerted coordination and services that are needed to make the area safer, especially at night, and to ensure visitors, residents, and businesses have a positive experience in Silver Spring. Beyond focusing on the immediate needs of ensuring that the area is clean, safe, and well-maintained, the BID will also focus on sustaining a vision of the area that is vibrant, dynamic and inclusive, paying particular attention to consumer and investor marketing. That includes:

- Promoting downtown Silver Spring as one of metropolitan Washington's most dynamic, diverse and livable urban centers, competitively positioned to attract new investment and recognition for its vibrant shopping, dining, entertainment, and living opportunities;
- Fostering an engaged community committed to showcasing Silver Spring's assets and realizing its potential;

- Nurturing and maintaining relationships with key business, real estate, development, nonprofit and community stakeholders by providing Silver Spring resources and information;
- Establishing a management program, which will allow the BID to engage with county agencies to ensure that the area receives the highest level of attention for its basic services, concerns, and community priorities;
- Establishing a public safety program to keep the downtown area safe. This program will ensure the BID staff remain in constant communication with the Montgomery County Police Department, other public agencies, businesses, and property owners;
- Increasing sales and occupancy; and
- Improving the perception of the area both for consumers and investors.

Silver Spring is one of the premiere destinations in the County, but it has yet to reach its tremendous potential. The BID will elevate Silver Spring by serving as a complementary partner with the Urban District by assisting with placemaking and focusing on branding and economic development.

Equally important, the proponents of the BID have collected signatures of support from over half of the property owners within the proposed BID boundaries, meeting requirements in state law to establish a BID. They have also met with and engaged numerous stakeholders, community leaders and large and small business owners, who have asked us to introduce local legislation to establish the BID as per the state law.

Ultimately, we believe this will be an important step toward unlocking the tremendous potential of Silver Spring and allowing it to better compete with other attractive regional urban centers, many of which have successful BIDs in place. We greatly appreciate your consideration of this legislation; we welcome your suggestions and look forward to discussing it further.