



Committee: PHED
Committee Review: Completed
Staff: Gene Smith, Legislative Analyst
Purpose: Review – straw vote expected
Keywords: CIP, Economic Development

AGENDA ITEM #12
April 27, 2021
Worksession

SUBJECT

Amendments to the FY21-26 Capital Improvements Program: General Government – Economic Development and KID Museum Project

EXPECTED ATTENDEES

Mary Beck, Office of Management and Budget (OMB)
Pofen Salem, OMB
Anita Aryeetey, OMB

PROJECTS SUMMARY

- White Oak Science Gateway Project – The Executive recommended shifting \$10 million in general obligation bonds to FY25 and FY26 due to the likely timing of construction.
- Wheaton Redevelopment Program – OMB accelerated some funding from FY21 to FY20 to account for actual expenditures. This acceleration did not impact the project’s expenditures or timing.
- KID Museum – The Executive recommended a reduction in expenditures and funding switch to support the operating budget appropriation for the same organization.

COMMITTEE RECOMMENDATIONS (BY PROJECT)

Below is a summary of the review status for these projects.

- 1) Reviewed and recommended for approval by the Planning, Housing, and Economic Development (PHED) Committee
 - White Oak Science Gateway Project
 - The PHED Committee noted that it would return after budget for an update on the developer’s strategy in White Oak.
 - KID Museum
- 2) Not reviewed by committees
 - Wheaton Redevelopment Program – the GO and PHED Chairs concurred this item could go straight to the Council due to the nature of the amendment.

OTHER ISSUES

- N/A

This report contains:

Staff Report White Oak
Staff report KID Museum
Recommended PDFs

Pages 1-2
Pages 3-5
© #1-6

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MEMORANDUM

April 19, 2021

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Gene Smith, Legislative Analyst

SUBJECT: Recommended FY21-26 Capital Improvements Program (CIP) – White Oak Science Gateway Project

PURPOSE: Make recommendation to the Council

Those expected for this worksession:
Pofen Salem, Office of Management and Budget

White Oak Redevelopment Program

This project provides for the planning and development coordination activities by the County necessary to implement redevelopment of the 110-acre County-owned parcel on Industrial Parkway (“Site II”). See ©1-2 for the recommended project description form (PDF) for this project in the amended FY21-26 CIP.

Table 1 below details the recommended expenditure schedule for this project. The recommended PDF reduces total expenditures by \$1.0 million due to savings based on actual costs to clean up the site. The funding source for this project in FY21-FY26 includes \$40.8 million in General Obligation (G.O.) bonds.

Table 1: Recommended Amended FY21-26 Expenditure Schedule (\$000s)

Cost Elements	Total 6 Years	FY21	FY22	FY23	FY24	FY25	FY26
Planning, Design and Supervision	800	200	200	200	200	0	0
Construction	40,000	800	2,500	8,000	10,000	6,200	12,500
Total	40,800	1,000	2,700	8,200	10,200	6,200	12,500

Below are the descriptions and highlights for each of these cost elements for this project.

Planning, Design and Supervision. The recommended PDF eliminates these expenditures in FY25 and FY26. These expenditures previously were the personnel costs and operating expenses associated with the demolition and site cleanup. For the amended FY21-26 CIP, these expenditures will provide ongoing support for the County’s efforts as it relates to the General Development Agreement (GDA) with Global LifeSci Development Corporation (GLDC).

Construction. The recommended PDF shifts the funding for this cost element when compared to the approved FY21-FY26 CIP, but it retains the full \$40,000,000 required by the GDA with GLDC for the master plan roads in the six-year CIP. Table 2 below details the shifts in this cost element. The Executive recommends this shift based on anticipated timing of development.

Table 2: Recommended Shift in Construction Cost Element (\$ 000)

Cost Element	Total 6 Years	FY21	FY22	FY23	FY24	FY25	FY26
Construction	0	0	(2,000)	(3,000)	(5,000)	5,000	5,000

Council staff concurs with the Executive recommendation.

MEMORANDUM

April 19, 2021

TO: Planning, Housing, and Economic Development (PHED) Committee

FROM: Gene Smith, Legislative Analyst

SUBJECT: **FY22 Operating Budget – KID Museum Non-Departmental Account (NDA) and Amendment to the FY21-FY26 Capital Improvements Program (CIP) – KID Museum**

PURPOSE: Make recommendations for Council consideration

Expected Participants:

- Cara Lesser, KID Museum
- Anita Aryeetey, Office of Management and Budget (OMB)

Summary of FY22 Recommended Budget and Key Discussion Issues

KID Museum NDA	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	\$0	\$1,200,000	N/A
Personnel Costs	\$0 0.00 FTEs	\$0 0.00 FTEs	0.0% 0.00 FTEs
Operating Costs	\$0	\$1,200,000	N/A
Total Expenditures (All Funds)	\$0 0.00 FTEs	\$1,200,000 0.00 FTEs	N/A 0.0%

Council staff has identified the following key issues/recommendations for Council discussion:

- The Executive’s recommendation for the KID Museum CIP switches the current funding source from general obligation (G.O.) bonds to Recordation Tax Premium. **Council staff concurs with these CIP amendments.**
- OMB notes that it will fund the recommended \$1.2 million in the operating budget through a funding switch during CIP reconciliation. **Council staff concurs with this approach.**

I. Racial Equity and Social Justice Considerations

The Council adopted Bill 27-19 on December 2, 2019. This bill established and required several elements, including that the Executive submit a racial equity and social justice (RESJ) impact statement for each bill and each management initiative or program that would be funded in the operating and capital budgets.

For the FY22 operating budget development process, OMB, working with the Office of RESJ, developed and dedicated a section of the program proposal form to addressing racial equity. Departments and County partners were asked the following questions:

- Does your department use quantitative and qualitative data to track program access and/or service outcomes for different population groups?
- Which community residents will potentially benefit the most from your program proposal or be burdened by your program proposal?
- How does the program promote racial equity?

The County is still in the process of training staff on applying a racial equity and social justice lens to programming and budget decisions; therefore, OMB received a variety of responses to the above questions. Council staff are documenting these responses to establish an official baseline for each department and to identify promising practices and gaps in information.

The KID Museum does track programs through qualitative and quantitative data, including race and ethnicity. In addition, the Executive's recommended FY22 budget for this NDA is in direct response to the potential learning loss during virtual instruction during the last year for many students.

Council staff will evaluate what information departments are utilizing, or could utilize, to apply a racial equity lens to budget decisions as Council staff works to develop its Racial Equity and Social Justice Action Plan this spring. Council staff will also coordinate with OMB and the Office of RESJ to help inform a more robust analysis for FY23 and future budget cycles.

II. Budget Overview

See the Executive's recommendation on ©1. **This is the first year that this NDA was included in the County's operating budget.** The Council approved a Project Description Form (PDF) in the County's CIP to assist KID Museum in acquiring a permanent location. The Executive is recommending amendments to the PDF in conjunction with the recommendation for the FY22 Operating Budget. The Executive's recommendation provides support of \$1.2 million for the expansion and ongoing operations of the KID Museum.

III. Organization Review

KID Museum is a learning space that provides hands-on learning that incorporates STEM, art, and culture with skills like creativity and critical thinking. The museum first opened in 2014 at the County's Davis Library branch in Bethesda. Pre-pandemic, it served tens of thousands of visitors annually through school group visits, after school programs, and weekend workshops. The County has

previously provided operational support through community grants and in-kind support through the organization's use at the Davis Library. The County approved a PDF project to aid the KID Museum's long-term vision to expand to a larger, permanent space that would serve 250,000 visitors annually.

See KID Museum's expansion plans for FY22 on ©2-3. The organization plans to expand as part of the County's pandemic recovery response. KID Museum plans to expand its operations to include leasing space at a new site, in addition to maintaining some of its operations at its current site at Davis Library. The additional funding will help to support doubling the number of students served each year, to about 100,000 students annually. KID Museum notes that students from under-resourced communities will be a priority population served with this expansion.

See the organization's proposed FY22 budget on ©4. The proposed budget includes about \$7.0 million in income. The County's \$1.2 million contribution is 17.1% of the total estimated revenues. Personnel costs are about 49.7% of the total estimated expenditures, with the remaining expenditures supporting the operational costs of the organization.

IV. Expenditure Discussion

The Executive recommends support through the operating budget since the efforts to identify a permanent site for the KID Museum have not been successful. There are corresponding amendments in the CIP to aid in funding the FY22 appropriation and to begin closing out the CIP project (see ©5-6). The recommended CIP amendments for the KID Museum PDF include several elements. The Executive recommends:

- Reducing the total expenditures by \$9,647,000.
- Switching the funding source from general obligation bonds to Recordation Tax Premium.
- Removing the intergovernmental aid because that aid was premised on the KID Museum locating in the City of Rockville.

The approval of the funding switch to Recordation Tax Premium will allow OMB to fund the FY22 appropriation to avoid any direct impact to the general fund in FY22.

Council staff recommends approval of the Executive's amendments to the CIP project and recommended appropriation for the FY22 Operating Budget.



White Oak Science Gateway Redevelopment Project (P361701)

Category	General Government	Date Last Modified	01/04/21
SubCategory	Economic Development	Administering Agency	General Services
Planning Area	Colesville-White Oak and Vicinity	Status	Ongoing

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	2,021	1,092	129	800	200	200	200	200	-	-	-
Site Improvements and Utilities	4,779	4,042	737	-	-	-	-	-	-	-	-
Construction	40,000	-	-	40,000	800	500	5,000	5,000	11,200	17,500	-
Other	160	11	149	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	46,960	5,145	1,015	40,800	1,000	700	5,200	5,200	11,200	17,500	-

FUNDING SCHEDULE (\$000s)

Current Revenue: General	160	-	160	-	-	-	-	-	-	-	-
G.O. Bonds	42,653	998	855	40,800	1,000	700	5,200	5,200	11,200	17,500	-
PAYGO	4,147	4,147	-	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	46,960	5,145	1,015	40,800	1,000	700	5,200	5,200	11,200	17,500	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	(1,000)	Year First Appropriation	FY17
Cumulative Appropriation	47,960	Last FY's Cost Estimate	47,960
Expenditure / Encumbrances	5,341		
Unencumbered Balance	42,619		

PROJECT DESCRIPTION

This program provides for the planning and development coordination activities by the County necessary to implement the redevelopment of the 110-acre previously County-owned parcel on Industrial Parkway in White Oak (Site II). The site will be redeveloped in conjunction with the adjacent 170-acre parcel in a public-private partnership as one, comprehensive and coordinated 280-acre bioscience-focused mixed-use community per the approved White Oak Science Gateway (WOSG) Master Plan. The project includes \$40 million to assist with the funding needed to construct master-planned roads A-106, B-5 and improvements to FDA Boulevard. Additionally, funds for demolition of existing structures and site clearing activities, as well as costs for County staff to coordinate multiple activities, are included in the project.

LOCATION

Silver Spring, Maryland

ESTIMATED SCHEDULE

The County completed demolition of the existing structures and site clearing activities. The County's development partner presented a development schedule to Council in July 2019. Construction schedule is delayed based on project progress to date.

COST CHANGE

Cost decrease due to savings as recognized in the FY21 savings plan. Delay some funding to FY25 and FY26 to align with the actual implementation schedule.

PROJECT JUSTIFICATION

In 2014, the Montgomery County Council approved the new White Oak Science Gateway Master Plan. The Plan establishes a vision for transforming what has been an industrial area into a denser, mixed-use commercial and residential center in which people can walk to work, shops, and transit. The County's initiative includes using both previously County-owned property (Site II) and privately-owned property as a public-private partnership and leveraging existing relationships with the adjacent Food and Drug Administration (FDA) campus to advance development activities in the Master Plan. Specialized services are required for the complex land assemblage and disposition actions associated with implementation of Stage I development requirements. Staff time and services are required to manage and coordinate efforts to develop detailed staging plans, manage demolition and clean-up activities, design infrastructure, and to negotiate transactions with development partners. The proposed 280-acre development is large-scale, long-term and transformational. It will be a catalyst for desired revitalization and redevelopment in the White Oak sector area and elsewhere in the Eastern portion of Montgomery County. The project will create job opportunities throughout White Oak and the Eastern portion of Montgomery County and will expand the tax base.

FISCAL NOTE

In FY17, a supplemental appropriation for \$47.2M in G.O. Bonds was approved for this project. Project schedule has been adjusted to reflect implementation schedule.

COORDINATION

Department of Transportation, Department of Finance, Office of Management and Budget, Department of Housing and Community Affairs, Department of Permitting Services, Maryland Department of the Environment, and M-NCPPC



KID Museum

(P721903)

Category	Culture and Recreation	Date Last Modified	03/12/21
SubCategory	Recreation	Administering Agency	General Services
Planning Area	North Bethesda-Garrett Park	Status	Planning Stage

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	248	1	247	-	-	-	-	-	-	-	-
Land	953	-	953	-	-	-	-	-	-	-	-
Other	2	2	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,203	3	1,200	-	-	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

PAYGO	3	3	-	-	-	-	-	-	-	-	-
Recordation Tax Premium (MCG)	1,200	-	1,200	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	1,203	3	1,200	-	-	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 22 Request	(997)	Year First Appropriation	FY19
Cumulative Appropriation	1,000	Last FY's Cost Estimate	10,850
Expenditure / Encumbrances	3		
Unencumbered Balance	997		

PROJECT DESCRIPTION

The Project involves the acquisition and renovation of a building to establish a permanent home for a world-class experiential STEM and cultural learning center for children and families in the region. The KID Museum is looking for a building of approximately 50,000 square feet in size to provide high quality programs. Upon acquisition, the building will be redeveloped under a public-private partnership for occupancy by KID Museum, a non-profit organization serving families and elementary/middle school students. The interior improvements will be designed and constructed by KID Museum pursuant to a Memorandum of Understanding (MOU) with the County. Funding for these improvements will be raised from private and public sources. The improvements include demolition of existing office partitions, construction of additional bathrooms and access enhancements, and construction of maker spaces, exhibition spaces, assembly spaces, and administrative spaces.

EFFORTS TO DATE TO ACQUIRE A SUITABLE SITE FOR THE KID MUSEUM HAVE NOT BEEN SUCCESSFUL, SO THE MUSEUM HAS OPTED TO RENT AN EXPANDED FACILITY ON AN INTERIM BASIS. THIS WILL ALLOW KID MUSEUM TO IMMEDIATELY EXPAND ITS PARTNERSHIP PROGRAMS WITH MONTGOMERY COUNTY PUBLIC SCHOOLS TO ADDRESS COVID-RELATED LEARNING LOSSES, SERVE AT RISK CHILDREN, AND PROVIDE HANDS ON LEARNING PROGRAMS FOR MORE CHILDREN AND THEIR FAMILIES. AS A RESULT, THE COUNTY'S SUPPORT FOR KID MUSEUM WILL SHIFT TO THE OPERATING BUDGET, AND THIS CIP PROJECT WILL BE PHASED OUT. RECORDATION TAX PREMIUM FUNDS HAVE BEEN LEFT IN THE PROJECT TO FACILITATE FY23 OPERATING BUDGET FUNDING.

LOCATION

To be determined. KID Museum continues to explore new locations in partnership with the City of Rockville.

ESTIMATED SCHEDULE

The project schedule will be updated once a suitable site is found.

COST CHANGE

Project will be addressed through the operating budget so most funds have been removed from the project.

PROJECT JUSTIFICATION

The County intends to acquire a building to facilitate growth of STEM and 21st century educational opportunities offered by KID Museum. It reflects the County's leadership role in enabling the growth of cultural facilities (e.g. Music Center at Strathmore, Imagination Stage, etc), which provide broad and essential educational opportunities to diverse student populations. KID Museum has formed a successful, district-wide partnership with MCPS for hands-on student learning in STEM-related fields, and is unable to fulfill growing demands for services in 7,500 square feet of leased space at Davis Library in North Bethesda. This capital project will expand substantially the space available for instructional activities and inter-generational programs. KID Museum is a Maryland corporation and is

exempt from taxation under federal law. It currently serves approximately 55,000 patrons annually. It projects visits by approximately 250,000 patrons once its operations relocate to a larger and more suitable location. As a dynamic hub for informal learning and unique community gathering space for people from all walks-of-life, KID Museum will become a new kind of cultural anchor for Montgomery County that empowers youth from diverse backgrounds to become the innovators and change makers of the future. In so doing, the Project reflects Montgomery County's deep commitment to education, innovation, and diversity and will create a regional attraction that reinforces and elevates these core values.

OTHER

FISCAL NOTE

Recordation tax premium funds have been left in the project to facilitate FY23 operating budget support. The City of Rockville's prior financial commitment is assumed to continue.

The County's contribution is toward the design and renovation of the building. The Council intended to appropriate \$1,000,000 in FY19 for design, and the KID Museum will raise a matching \$1,000,000 from other sources for construction. The Council intended to appropriate the remaining construction funds as a 1:1 match to funds raised by the KID Museum from other sources. Assuming a partnership with the City of Rockville as originally intended, apart from closing costs, no design funds may be spent until a copy of the finalized agreement between the County and the City of Rockville for co-ownership of the building and a finalized MOU between the County and KID Museum for use of the space is provided to the Council. Addition of \$2,930,000 in GO Bonds to FY20 reflects the intention of Council to provide full funding for the project.

COORDINATION

KID Museum, Department of General Services, Department of Permitting Services, and City of Rockville.



Wheaton Redevelopment Program (P150401)

Category	General Government	Date Last Modified	01/05/21
SubCategory	Economic Development	Administering Agency	Transportation
Planning Area	Kensington-Wheaton	Status	Under Construction

	Total	Thru FY20	Rem FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	32,903	25,340	5,728	1,835	1,835	-	-	-	-	-	-
Land	1,011	1,011	-	-	-	-	-	-	-	-	-
Site Improvements and Utilities	1,478	1,477	-	1	1	-	-	-	-	-	-
Construction	138,113	133,959	3,393	761	761	-	-	-	-	-	-
Other	5,823	2,865	2,958	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	179,328	164,652	12,079	2,597	2,597	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)											
Contributions	862	-	862	-	-	-	-	-	-	-	-
Current Revenue: General	1,212	750	462	-	-	-	-	-	-	-	-
Current Revenue: Permitting Services	20,991	20,991	-	-	-	-	-	-	-	-	-
Current Revenue: Solid Waste Disposal	8,876	8,287	589	-	-	-	-	-	-	-	-
Federal Aid	418	418	-	-	-	-	-	-	-	-	-
G.O. Bonds	63,585	52,821	8,167	2,597	2,597	-	-	-	-	-	-
Land Sale	12,650	10,651	1,999	-	-	-	-	-	-	-	-
Long-Term Financing	39,818	39,818	-	-	-	-	-	-	-	-	-
PAYGO	30,166	30,166	-	-	-	-	-	-	-	-	-
State Aid	750	750	-	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	179,328	164,652	12,079	2,597	2,597	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)			
Appropriation FY 22 Request	-	Year First Appropriation	FY04
Cumulative Appropriation	179,328	Last FY's Cost Estimate	179,328
Expenditure / Encumbrances	178,485		
Unencumbered Balance	843		

PROJECT DESCRIPTION

This project provides for the planning, studies, design, and construction of an office building, public parking garage, and a town square on the site of Parking Lot 13 and the Mid-County Regional Services Center (RSC) in Wheaton. The project components include 1) an approximately 308,100 square feet (s.f.) office building to be owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC); 2) an approximately 400 space underground public parking garage to be delivered to the Wheaton Parking Lot District (PLD); and 3) a town square located on Lot 13 and the current RSC site. The new headquarters for M-NCPPC will occupy approximately 132,000 s.f. of the building, including space for a child care facility. The remainder of the building space will be used by the County for office and retail under a long-term lease agreement. The County intends to use its space for nearly 12,000 s.f. of street front retail space and move offices of the RSC, Wheaton Urban District, Department of Environmental Protection (DEP), Department of Permitting Services (DPS), Department of Recreation, the Community Use of Public Facilities (CUPF), and Environmental Health Regulatory Services in the Department of Health and Human Services (DHHS) to this building. The building will have a geothermal heating and cooling system which is likely to result in LEED Platinum certification for the office building. After the building is delivered to M-NCPPC, the Commission will transfer the ownership of the parcels at 8787 Georgia Avenue in Silver Spring and 11200 Amherst Avenue in Wheaton to the County. The County will then transfer 8787 Georgia Avenue to the developer who will develop a privately financed mixed-use project on the site. The delivery will include air rights above the land over the parking garage for the space comprising the office building and over that portion of the land located between the building and Reddie Drive. The Town Square will be maintained and programmed by the RSC for community benefit. Publicly available WiFi will be among those community benefits. The obligations and relationship between County Government and M-NCPPC for the project are reflected in a Memorandum of Understanding dated May 31, 2013 and will be explicitly set forth in the Binding Agreements between the parties. This PDF also includes \$650,000 for consulting services to provide 1) a comprehensive parking study to identify potential redevelopment disruptions to the public parking supply and any related impacts of existing businesses and to identify potential mitigation options; 2) planning studies to review potential models and approaches to creating local jobs and job training opportunities prior to and during redevelopment, including relevant case examples in Montgomery County as well as innovative models from other local and national jurisdictions; and 3) a business assessment study to determine the number of businesses and the magnitude of the impact. The business assessment study is needed to support Council Bill 6-12 for the establishment of service provision and technical assistance to those small businesses adversely impacted by a County redevelopment project.

LOCATION

Montgomery County Public Parking Lot 13, between Grandview Avenue and Triangle Lane; the RSC site on Reddie Drive, Wheaton; 8787 Georgia Avenue,

ESTIMATED SCHEDULE

The project design started in July 2014 and construction began in June 2017. The demolition of the RSC site began in February 2018. The Town Square and the substantial completion of the office building are scheduled to be completed by late Summer 2020. Close-out activities are expected to be implemented in the beginning of FY21.

PROJECT JUSTIFICATION

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), and WRAC activities since established in 2000.

FISCAL NOTE

Minor project funding includes: 1) \$418,000 FY09 Federal grant, funded through the SAFETEA-LU transportation act; 2) 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); and 3) \$350,000 FY14 and FY15 State aid to support facade improvements and a pilot solar-powered trash compactor program. State aid reflects actual spending and reimbursements. Non-tax supported long-term financing and PAYGO will be used to finance the costs for DEP, DPS and CUPF facility space. Per County Code §11B-45(f), \$4.25 million, or 25 percent, of the land sale proceeds from the sale of the M-NCPPC Headquarters property in Silver Spring must be transferred to the Housing Initiative Fund. The remaining proceeds after taxes are used to finance the project costs. Total project costs include \$8,930,000 for streetscape and facade work funded through FY12. The residential development on Lot 13 will not be funded in this PDF. Expenditure and funding schedules are adjusted to align with construction of the office building and to reflect updated space allocations. The original terms of the development agreement with the private development partner assumed the private developer would build a residential development in Lot 13. The developer subsequently notified the County that they do not intend to move forward with the Lot 13 project.

DISCLOSURES

A pedestrian impact analysis has been completed for this project. 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.