



Committee: Directly to Council
Committee Review: N/A
Staff: Pamela Dunn, Senior Legislative Analyst
Purpose: To introduce agenda item – no vote expected
Keywords: Parks, Acquisition, ALARF

AGENDA ITEM #3A
November 2, 2021
Introduction

SUBJECT

The Maryland-National Capital Park and Planning Commission has negotiated a Purchase and Sale Agreement to acquire a property at 1110 East-West Highway in downtown Silver Spring using the Advanced Land Acquisition Revolving Fund (ALARF).

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Introduction

DESCRIPTION/ISSUE

On September 30, the Montgomery County Planning Board approved the Montgomery Parks Department proposal to acquire the property at 1110 East-West Highway in downtown Silver Spring. This acquisition will create the new South Silver Spring Urban Recreational Park that will provide recreational amenities to a diverse, underserved, and growing urban community. The proposed park is supported by the Equity Focus Area (EFA) analysis recently completed by the Parks and Planning Departments. It would serve a neighborhood located within the EFA that covers much of the Silver Spring CBD.

The Maryland-National Capital Park and Planning Commission has negotiated a Purchase and Sale Agreement to acquire this property from Imperial Investment Company for \$7,500,000. The property consists of 0.957 acres strategically located for the proposed new urban recreational park.

The parcel in question was specifically designated in the *Energized Public Spaces Functional Master Plan* (County Council Approved and Adopted, 2018) as a proposed urban recreational park. The property fronts on East-West Highway and Kennett Street on opposite sides, providing the public access and visibility necessary for an urban park. The Parks memo to the Planning Board is attached on © 5-14 and includes detailed information about the property, the acquisition rationale, and the general concept for the future urban park.

SUMMARY OF KEY DISCUSSION POINTS

- Action is tentatively scheduled for Tuesday, November 9th.

This report contains:

Transmittal Letter from the Montgomery County Planning Board
Parks Department Memo
Draft Resolution

© Pages

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October 19, 2021

The Honorable Tom Hucker
President, Montgomery County Council
Stella Werner Office Building
100 Maryland Avenue
Rockville, MD 20850

Re: Request for approval to use Advance Land Acquisition Funds (ALARF) to acquire real property for public park purposes

Dear President Hucker:

On September 30, the Montgomery County Planning Board approved the Montgomery Parks Department proposal to acquire the property at 1110 East-West Highway in downtown Silver Spring (*Exhibit A*, Planning Board Resolution No. 21-100). This acquisition will create the new **South Silver Spring Urban Recreational Park** that will provide recreational amenities to a diverse, underserved, and growing urban community. I am writing today to request County Council action to approve the use of ALARF funds for this significant park acquisition.

The Maryland-National Capital Park and Planning Commission (Commission) has negotiated a Purchase and Sale Agreement to acquire this property from Imperial Investment Company for \$7,500,000. The property consists of 0.957 acres strategically located for the proposed new urban park. The property fronts on East-West Highway and Kennett Street on opposite sides providing the public access and visibility necessary for an urban park. The Park memo to the Planning Board is attached (*Exhibit B*) and includes detailed information about the property, the acquisition rationale, and the general concept for the future urban park.

The acquisition of this parcel supports policy efforts to create new urban parks to serve the changing demographics of Montgomery County. This parcel was specifically designated in the *Energized Public Spaces Functional Master Plan* (County Council Approved and Adopted, 2018) as a proposed urban recreational park. The Matrix of Opportunities (p. A-17) states the following about this site:

*Create park to serve multiple needs. Priority site in SS CBD Green Space Guidelines.
Opportunity for significant recreational amenities.*

Additional policy support for this new park comes from the Equity Focus Area (EFA) analysis recently completed by the Parks and Planning Departments. This neighborhood is located within the EFA that covers much of the Silver Spring CBD due to a combination of lower income levels and racial diversity. In addition to the broad policy support for this park, long-standing requests for urban recreation space from the South Silver Spring community have put this site on the priority list for new urban parkland.

As I mentioned during the Semi-Annual Report to the Council yesterday, the South Silver Spring Urban Recreational Park will focus on providing park amenities for active recreation, green linkages to other parks and open spaces, and social gathering opportunities for residents of this growing urban neighborhood. Urban Recreational Park is a new park type for which land has been acquired in two other growth centers in the County (Westbard and Wheaton), but this location may be the first site that will be available for interim use and full development. See Figure 7 in the Planning Board memo (Exhibit B) for a conceptual sketch of the future park showing connections to nearby open spaces and illustrative photos of potential amenity types.

The Commission has money available in ALARF to complete this acquisition. The ALARF account currently has a balance of \$10,378,000. The purchase price of \$7,500,000 for the Imperial Investment Company property is supported by independent appraisals.

Maryland Code Annotated, Land Use Article 18-402 requires that when ALARF funds are to be used, the Commission must first receive District Council approval before any expenditures can be made. To that end, please include this matter for Council consideration and approval during one of its next regularly scheduled meetings. I am also enclosing a draft Resolution as *Exhibit C* that may be helpful to you as the Council considers this matter. Your early attention to this matter will be appreciated as we intend to close to this transaction before the end of the calendar year.

Thank you for your time and attention. If you have any questions in this regard, please call me at (301) 495-2553.

Sincerely,



Mike Riley
Director of Parks
Maryland-National Park and Planning Commission

Attachments

- Exhibit A: Planning Board Resolution No. 21-100
- Exhibit B: Planning Board Agenda Item #3, September 30, 2021
- Exhibit C: Draft County Council Resolution



MONTGOMERY COUNTY PLANNING BOARD
 THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB No. 21-100

**Acquisition of 1110 East West Highway from Imperial Investment Company
 for South Silver Spring Urban Recreational Park**

RESOLUTION

WHEREAS, the Maryland-National Capital Park and Planning Commission (“Commission”) is authorized by Md. Code Ann., Land Use §17-101 (formerly Article 28, Section 5-101), to acquire, develop, maintain and operate a public park system within the Maryland-Washington Metropolitan District; and

WHEREAS, the Montgomery County Planning Board received and considered a recommendation from staff of the Commission, in closed session on September 23, 2021, that it approve the acquisition of 1110 East West Highway in Silver Spring, Maryland, identified as Tax Map JN32, Parcel N006, Tax ID 13-00980887 (“Property”), containing approximately 0.957 acres or 41,672 square feet, from Imperial Investment Company (“Seller”). The Property is improved with a 26,443 square-foot freestanding retail building leased by National Tire and Battery (NTB); and

WHEREAS, the Property meets parkland acquisition criteria to create a South Silver Spring Urban Recreational Park which will provide active recreational amenities to a diverse, underserved, and growing urban community; and

WHEREAS, there are sufficient funds available in the Commission’s Advanced Land Acquisition Revolving Fund (ALARF) account to pay the \$7,500,000 negotiated purchase price for the Property; and

NOW THEREFORE, BE IT RESOLVED, that the acquisition of the Property from the Seller as described above, for a purchase price of \$7,500,000, in accordance with a proposed Purchase and Sale Agreement and related transaction documents between the Commission and Seller, subject to acceptance by the Commission’s Office of General Counsel for legal sufficiency, is hereby approved by the Montgomery County Planning Board on this 30th day of September, 2021, and the Executive Director is authorized to execute said Agreement on behalf of the Maryland-National Capital Park and Planning Commission.

[AUTHORIZATION APPEARS ON THE NEXT PAGE]

MCPB No. 21-100

**Acquisition of 1110 East West Highway from Imperial Investment Company
for South Silver Spring Urban Recreational Park**

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This is to certify the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission on motion of Commissioner Gerald Cichy, seconded by Commissioner Partap Verma, with Chair Anderson and Commissioners Cichy, Verma, and Patterson voting in favor of the motion, at its regular meeting held on Thursday, September 30, 2021 in Wheaton, Maryland.



Casey Anderson, Chair

APPROVED AS TO LEGAL SUFFICIENCY:

By:  _____

M-NCPPC Legal Department

Date: 09/30/2021



MCPB Item # 3
Date: 9/30/2021

MEMORANDUM

DATE: September 24, 2021

TO: Montgomery County Planning Board

VIA: Michael F. Riley, Director of Parks
Miti Figueredo, Deputy Director, Administration
John Nissel, Deputy Director, Operations
Andrew Frank, Division Chief, Park Development Division (PDD)

FROM: Brenda Sandberg, Real Estate Management Supervisor, PDD
David Tobin, Partnership Manager, PDD

SUBJECT: Land Acquisition Recommendation: 1110 East West Hwy, Silver Spring
Imperial Investment Company Property
0.957 acres, more or less, improved

STAFF RECOMMENDATION

Staff requests the following action by the Montgomery County Planning Board:

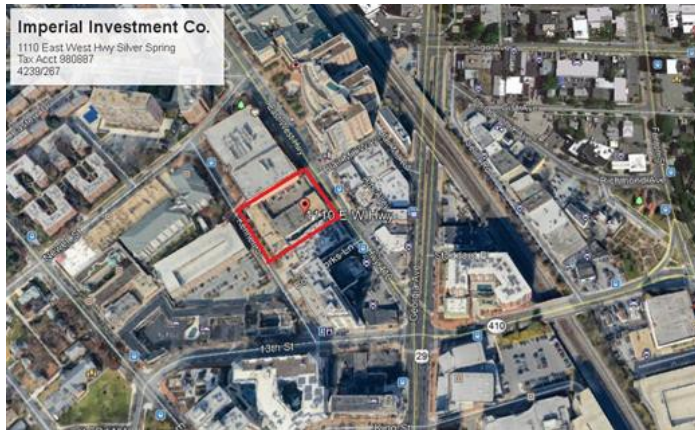
Approve Resolution No. 21-100 for acquisition of the Imperial Investment Company property to create the new South Silver Spring Urban Recreational Park for a negotiated purchase price of \$7,500,000 to be funded out of the Advanced Land Acquisition Revolving Fund (ALARF) capital project.

A draft of Resolution No. 21-100 is attached to this memo. If the Board approves this acquisition, staff will bring this matter to the County Council for approval of the use of ALARF funds.

SUMMARY

This acquisition will create the new South Silver Spring Urban Recreational Park that will provide recreational amenities to a diverse, underserved, and growing urban community. The property was identified in the *Energized Public Spaces Functional Master Plan* as a future Urban Recreational Park (URP) envisioned to serve the underserved southwestern portion of the Silver Spring CBD. The future park will focus on providing park amenities that provide active recreation, green linkages to other parks and open spaces, and social gathering opportunities for residents of this neighborhood. Located at 1110 East West Highway in the Silver Spring CBD, the near 1-acre lot owned by Imperial Investment Company is improved with a freestanding commercial building currently leased by National Tire and Battery (NTB).

Figure 1: Vicinity Maps, Imperial Investment Property



PROPERTY DESCRIPTION

Description

The subject property is located at 1110 East West Highway in Silver Spring, Maryland, identified as Tax Map JN32, Parcel N006, Tax ID 13-00980887 and contains approximately 0.957 acres or 41,672 square feet. The subject site is zoned CR-3.0 C-2.0 R-2.75 H-90 T (Commercial Residential) and lies within the Silver Spring Central Business District.

The site is improved with a 26,443 square-foot freestanding retail building leased by National Tire and Battery (NTB) since 1991. The property fronts on East-West Highway and Kennett Street on the northeast and southwest sides providing the public access and visibility necessary for an urban park. The property is edged by the 3-story former Caldor/Discovery Channel building to the northwest, and by the Pentecostal Church housed in a former commercial building on the southeast side.

Building History

The subject property has been utilized for auto related purposes for more than 50 years. The Martens family acquired the property from Calvert Motors in 1972 and has held the property to this day as the owners of Imperial Investment Company. This property served as the Service Center for the Martens Volvo auto dealership across East-West Highway for 19 years prior to the NTB tenancy. Before the Martens family acquired the property, the building was a ca. 1942 Coca Cola Bottling Plant. Per Historic Preservation Commission staff, the property and buildings are not historically designated nor are eligible for historic designation due to significant alterations to the structure over the past 80 years.

Figure 2: East-West Highway Frontage: NTB Entrance and Service Bay Access from Parking Lot



Figure 3: Bird's Eye View Showing Adjacent Properties



Figure 4: Adjacent Building Facades viewed from East-West Highway: Church (SE), Caldor Building (NW)



Figure 5: Kennett Street Frontage: South Corner of Building, SW Façade with Maturing Street Trees



POLICY RATIONALE AND PUBLIC BENEFIT

The acquisition of this parcel supports current efforts to create new urban parks to serve the changing demographics of Montgomery County. Planning Department and Parks Department staff support this location for the proposed URP.

Vision 2030 and 2017 PROS Plan

These three policy documents include broad policy direction and specific recommendations that support this acquisition. The Vision 2030 Strategic Plan for Parks and Recreation (2010) prioritized efforts to meet the increasing demands of a growing population that will be concentrated in the urban areas of the central and southern part of the County. This strategic plan emphasized that adequate green space and parks and recreation amenities in these urbanized areas is essential to maintaining the high quality of life that is enjoyed by residents in Montgomery County. The 2017 PROS Plan further outlines strategies for providing

a variety of parks and recreation facilities that address current needs and emerging trends and sharpens the focus on addressing park needs in our most dense communities.

Energized Public Spaces Functional Master Plan (EPS), Equity Focus Areas

Most recently, the *Energized Public Spaces Functional Master Plan* (2018) directed urban park efforts toward creating parks and public spaces within walking distance so people can gather, play and be in touch with the outdoors in our urbanizing communities. Analysis of the Silver Spring area using the EPS tools resulted in the Planning Board and Council-adopted recommendation to create a 1.5-acre Urban Recreational Park on two parcels in the southern portion of the CBD (green outline, Figure 6). This first acquisition will provide space for a functional one-acre park pending the proposed acquisition of the second parcel.

Active recreation amenities have the highest deficit in the Silver Spring CBD (more than contemplative and social gathering deficits), so the creation of a new Urban Recreational Park on this site will help close the gap in active recreation within Silver Spring. Another key policy tool indicates that this future park is within the Equity Focus Area (EFA) that covers much of the Silver Spring CBD due to a combination of lower income levels and racial diversity (see Figure 6). In addition to the broad policy support for this park, long-standing requests for urban recreation space from the South Silver Spring community put this site on the priority list for new urban parkland.

Figure 6: Proposed Urban Recreational Park Site; Equity Focus Area/EPS Deficit Areas Map



Urban Recreational Park Concept

The purpose of this park is to provide needed urban recreational amenities to serve a growing, high-density residential population in a diverse community to address the high deficit of parks/open spaces within walking distance. Urban Recreational Park is a new park type for which land has been acquired in two other growth centers in the County (Westbard and Wheaton), but this location may be the first site that will be available for interim use and full development. The vision for this park is to be an active recreation destination in the South Silver Spring District with several key elements and benefits to the public realm:

- Direct connection to the proposed Central Green Loop in the draft Silver Spring Sector Plan will promote complementary active facilities in other proposed parks and open spaces in the draft Sector Plan.
- Proximity to Acorn Urban Park will create a synergy of park user experiences – from the historic and contemplative setting of Acorn Urban Park to the more active and social gathering space on this recreational park. A loop trail connection between Acorn and this park will allow for different options for park use and community connectivity and benefit the local businesses surrounding these two parks.
- With street frontage along opposing sides of the park (Kennett Street and East-West Highway), adjacent commercial, public parking and other land uses will likely drive some use of the park as a through-block connection. Picnic tables, internal paths and other visible recreational amenities will help to capture the pedestrian flow generated by other surrounding land uses and keep the park activated.

Urban recreational amenities that could be considered for this park may include:

- Multi-use courts
- Fitness trail to Acorn Park
- Open Lawn for flexible use
- Exercise Stations
- Picnic Area
- Play Area (multi-age)
- Dog Run
- Public Art (interactive)
- Hard surfaces, electricity, and water to support special events programming and regular use
- Community mural on adjacent Caldor/Discovery Channel building

See Figure 7 for a conceptual sketch of the future park showing connections to nearby open spaces and illustrative photos of potential amenity types.

Figure 7: South Silver Spring Urban Recreational Park Concept



START UP COSTS & OPERATING BUDGET IMPACT (OBI)

After the property is turned over to the Parks Department, removal of the existing structure and pavement will be prioritized. To create an interim park that is available for public use after demolition is complete, simple improvements such as open lawn, natural surface paths, benches and picnic tables may be added to the new park. The costs associated with demolition and minor interim improvements are estimated at \$500K, including abatement of hazardous materials. This initial work will be funded through a combination of available funding sources.

Some Operating Budget Impact (OBI) for the initial ownership period will accrue. OBI for management of the lease and property by Facilities Management staff is estimated at \$2,500/year, while some of those costs will be offset by rental revenue. No other OBI is expected during this short initial ownership period.

After demolition and site cleanup and conversion into the interim park condition, interim OBI is estimated at \$5,000/year. Tasks to keep the new park maintained during this interim period primarily include regular park maintenance (mowing, trash removal, etc.) and park police monitoring of this urban park site.

Future development as a full Urban Recreational Park will be prioritized and implemented through the Parks CIP process. Facility planning will provide estimated capital and operating costs for a fully developed park, and creation of a stand-alone capital project will serve to provide funding for this significant urban park project.

CONCLUSION

Real Estate Management staff are pleased to bring this important acquisition to the Planning Board for approval. Acquisition of the Imperial Investment property will provide needed urban recreational amenities to serve a growing, high-density residential population in a diverse community with high deficit of parks/open spaces within walking distance.

CC: Gary Burnett
Trish Swann
Darryl McSwain
Jim Poore
Kristi Williams
Megan Chung

MCPB No. 21-100

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[AUTHORIZATION APPEARS ON THE NEXT PAGE]

MCPB No. 21-100

**Acquisition of 1110 East West Highway from Imperial Investment Company
for South Silver Spring Urban Recreational Park**

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This is to certify the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission on motion of _____, seconded by _____, with _____ voting in favor of the motion, at its regular meeting held on Thursday, September 30, 2021 in Wheaton, Maryland.

Casey Anderson, Chair

APPROVED AS TO LEGAL SUFFICIENCY:

By: _____

M-NCPPC Legal Department

Date: _____

Resolution No.: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND
SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF
THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN
MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: District Council at the request of the Planning Board

SUBJECT: Acquisition of Real Property from Imperial Investment Company in the Silver Spring Central Business District of Montgomery County for Public Park Purposes

Background

1. The Montgomery County Council has approved the establishment of an Advance Land Acquisition Revolving Fund for the Maryland-National Capital Park and Planning Commission. The fund was originally created through a \$7 million bond issue in FY72 and supplemented with a \$5 million bond issue in FY90, a \$2.2 million bond issue in FY94, and a \$2 million bond issue in FY05.
2. The Montgomery County Council has provided for expenditures from this fund in Fiscal Year 2022.
3. The Maryland-National Capital Park and Planning Commission has requested the Council's approval to acquire the below-described real property, in the Silver Spring area of Montgomery County, using the Advance Land Acquisition Revolving Fund. The land is intended to be used for a new urban recreational park in the Silver Spring Central Business District.
4. The subject property will be acquired from a willing seller for a master planned public purpose.

Action

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District within Montgomery County, approves the following resolution:

The District Council approves the acquisition by The Maryland-National Capital Park and Planning Commission of the below described real property:

1. All of that parcel of land owned by Imperial Investment Company as described in a deed dated July 1, 1972, and recorded among the Land Records of Montgomery County, Maryland in Liber 4239 at folio 267, consisting of approximately 41,672 square feet of land, improved.

Being all of that property located in Montgomery County, Maryland, with a physical address of 1110 East-West Highway, Silver Spring, Maryland 20912, and further identified by the Maryland Department of Assessments and Taxation as Parcel N6 with Tax Account No. 13-00980887.

2. The subject property will be used for a future urban recreational park.
3. The total cost of the acquisition described above shall not exceed the sum of Seven Million Five Hundred Thousand and .00/100 Dollars (\$7,500,000.00).
4. This action is in compliance with Section 18, Subtitle 4 of the Land Use Article, Annotated Code of Maryland.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council