



**MEMORANDUM**

**DATE:** January 17, 2013

**TO:** Montgomery County Planning Board

**FROM:** Michael Riley, Deputy Director of Parks **MR**  
Daniel Hertz, Project Manager

**SUBJECT:** Memorandum of Understanding between Montgomery County and M-NCPPC to relocate and develop the Montgomery Regional Headquarters Offices of the M-NCPPC

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**STAFF RECOMMENDATION**

Approval of Memorandum of Understanding, subject to completion of Exhibit C, Project Schedule.

**BACKGROUND**

The Commission's need for an improved and expanded headquarters in Montgomery County has been well documented and is generally undisputed. An earlier attempt to provide a new headquarters on the existing Montgomery Regional Office (MRO) site in 2008 as part of a public/private partnership (the "SilverPlace" project) was unsuccessful.

As part of Montgomery County's effort to redevelop the Wheaton Central Business District, M-NCPPC and Montgomery County have been exploring a potential relocation of the MRO and certain Department of Parks administrative offices to a site in the Wheaton CBD.

In May 2012, the County Council approved a capital project; "Wheaton Redevelopment Program", which provides \$66.2 million of partial funding for the planning and construction of a multi-user government complex including a new headquarters for M-NCPPC, parking, and a town square on Parking Lot 13 in the Wheaton CBD. The project requires that both M-NCPPC and the County prepare a program of requirements (POR) for their respective office needs, and also a Memorandum of Understanding (MOU) that details their respective roles and responsibilities throughout the implementation process.

The Commission engaged an architectural firm to produce a POR that reflects the Commission's space and functional requirements. The Planning Board approved the space program component of the POR on November 29, 2012. Concurrently with the preparation of the POR,

Commission and County staff entered into negotiations for the MOU. Commission and County staff have come to agreement on all of the terms of the MOU, with the exception of a preliminary project schedule. A draft project schedule has been prepared, and is under negotiation. A copy of the proposed MOU is attached to this memorandum as Attachment A.

### **KEY TERMS AND PROVISIONS OF THE MOU**

- Project goals and objectives:
  - To stimulate the implementation of the Wheaton Master Plan.
  - To plan a multi-user government complex which would, among other uses, include a new Montgomery County headquarters for M-NCPPC that reflects its status as an independent agency.
- Purposes of the MOU:
  - To establish a framework for the implementation of the goals and objectives.
  - To provide a mechanism to continue planning work until the Department of General Services makes an appropriations request to the County Council for design and construction funding.
  - To serve as the basis for the preparation of subsequent Binding Agreements, which may include for example, a development agreement, sales contract(s), easement(s), or declaration(s) of condominium.
- The Commission does not enter into this MOU in its regulatory capacity, but as an owner of 8787 Georgia Avenue and an owner/purchaser/user of a build to suit development to be developed by the County.
- The project will consist of, at a minimum, a multi-user government complex or building including a new M-NCCPC Headquarters, structured or underground parking, and a new town square.
- The County is responsible for determining which County agencies will be located in the governmental complex.
- The project may also include additional private development such as stand-alone residential development (which may have a ground floor retail component) and/or retail development integrated into the ground floor of the government complex.
- The County will serve as developer of the project, with the Commission and the Wheaton Parking Lot District as the owner/purchaser/user of their respective build-to-suit portions of the project to be delivered to each on a turnkey basis.
- The project site may be expanded beyond Parking Lot 13 into the area defined as the Core in the Wheaton Master Plan, in which event the PDF will be amended, if necessary.
- The Binding Agreements will spell out the specific role and responsibilities of each party during each of the design and construction phases of the project.
- The Commission will take an active role in the planning and design of the town square.

- As consideration for delivery of ownership in fee of the new Commission office, the Commission shall convey its interest in the 3.24-acre MRO site at 8787 Georgia Avenue to the County.
- The County and the Parking Lot District will enter into a separate contract that will govern the ownership of Parking Lot 13, the provision of public parking upon completion of the project, and compensation to the Parking Lot District.
- The project will meet or exceed a LEED Gold rating.
- The development of the project will be governed by a mutually agreed-upon schedule that will be attached to the MOU.
- Any unused density from development of the Commission's office will be retained by the County for allocation to the remainder of the site in order to maximize the permissible density and development potential of the site.
- The public portions of the project will be submitted to the Montgomery County Planning Board for mandatory referral review.
- The Commission will have certain rights with regard to the building's design which are specified in the MOU or shall be addressed in the Binding Agreements:
  - The right to assure that the Commission's functional requirements are fully met.
  - Unconditional approval rights on the Commission's POR and concept drawings.
  - Unconditional approval rights over certain aspects of schematic design until the Council approves the appropriation for construction, after which the Commission will have review rights.
- The Commission will be able to charge staff time and third-party service provider fees against the project's CIP funding.
- The parties shall jointly establish the amenities to be included in the project.

## **CONCLUSION**

Staff recommends approval of the attached Memorandum of Understanding, subject to completion of Exhibit C, Project Schedule.

### **Attachments:**

- A. Proposed Memorandum of Understanding between M-NCPPC and Montgomery County, including exhibits A, B, and D. Exhibit C, Project Schedule, will be provided before or at the Planning Board date.

**NON-BINDING MEMORANDUM OF UNDERSTANDING**  
**To relocate and develop The Montgomery Regional Headquarters Offices for**  
**The Maryland-National Capital Park and Planning Commission**

**THIS NON-BINDING MEMORANDUM OF UNDERSTANDING** ( “MOU”) is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2012, by and between **THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION** (“Commission”) and **MONTGOMERY COUNTY, MARYLAND** (“County”), acting by and through its Department of General Services (“DGS”) (collectively, the “Parties”).

*The Commission does not enter into this MOU in its regulatory capacity, but does so in its capacity as owner of 8787 Georgia<sup>1,2</sup> and as an owner/purchaser/user of a build-to-suit development to be developed by the County. The Parties acknowledge and agree that approvals and consents required from the Commission in connection with the Project, in accordance with this MOU, and in accordance with the Binding Agreements<sup>1</sup> do not and will not substitute for regulatory approvals required under applicable law.*

1. Background and Statement of Purpose

Under the *Approved and Adopted 2011 Wheaton CBD and Vicinity Sector Plan* (“Wheaton Master Plan”), Wheaton’s future is envisioned as a major mixed-use center for the Georgia Avenue corridor and eastern Montgomery County with regional shopping, culturally diverse retail and entertainment, business and government services, and transit-oriented residential and office uses that serve a population with a broad range of incomes. Both short- and long-term public strategies, including active public use spaces in the right locations, are necessary to awaken interest in redevelopment and pave the way for private investment. The Wheaton Redevelopment Program is the lead public agency tasked with revitalizing the Wheaton CBD.<sup>3</sup>

The Montgomery County Council supports stimulating implementation of the Wheaton Master Plan it approved by encouraging private reinvestment through targeted complementary public investment, maximizing development potential in its publicly owned assets, maximizing efficiency and cost savings of government operations through shared public spaces and infrastructure, and enhancing customer service through co-location of related public services. Therefore, under PDF No. 150401 (Exhibit A) the Council approved funding to the Wheaton Redevelopment Program for facility planning

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<sup>1</sup> Capitalized words are defined throughout the MOU.

<sup>2</sup> 8787 Georgia Avenue is occupied by the Montgomery County Planning Board, the Office of the Chair and the Planning Department. The Department of Parks, which will consolidate some of its functions into the new Commission Office, is located in various venues throughout the County.

for a multi-user government complex or building on the property shown on Exhibit B as Parking Lot 13,<sup>2</sup> to include certain County government agencies, the redevelopment and relocation of the Commission's Montgomery County Regional Headquarters Offices ("MRO"), structured or underground parking, and a new town square. The PDF requires that upon completion of their respective programs of requirements ("POR"), the County and the Commission must brief the Council on the status of the Project and submit an appropriations request with an MOU describing their respective roles and responsibilities throughout the design process.

The purpose of this MOU is to establish the framework describing the manner in which the County and the Commission intend to implement mutually agreed upon goals and objectives for the redevelopment and relocation of the Commission's MRO as set forth in PDF No. 150401. In accordance with the PDF, this MOU will include the process by which the Commission can charge design-related personnel costs to the Wheaton Redevelopment Program. The Project design will be developed pursuant to the MOU, and such design will reflect the Commission's role as an independent agency.

This MOU is intended as the basis for the preparation of subsequent binding agreements, including, *e.g.*, a development agreement, sales contract(s), easement(s), declaration(s) of condominium, and such other binding agreements as may be necessary to carry out the intent of the Parties as stated herein ("Binding Agreements"). This MOU does not incorporate technical decisions to be reached as part of the Project's implementation such as a specific site plan for Parking Lot 13, multi-user complex or building design, parking design, site improvements and construction associated with the town square, or the ownership structure of the completed Project, all of which terms will be included in such Binding Agreements.

## 2. The Project

In order to address the goals as outlined in this MOU, the Project will consist of, at a minimum, a multi-user government complex or building, the redevelopment and relocation of the MRO and the relocation of the Montgomery County Department of Parks headquarters and certain administrative functions ("Commission Office"), structured or underground parking, and a new town square. The County shall be solely responsible to determine which agencies occupy the County government offices. This Project may also include additional private development such as stand-alone residential

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<sup>2</sup> Although the project description in PDF No. 150401 is limited to development of Parking Lot No. 13, this MOU will allow flexibility for development into the area defined as the Core in the Wheaton Master Plan, in which event the PDF will be amended, if necessary, with the appropriate stage of funding.

development (which may have a ground floor retail component) and/or retail development integrated into the ground floor of the government complex.

Subject to the additional roles established for the Parties in this MOU, the County will serve as developer of the Project, with the Commission and the Wheaton Parking Lot District (“PLD”) as the owner/purchaser/user of their respective build-to-suit developments to be delivered to each on a turn-key basis, consistent with the design approved by each to meet their respective PORs (including parking requirements), upon issuance of a use and occupancy permit for each of their respective developments.

Because of the inter-relationships within the multi-user complex, and due to the expertise of the Commission in urban land planning, urban park planning and development, and urban park management, regardless of the ultimate ownership of the town square, the Commission shall participate in the planning, design, and integration of the town square into the Project and the Property as defined in Section 3.

#### *2.1. Consideration from the Commission*

The Commission currently owns and occupies an approximately 49,500 square foot building located on an underutilized 3.24 acre site known as 8787 Georgia Avenue, Silver Spring, Maryland (“8787 Georgia”) at the Georgia Avenue gateway to the Silver Spring CBD. As consideration for delivery of ownership in fee of the new Commission Office, the Commission shall convey 8787 Georgia to the County, together with all buildings, improvements, ways, easements, rights, waters, privileges, covenants, and appurtenances to the same belonging, benefiting or in any way appertaining, and all the estate, title, right, interest and claim, of the Commission, which the County may subsequently redevelop. The timing of such conveyance must accommodate a smooth transition of the Commission’s operations from 8787 Georgia to the new Commission Office in Wheaton.

#### *2.2. Project Schedule*

- 2.2.1. The Parties acknowledge and agree that the timely completion of the Project is in the best interests of all Parties and the public. The Parties shall diligently negotiate in good faith to facilitate the design, development and construction of the Project in accordance with the preliminary Project Schedule (“Project Schedule”) (Exhibit C). The Project Schedule represents the Parties’ presently contemplated critical path schedule for the completion of the Project. The Parties understand and acknowledge that failure to meet the Project Schedule will have adverse financial impacts to the Project. The Parties acknowledge and agree that although this MOU is non-binding, it reflects the interest of the Parties to work diligently and in good faith to meet the spirit and intent of the MOU in accordance with the Project Schedule.

### 2.3. *Project Parking*

- 2.3.1. The number of public parking spaces to be constructed, their design, building standards, timing, and similar matters shall be addressed in a separate memorandum of understanding between the County and the PLD, which will include, at a minimum, the consideration to be paid from the County for the land and the PLD for the development services. The construction and/or designation of any private parking spaces will be addressed in the Binding Agreements applicable to the development to which such private parking spaces pertain.
- 2.3.2. The public parking development will be owned by the County, through the PLD, and will consist of an underground or above ground parking garage with sufficient public parking spaces, which, when counted together with those currently existing in the PLD, will be sufficient to provide the required public parking for the PLD and for the Project. The public parking development will be delivered to the PLD by the County on a turn-key basis upon issuance of a use and occupancy permit for the public parking structure.
- 2.3.3. Separately, certain private parking spaces may be built for use by one or more of the other proposed developments. Sufficient parking may be made available to meet the needs of these developments within the public parking development, but no spaces may be reserved for any specific user. All parking in the public parking development shall be available to all parkers for a fee and on an individual, first come first served basis.

### 3. The Project Site

The County, through the PLD, owns a 1.74-acre site known as Parking Lot 13 (“Property”), bounded by Reddie Drive to the south, Grandview Avenue to the west, private property to the north, and Triangle Lane to the east, and located in the area identified as the Core in the Wheaton Master Plan. The Project will be located on the Property; provided however, this MOU will allow the Property to be extended beyond Parking Lot 13 into the area defined as the Core in the Wheaton Master Plan, in which event the PDF will be amended, if necessary. A map of Parking Lot 13 and the Core are attached as Exhibit B.

#### 4. Project Objectives

In addition to contributing towards meeting the goals for Wheaton as established in the Wheaton Master Plan as already set forth in this MOU, more specific objectives of this Project are:

- 4.1 Design of the Project will reflect the goals established in the Wheaton Master Plan and in this MOU.
- 4.2 If feasible, the Project will incorporate ground floor retail into its design.
- 4.3 If feasible, residential development will be incorporated into the Property.
- 4.4 Any unused density from development of the Commission Office shall be retained by the County for allocation to the remainder of the Property in order to maximize the permissible density and development potential of the Property.

#### 5. Development Standards

- 5.1 *Regulatory Review.* The public portions of the Project will be submitted to the Montgomery County Planning Board for mandatory referral review under §20-301 of the Land Use Article, MD Ann Code; provided however, the Parties agree that the Project must meet the zoning for the Property on which it is developed.
- 5.2 *Commission Office Design.* Design of the *Commission Office* portion of the Project will reflect the status of the Commission as an independent agency.
- 5.3 *Sustainability.* The Project must *meet* or exceed a LEED (Leadership in Energy and Environmental Design) Gold Rating.
- 5.4 *Wheaton Streetscape Standards.* The Project *must* be designed to meet or exceed the approved and adopted Wheaton Streetscape standards.

#### 6. Roles and Responsibilities of the Parties

Throughout the life of the Project, the County will serve as the developer. The Commission will be the ultimate owner and user of the build-to-suit development which the County shall deliver to the Commission on a turn-key basis. The specific nature of the legal relationship between the Commission and the County and the specific roles and responsibilities of each Party during each of the various phases of the Project shall be addressed in the Binding Agreements.

- 6.1 *Project Administration.* The County will hire, through its procurement process, the architect/engineer (“A/E”) for the Project and the general contractor (“GC”) for the Project. The Commission shall have representatives on the selection committee for the selection of the A/E and GC and any other primary consultants or contractors for the Commission Office, to the maximum extent consistent with

the County's procurement law, and in accordance with the applicable regulations pertaining thereto.

- 6.1.1. *Approval Rights.* The Commission shall have unconditional approval rights on the POR and concept drawings for the Commission Office. The Commission shall also have unconditional approval rights on certain aspects of the schematic design documents for the Commission Office: (i) the schematic design's adherence to the POR and the concept plan; and (ii) the adequacy of the building systems to the extent they are developed or specified in the schematic design documents. The Commission's level of approval rights with respect to other aspects of the schematic design documents, design development documents, and bid documents shall be addressed in the Binding Agreements; provided, however, that once the Project Budget, as defined in Subsection 7.1, has been appropriated by the County Council for the Project, neither Party shall make changes to any of the foregoing documents, which changes either increase the cost of the Project above the amount of the appropriated funds or extend the then existing schedule for completion of the Project. In the event that any such changes are requested by either Party, the Parties shall work cooperatively to value engineer the Project to bring it within the amount of the appropriated funds and in compliance with the then existing schedule. Provided further, however, the Parties agree that the Binding Agreements shall reflect, at a minimum, the Commission's right to assure that its functional requirements will be fully accommodated in the Commission Office.
- 6.1.2. *Commission Chargebacks.* Commission staff, in accord with the Schedule attached hereto as Exhibit D, shall charge back their time against the CIP funding for the Project and shall have the right to engage, subject to the law and regulations governing such engagements, third-party professional service providers that the Commission at its sole discretion deems necessary to assist it in fulfilling its obligations and needs with respect to the Project and charge back the fees of such third-party service providers against the CIP funding for the Project. Pursuant to Exhibit D, all such chargebacks shall not exceed Ninety-Five Thousand and no/100 Dollars (\$95,000.00) in total unless and until Binding Agreements are executed by the Parties. The total dollar amount of the Commission staff chargebacks and third-party professional service provider fees shall not exceed a subsequently agreed upon cap to be set forth in the Binding Agreements. The right of the Commission to be reimbursed for eligible chargeback expenses, not to exceed the total amount specified in this Subsection, shall survive the termination of this MOU.
- 6.1.3. *Project Management Plan.* Prior to commencement of design of the Project, the County shall prepare a Project management plan detailing the roles and

responsibilities of the Parties for the planning, design, and construction of the Project, consistent with other major capital projects implemented by the County.

- 6.2 *Mutual commitments.* Subject to appropriations for the continued planning and design of the Project, the Parties agree to work cooperatively and diligently and negotiate in good faith to reach mutually acceptable Binding Agreements for design and construction of the Project in accordance with the Project Schedule and in keeping with the spirit and intent of this MOU.
- 6.3 *Amenities.* The Parties shall jointly establish the amenities to be included in the Project and agree to work cooperatively to determine, without limitation: the types of amenities to be considered for inclusion into the Project; the desirability of, market for, and feasibility of such amenities; and their size, design, and location. Each Party shall have the right to include an amenity in its own portion of the Project for its exclusive use, or the Parties may agree to share an amenity. The POR to be submitted to the Council in support of an appropriations request as described in the third paragraph of Section 1 of this MOU shall include all amenities proposed at the time of the submission of the aforementioned appropriations request and the total cost of all amenities shall not exceed the amount of funds appropriated therefor.

## 7. Intergovernmental Activities

The County and the Commission shall work cooperatively in keeping the Montgomery County Council regularly apprised of the progress of the Project, preparing documents for regulatory review (to the extent that such regulatory review document preparation does not represent a conflict of interest for the Commission), public relations, community outreach, and facilitating the private development, if feasible, of a portion of Parking Lot 13.

- 7.1 *Future Appropriations.* The Parties shall work cooperatively to procure all necessary appropriations to complete the Project, which shall include a project budget that comprises all necessary hard costs, soft costs, tenant improvements (“TI”), relocation expenses, and furniture, fixtures and equipment (“FF&E”) as such terms are generally understood in the real estate development industry (“Project Budget”) The TI and FF&E will be in accordance with a more detailed POR and Project Budget approved by the County Council. The Commission shall have the right to approve the Project Budget prior to its submission to the County Council, and the County shall have lead responsibility for obtaining appropriations.

## 8. Non-Binding

Either Party may terminate this MOU without recourse by and to the other Party (excepting for the reimbursement specified in Subsection 6.1.2, not to exceed the total

amount specified in that Subsection). It is understood and acknowledged that the Parties mutually intend that neither shall have any binding contractual obligation or liability to the other regarding this matter (including, without limitation, any obligation to negotiate concerning this matter) unless and until Binding Agreements have been prepared, duly approved, fully executed, and delivered by the parties in their sole discretion. Neither Party makes any warranty, nor representation to the other, that the acceptance of this MOU will guarantee the execution of the Binding Agreements. All costs incurred by either party prior to the full execution and delivery of the Binding Agreements by the Parties (except for the reimbursement specified in Subsection 6.1.2) shall be at the sole risk of the Party incurring such costs. The Parties hereby release each other and waive any and all claims against the other (except for the reimbursement specified in Subsection 6.1.2) based upon any obligation to negotiate in good faith to final Binding Agreements, if any, whether such obligation arises from the terms hereof or by operation of law or otherwise.

**[SIGNATURE PAGES FOLLOW]**

**MONTGOMERY COUNTY, MARYLAND**

By: \_\_\_\_\_  
Ramona Bell-Pearson  
Assistant Chief Administrative Officer

Date: \_\_\_\_\_

**RECOMMENDED BY:**

By: \_\_\_\_\_  
David Dise, Director

Date: \_\_\_\_\_

**APPROVED AS TO FORM & LEGALITY  
OFFICE OF THE COUNTY ATTORNEY**

By: \_\_\_\_\_  
John J. Fisher  
Associate County Attorney

Date: \_\_\_\_\_

ATTEST:

**THE MARYLAND-NATIONAL  
CAPITAL PARK AND PLANNING  
COMMISSION**

\_\_\_\_\_  
Joseph Zimmerman  
Secretary-Treasurer

\_\_\_\_\_  
Patricia Colihan Barney  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **MOU Schedule of Exhibits**

All Exhibits are attached to and incorporated into the MOU as a part of the document.

Exhibit A: PDF No. 150401

Exhibit B: Parking Lot 13 and Core

Exhibit C: Project Schedule

Exhibit D: Estimated Commission Chargebacks

**EXHIBIT A**

PDF No. 150401

(Refer to following two (2) pages)

## Wheaton Redevelopment Program -- No. 150401

Category  
Subcategory  
Administering Agency  
Planning Area

**General Government**  
**Economic Development**  
**County Executive**  
**Kensington-Wheaton**

Date Last Modified  
Required Adequate Public Facility  
Relocation Impact  
Status

May 16, 2012  
No  
None.  
Planning Stage

### EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY11	Est. FY12	Total 6 Years	FY13	FY14	FY15	FY16	FY17	FY18	Beyond 6 Years
Planning, Design, and Supervision	15,015	3,495	520	11,000	1,900	4,400	2,000	1,000	200	1,500	0
Land	1,010	1,010	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	4,509	1,309	0	3,200	0	0	3,200	0	0	0	0
Construction	52,658	408	250	52,000	0	0	21,000	31,000	0	0	0
Other	74	64	10	0	0	0	0	0	0	0	0
<b>Total</b>	<b>73,266</b>	<b>6,286</b>	<b>780</b>	<b>66,200</b>	<b>1,900</b>	<b>4,400</b>	<b>26,200</b>	<b>32,000</b>	<b>200</b>	<b>1,500</b>	<b>0</b>

### FUNDING SCHEDULE (\$000)

Contributions	862	0	0	862	0	0	0	862	0	0	0
Current Revenue: General	650	0	0	650	650	0	0	0	0	0	0
Federal Aid	418	371	47	0	0	0	0	0	0	0	0
G.O. Bonds	67,039	1,618	733	64,688	1,250	4,400	26,200	31,138	200	1,500	0
PAYGO	3,797	3,797	0	0	0	0	0	0	0	0	0
State Aid	500	500	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>73,266</b>	<b>6,286</b>	<b>780</b>	<b>66,200</b>	<b>1,900</b>	<b>4,400</b>	<b>26,200</b>	<b>32,000</b>	<b>200</b>	<b>1,500</b>	<b>0</b>

#### DESCRIPTION

The project provides for facility planning for a multi-user government complex or building on Parking Lot 13, to include a new headquarters (approx. 150,000 sq. ft.) for M-NCPPC, structured or underground parking, and a new town square. M-NCPPC is currently updating its program of requirements under a separate capital project, M-NCPPC Headquarters Project #138707. When County government and M-NCPPC have completed their respective programs of requirements, the agencies will brief the Council on the status of their discussions with the Parking Lot District and submit to the Council an appropriation request for design of the multi-user complex or building and a memorandum of understanding between the agencies describing their respective roles and responsibilities throughout the design process, including the process by which M-NCPPC can charge design-related personnel costs to the Wheaton Redevelopment Program. It is the expectation that the MOU will reflect Park and Planning's status as an independent agency. The government office complex or building could potentially contain a vertical mix of uses. The design will be developed pursuant to the MOU. The cost estimate will be revised as a result of design. The project provides for a town square on Parking Lot 13 that is at least 1/3 the area of the site. The project provides partial funding for construction of the government office complex or building, as well as structured or underground parking and a new town square.

The project provides up to \$650,000 in FY13 for the County's facility planning, and for consulting services to provide: 1) an evaluation of the financial feasibility of redeveloping the WMATA bus bay site; 2) a comprehensive parking study to identify potential redevelopment disruptions to parking supply and demand, the related impact to existing businesses, and potential solutions (including, but not limited to signage, parking management, and temporary/interim parking); and 3) planning studies that review potential models and approaches to creating local jobs and job training opportunities prior to or during redevelopment, including relevant case examples in Montgomery County as well as innovative models from other local and national jurisdictions. Executive staff will brief the Council regarding the outcome of these studies and any planning or negotiations regarding job opportunities and training as well as small business protections before the Executive staff resume negotiating the terms of any General Development Agreement. Planning for the bus bay site in FY17-18 includes any necessary updates to previous studies. Project requires coordination with the related M-NCPPC Headquarters Project #138707.

#### ESTIMATED SCHEDULE

Planning and engineering will commence in FY13. Construction of the parking garage and town square on Parking Lot 13 will commence in FY15. Construction of the M-NCPPC headquarters will be completed in FY16. Planning for the bus bay site is scheduled for FY18. Planning for redevelopment of the WMATA site will begin in FY18. The facade and streetscape improvement program will be reassessed after completion of the town square.

#### COST CHANGE

Cost change is due to an updated project scope which includes planning, design, engineering, site improvements, and construction of a town square, underground parking, and a government office building, as well as a financial analysis of the feasibility of redeveloping the WMATA bus bays. Cost estimates were prepared prior to completion of the Programs of Requirements for the office complex, parking and town square. Unknown factors that will affect the ultimate project costs and revenues are the ultimate scale of the office development, the potential for sharing parking costs with a private partner, the availability of M-NCPPC land sale proceeds, and other factors.

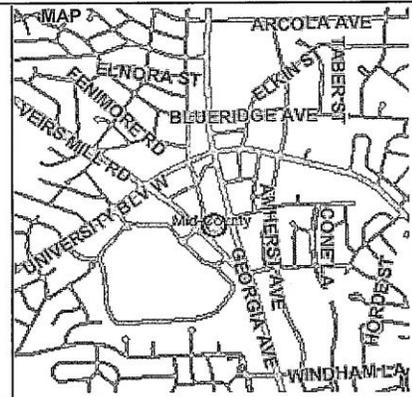
#### JUSTIFICATION

The Wheaton Redevelopment Program was established in 2000 with the goal of encouraging private reinvestment through targeted, complementary public

APPROPRIATION AND EXPENDITURE DATA		
Date First Appropriation	FY04	(\$000)
First Cost Estimate		
Current Scope	FY13	73,266
Last FY's Cost Estimate		13,191
Appropriation Request	FY13	650
Appropriation Request Est.	FY14	0
Supplemental Appropriation Request		0
Transfer		0
Cumulative Appropriation		8,930
Expenditures / Encumbrances		6,385
Unencumbered Balance		2,545
Partial Closeout Thru	FY10	0
New Partial Closeout	FY11	0
Total Partial Closeout		0

#### COORDINATION

WMATA  
Office of the County Attorney  
M-NCPPC  
Westfield Mall  
Community Associations and Residents  
Department of General Services  
Department of Transportation  
Private developers  
Department of Housing and Community Affairs  
Mid-County Regional Services Center  
State of Maryland



County Council

## **Wheaton Redevelopment Program -- No. 150401 (continued)**

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investment. The complementary public investment that Wheaton most needs is investment in creating a centrally located public space and a daytime population that together will contribute to an 18-hour economy in downtown Wheaton. It is expected that this public investment will leverage private investment, some of which is already occurring in Wheaton.

Plans & Studies: Wheaton CBD and Vicinity Sector Plan (2011), State of Maryland designation as a Smart Growth and TOD site (2010), Urban Land Institute Technical Assistance Panel (2009), The International Downtown Association Advisory report (2008); Wheaton's Public Safety Audit (2004); The Wheaton Redevelopment Advisory Committee visioning process for the Wheaton core; National Mainstreet Center Planning Study (2000); WRAC activities since established in 2000.

### **OTHER**

Special Capital Projects Legislation will be proposed by the County Executive.

### **FISCAL NOTE**

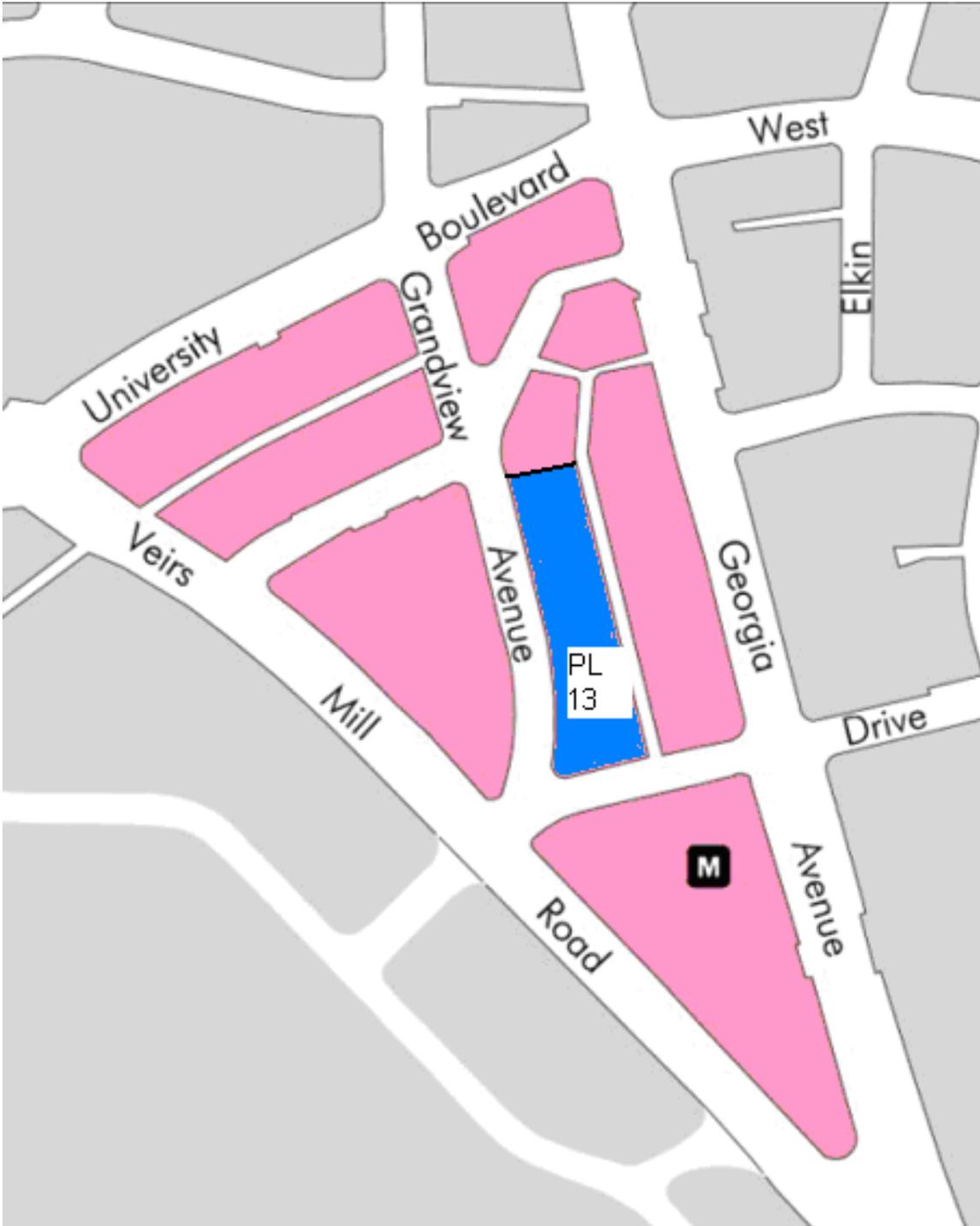
- \$418,000 federal grant, funded through the SAFETEA-LU transportation act, was received in FY09.
- A developer contribution of \$861,940 from M-NCPPC Public Use Space and Amenity Fund. November 5, 2010 Planning Board Resolution, 10-149, Site Plan 820110010.
- Total project cost includes \$8,930,000 for Streetscape and Facade work funded through FY12.

### **OTHER DISCLOSURES**

- A pedestrian impact analysis has been completed for this project.
- The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

**EXHIBIT B**

Parking Lot 13 and Core



**EXHIBIT C**

Project Schedule

(To be Inserted)

**EXHIBIT D**

Estimated Commission Chargebacks

Project Manager	\$50,000
Technical Support Staff	\$20,000
Third Party Professional Service Providers	<u>\$25,000</u>
<b>Total</b>	<b>\$95,000</b>