



MONTGOMERY COUNTY DEPARTMENT OF PARKS
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB Date: 5/19/2016

Agenda Item # 7

MEMORANDUM

DATE: May 17, 2016
TO: Montgomery County Planning Board
VIA: Mike Riley, Director of Parks *MR*
FROM: Jim Poore, Chief, Facilities Management Division
Michelle Grace, Assistant Division Chief, Facilities Management Division

STAFF RECOMMENDATION:

Approval of Lease Amendment for the Siena School to extend lease term for an additional 4 years with conditions.

BACKGROUND:

The Commission entered into a Lease Agreement with the Siena School dated July 29, 2011, with an Addendum to Lease dated May 30, 2012, for the School's use of approximately 1.47 acres of Park property as shown in the draft lease amendment "Attachment A - Leased Premises."

The School is in the process of securing a 20-year bank loan for the construction of a new addition to the School. A condition of the loan (scheduled to close on May 24, 2016) is that the School's Lease Agreement with the Commission must remain in effect during the 20-year loan period. Currently, 16 years remain under the original lease term.

In a written request received on April 25, 2016, Siena School requested the Commission modify the Agreement to expire twenty years after the effective date of the loan. The current Lease Agreement has a term of twenty (20) years which commenced on June 29, 2012 and expires on June 28, 2032.

The Commission desires to amend the lease and provide for an additional four (4) years to meet the requirements of the loan. A draft lease amendment is attached for reference.

The Siena School is the owner of improved property located at 1300 Forest Glen Road, Silver Spring, Maryland, which is adjacent to Park property. Formerly, the school site was owned by the Boys and Girls Club, but was purchased by Siena School. A Special Exception to operate the School in the R-60 zone and the School's acquisition each occurred in 2012.

A portion of the Leased Premises is used for parking by the School's staff, student drop-off and buses during certain school hours and school days. Improvements to the School property and adjacent Park property were contemplated during the lease negotiations in 2012. Therefore, the Lease provides that Siena School may improve the leased area and construct new parking areas, stormwater management facilities, recreational fields, and landscaping. Additionally, Siena shall provide improvements to the pedestrian access between the leased premises and the adjacent Park such as roads, driveways, parking lots and stormwater management facilities, recreational fields, landscaping and access enhancements.

The Department of Parks is seeking Planning Board approval to grant Siena School the term modification pursuant to the terms and conditions outlined in the draft lease amendment attached, some of which are listed below.

1. Lessee's lender approval of lease amendment.
2. Rental payment for years 21-24.
3. Minor term revisions (late fee, holdover rent, administrative fee for future requests).
4. Revised Attachment A.

Department of Park staff recommend the Planning Board's approval of this lease amendment, subject to County Council's approval of the same via legislative enactment.

Attachments:

Draft Lease Amendment (with new Attachment A - Leased Premises)
Existing Lease Agreement and Addendum
Draft Resolution 16-065