

APPENDIX B

History of Facilities Studies

PROJECT HISTORY AND FINDINGS OF PREVIOUS STUDIES

Multiple studies of space needs and deficiencies associated with the subject facilities, The Montgomery Regional Office (MRO), The Spring Street Annex, and Parkside, have been documented since prior to 1986, and for more than 17 years.

The original MRO building was constructed in 1956 and included 25,445 sq. ft. of space. The MRO addition was began in 1976 with full occupancy in 1979 resulting in a total of 49,075 gross sq. ft.

Studies Prior to 2000

Occupancy of MRO with Last Addition: 1979

The last addition to MRO was finished and occupied in January of 1979, 24 years ago, and interestingly the addition was completed primarily to consolidate previous rented space scattered in multiple locations in Silver Spring.

The project need at that time involved improvements in areas also now identified with deficiencies and contributing to the need for current improvements including:

- Adequacy of the public information counter and records storage
- Consolidation of multiple locations
- Centralization of records and staff at the same location as Planning Board meetings
- Centralization of printing and storage equipment
- Creation of operating cost efficiencies with consolidation and reduction of leased spaces
- Contributing to the revitalization to Silver Spring

Facility Master Plan for Department of Parks Administrative Needs: 1986

This study purpose was to identify the personnel and space requirements needed for the Parks Department including a then new Parks Management Services group:

- This 1986 Study projected, for the Parks Department with 68 persons for 1986, a need of 90 persons for the year 2000, and 92 people for the year 2006.
- Net assignable space needs for the Department of Parks were estimated at 21,698 sq. ft. in 1986 and projected at 26,566 sq. ft. for 2006. In 1986 the Department occupied 13,800 net sq. ft. at two locations and the Parkside Headquarters then contained 15,308 gross sq. ft.

Full use of the Parkside facility in 1986 would have equaled a 6,390 sq. ft. space deficiency at that time. The 1986 study recommended an addition of 8,500 gross sq. ft. just to accommodate the 1986 need.

- While outlining advantages to consolidation, and because there was then inadequate area for a consolidated facility and for capital cost reasons, the study set forth a 20 year plan to house the Parks Department at the Parkside facility
- The study included a long term plan for a lobby addition in the front of the building and a major new addition behind the existing facility
- This study listed a 1984 COG County population projection as 727,300 for 2005 and 758,500 for 2010

Space Needs Analysis: 1991

This study compiled Departmental space needs for the then existing MRO activities and rental space in two locations including 2,664 sq. ft. at 1109 Spring Street.

- This study identified 26,526 net assignable sq. ft. in the existing MRO building
- Projections in 1991 included a need for 34,840 net assignable sq. ft., or a 31% identified deficiency, in assignable sq. ft., within the MRO facility.

Energy Evaluation Report : 1991

This HVAC report was an examination of the feasibility of energy savings at the MRO facility through the possible use of a thermal storage system.

- The study concluded that the thermal storage was not cost effective considering the "archaic" status of the HVAC system in the original building, unless a conversion to heat pumps was made

The creative aspect of this study included the concept of energy cost savings with new HVAC technologies. This is consistent with the recommendations herein for similar approach to explore the advantages of using "green" technologies in the potential new facility.

An intriguing cost savings item in the report demonstrated the possible application of an electric suppliers rebate reducing the energy improvement costs by almost 35 %.

Feasibility Study/ Building and Zoning Analysis of MRO: 1995

The 1995 study involved the evaluation of the feasibility of expanding the MRO facility from a total of 49,075 sq. ft. with a 10,000 assignable sq. ft. addition:

- At the time of the 1995 study 4,000 sq. ft. was leased at Spring Street.

- The 1995 study included the 10,000 assignable sq. ft. addition in 3 floors and located between the previous addition and a remaining portion of the Commissioners parking lot. The site area included in the 1995 study was 66,233 sq. ft.

The potential 10,000 assignable sq. ft. addition was determined in part from the preceding 1991 study which had identified the 8,000 sq. ft. assignable sq. ft. deficit for the MRO facility.

For the MRO The 1995 Study referenced a 8,400 assignable sq. ft. need and a 32% deficiency and projected a 10,700 assignable sq. ft. need for 1996

Silver Spring Joint Development / MRO and Parking Garage No. 2: 1998

The 1998 study examined 3 alternate concepts the first 2 of which involved a modest addition of 7,000 to 12,000 sq. ft. to the existing MRO facility and a private residential townhouse project of 70 units at Spring Street. The third concept included a civic building at the Spring Street side.

The Study was initiated to show Joint Development possibilities and did not include consolidation of Parkside.

The concepts were discussed with representatives from the adjacent neighborhood who were interested in 1. Considering improvements to the Commission property, and 2. Involvement in any continued facility planning for the site.

MRO Location Assessment and Space Study: August 2000

The 2000 Assessment study was initiated following discussions with Council and a Council directive to examine, in addition to estimated space needs, alternatives and recommendations as to the best Countywide location for a potential new facility.

Five locations were examined and evaluated: Silver Spring, Wheaton. Twinbrook, Shady Grove, and Rockville.

- *The study identified a previous mechanical engineer's analysis showing that the MRO facility had an occupancy 63% higher than the designed capacity of the building*
- *Findings included that space allocations in the MRO were 25% less than representative County offices and 35% less than planning departments surveyed in other jurisdictions*

- *Severe overcrowding, administrative fragmentation, and functional inefficiencies at the existing facilities often contribute to compromise customer service and operational efficiency*
- *The 2000 space assessment , completed by Departmental staff, identified the need for a minimum of approximately 100,000 gross sq. ft. of space for a potential facility for consolidation of the MRO, Annex, and Parkside activities*
- *Using a set of 8 Evaluation categories, of the five Countywide locations examined, the Study assessed the Silver Spring Commission owned site as the most favorable location with the Wheaton location also assessed favorably.*

The 2000 space assessment , completed by staff, identified the need for a minimum of approximately 100,000 gross sq. ft. of space for a potential facility for consolidation of the MRO, Annex, and Parkside activities.

The Location Assessment Study concluded with County Council concurrence with the Planning Board recommendations to continue facility planning with the examination of the Commission owned site in Silver Spring and sites in Wheaton adjacent to the Wheaton metro station.

APPENDIX C

Summary and Detailed Findings of Site Options

SUMMARY AND DETAILED FINDINGS OF SITE OPTIONS

A. Summary Findings: The Silver Spring Commission-owned Site

Staff recommends continuation of the project as a fully consolidated program of 120,000 gross square feet of Departmental office space together with a residential component in the range of 125 and 265 units at the Silver Spring Commission-owned site.

1. Concepts 1B and 2B are preferred.
2. Concept 1A, retention of a portion of MRO building, should be removed from consideration.
3. Concept 2A, as a single-use office program, should be removed from consideration.
4. Concept 1C, as a combination office and residential program, should be removed from consideration.

Distinctive aspects of the proposed mixed-use program include:

1. Opportunity to deliver a mixed-use, mixed-income urban neighborhood using exemplary planning and design standards as a model project; complementing the mission of the Commission and compatible with nearby residential communities.
2. Use of a portion of the property for residential development to partially offset public costs;
3. Project objective of providing a non-typical percentage of affordable housing units (as much as 30% possibly more);
4. Participation by a specialized housing entity, such as HOC or a similar entity, which can offer added financial leverage to the entire project by increasing the potential for creative public financing opportunities;
5. Delivery of an urban park/ open space network and model urban street that provides connectivity to the CBD and residential community.
6. Delivery of public amenities that will enhance livability and sustainability.

B. Summary Findings: The Wheaton/ WMATA-Bozzuto Site

1. Space Program

- The Wheaton site contains at least three additional office users excluding an unknown mix of private office uses, with over 400,000 square feet of office uses; all are responsive to WMATA and developer contractual requirements.
- While advantages such as reduced cost and shared amenities could be offered by the synergy of multiple users at the Wheaton site, this is seen to be significantly offset by:

- (1) Unknown requirements due to the multiple participants
- (2) Physical and cost constraints resulting from the required air rights construction

2. Site Considerations

- While metro rail at the Wheaton site is closer than at the Commission Silver Spring site, this advantage is offset by the imposition of air rights requirements at the Wheaton site.
- The potential identity aspects of both sites are excellent; however, there would be office parking and access sharing requirements at the Wheaton site not present at the Commission owned Silver Spring site.
- The potential for an easily accessible exterior urban park at the Silver Spring site exceeds that at the Wheaton site.
- The potential for community revitalization is an important element of the Wheaton site development alternative. This consideration applies to both communities under consideration; however, the mixed-use development program in Silver Spring declines a broader range of public benefit.

3. Costs

The Wheaton construction costs exceed costs of developing the Commission facility at the Silver Spring site largely due to required construction over the WMATA bus bays.

While some kind of creative offer may be available to the Commission relative to a build-to-suit option, the Commission would most likely be a subordinate participant under any scenario at the Wheaton site due to land lease requirements associated with the WMATA joint development requirements.

C. Summary Findings: Unsolicited Silver Spring Options

A limited number of unsolicited proposals related to alternate locations, including alternate lease options in Silver Spring, have been received. This is not uncommon in an active real estate market.

Most of those proposals have provided no specific detail of terms and would require additional information such as gained through a Request for Proposal process.

One of the lease option proposals involves existing office space near the 8787 Georgia Avenue sites and another is located in the central Silver Spring CBD area.

Financial analysis demonstrates that when considering projected net present value and assessing all anticipated project costs, leasing will not compare favorably to the Commission development of the project at its current site.

A third proposed location option involves a planned mixed-use project near the Silver Spring Metro Station. A fourth Silver Spring option, the Ripley District, as a location alternate, arose during discussion in a community meeting involving individuals representing various interests in Silver Spring. The Ripley District location was advocated, as has been the Wheaton option, as a plus for community revitalization.

Staff has determined that these additional alternatives do not, as compared with the existing Commission site, meet the needs of the proposed facility from the standpoint of vehicular access or the provision of a highly identifiable gateway site opportunity. It unlikely that alternate Silver Spring options could provide the unique attributes available at the Commission-owned Site.

D. Detailed Findings

The Detailed Findings have been guided by a set of Evaluation Criteria established at the onset of the study.

Evaluation Criteria:

- A. Space Program
 - Facility Components
 - Public Amenities

- B. Site Considerations
 - Access and Parking
 - Identify
 - Urban Park/Open Space
 - Community Compatibility (including revitalization considerations)

- C. Financing
 - Cost
 - Funding alternatives

While the criteria are not weighted in terms of priority, anticipated project cost factors have been determined to be of primary consideration in the overall recommendation to pursue options at the Commission-owned Silver Spring site.

I. Silver Spring Commission-owned Site

A. Space Program

A-1. Facility Components

- The 120,000 gross sq. ft. facility program for full consolidation can fit the 3.24 acre site with a significant portion of the site also allocated to private development
- Further detailed site design, architectural and engineering studies are expected to confirm and ensure that full consolidation inclusive of all present Parkside park functions can be accommodated while providing the required full public access.

A-2. Public Amenities

- The development concepts for the Commission-owned site demonstrate that the site provides significant opportunities for public amenities. These public amenity opportunities include:
 - Accommodation of the increased public space (a 90% increase to 22,000 gross sq. ft.)
 - The operational efficiency of all Departmental activities together in a consolidated facility
 - New public open space – Planning Plaza as a publicly accessible urban park
 - Structured parking in both the adjacent County garage No. 2 and in at least one level under the planned Commission facility
 - The extension of Planning Place with improved site access for public visitors and facility occupants
 - The potential joint-use program for Commission offices together with residential uses provides 24-hour uses and activities at the site.

B. Site Considerations

B-1. Access and Parking

- Metro proximity (Silver Spring Station – 2000 ft.) and bus access at Georgia Avenue contribute to excellent transit access for the site
- The proximity of the beltway, the adjacency of Georgia Avenue, and Spring Street as a local collector provide excellent vehicular access to the site and

will accommodate the circulation requirements of the proposed development concepts

- Vehicular circulation will be improved for the site and at the Garage entrance area adjacent to Spring Street by having internal vehicular circulation access the proposed extension of Planning Place
- Development of the County portion of the property immediately adjacent to the County Parking Garage No. 2 must be negotiated with the County Department of Public Works and Transportation. (Staff has reviewed the concept studies with DPW&T representatives).

B-2. Identity

- The Commission owned site at Georgia Avenue provides an established identify with a significant gateway site of countywide significance for future Commission facilities.

B-3. Urban Park/Open Space

- Due to the Commission's mission in the County a desired component of any future Commission facility would be the provision of some significant open space element. The existing site is large enough to provide such an open space element.

B-4. Community Compatibility

- At the Commission-owned site a compatible relationship between planned facilities and the adjacent residential neighborhoods is most important.
- Exploration of alternative concepts to accommodate the development program demonstrates that this important compatibility objective can be achieved on the site.
- Presentation and discussion of the preliminary illustrative concepts with adjacent community residents has received a generally positive reaction related to the potential for compatibility.

B-5. Affordable Housing

- Affordable Housing is a big issue in Montgomery County, especially as our prosperity has grown and increasing numbers of our workforce can't afford to live in the County.
- One of the Planning Board's highest priorities is increasing the opportunity supply of land for Affordable Housing.

- Delivering a well-designed, high quality, mixed-use, mixed-income urban neighborhood, affordable to the diverse income range of our diverse workforce, is a priority.

C. Financing

C-1. Cost

- Anticipated project development costs for the various location and development options have been examined and compared.
- Project cost analysis, considering the early conceptual parameters of the options, have been analyzed relative to the concept options considered for the Commission-owned site; for one of the proposed alternate location lease options; and in general terms with the Wheaton option.
- This initial cost analysis shows that all options currently considered for the Commission-owned site, from a cost standpoint, are projected to be more favorable than lease options and will be more favorable than lease options.

C-2. Financing and Funding Alternatives

- Studies for the Commission-owned site have resulted in a preferred program consisting of:
 - a) The Departmental requirement of 120,000 gross square feet with approximately 22,000 gross sq. ft. as public oriented space.
 - b) The provision of a residential component integrated with the site development with proceeds to partially defer cost of the publicly funded Commission project.
- An important financing and leveraging aspect of this mixed-use program may arise from the unique nature of such a public/private venture particularly with the participation of a housing entity with the affordable housing portion of the residential program.

II. Wheaton: WMATA-Bozzuto Joint Development Site

A.1 Facility Components

- Examination of the Wheaton/WMATA-Bozzuto site option has from the onset, focused upon the potential of this location and development project to possibly accommodate the Departmental program requirements.
- Representatives of the Wheaton site project team have been very receptive of a staff proposed concept, which was developed to show the potential for integrating the Departmental program together with the additional potential 300,000 square feet of space projected for this site.
- The staff proposed concept places the potential 120,000 sq. ft. Commission facility at the south portion of the site with the objective of creating, to the degree possible, a separate identity for the Commission facility.
- Because of the comparative similar size of the Wheaton site and the Commission owned site and the significant extent of the added program for participants and projected areas with the Wheaton site, and considering the requirements associated with air rights development and retention of the WMATA bus bays, staff has determined that the Departmental Space Program does not fit the Wheaton site as well as it does to the Commission owned site.

A-2. Public Amenities

- While the Departmental Space Program and associated public amenities can be accommodated at the Wheaton site they would not be accommodated comparatively as well as with the Silver Spring site.

B.1 Access and Parking

- While on site metro proximity can be provided at the Wheaton site, public accessibility is deemed better at the Commission site. This determination is largely due to the anticipated increased cost and physical constraints imposed by the requirement for air-rights construction.
- The provisions of excellent overall public accessibility would be more difficult at the Wheaton site than at the Commission Silver Spring site.
- The provision of parking requirements would be less costly at the Silver Spring site due to the immediate adjacency of County Parking Garage No. 2

B.2 Identity

- Concept plans developed for both Silver Spring and the Wheaton sites show that both projects can provide the required separate identity desired for the proposed facilities, however, this separate identity may be more difficult to provide at the Wheaton site due to both the number of participants involved in the project; the overall size of the project; and the constraints imposed by air-rights development.

B.3 Urban Park/ Open Space

- With the Wheaton concept, public open space can be provided south of the proposed building location and in areas integrated with the plaza, however an immediately adjacent urban open space will be more easily accommodated with less cost at the Silver Spring site.

B.3 Community Compatibility

- Compatibility with the adjacent neighborhood is not as sensitive an issue with the Wheaton project since there is no established residential area adjacent to the project as is the case in Silver Spring.
- There is programming difference with the Wheaton project since it all office and predominately public office space is best for the site.
- Regarding the Department's facility providing an aid in the revitalization of Wheaton, and while there is no question that the location at the site would be beneficial to redevelopment, it would be speculative to assume that Park and Planning relocating to the Wheaton site would provide a large impetus for added redevelopment.

C. Financing

C.1 Cost and Funding

- Basic construction costs on a direct comparative basis would be higher at the Wheaton site than at other options examined due to the specialized additional requirements associated with accommodation of the bus bays and air rights construction.
- While comparative cost per square-foot for the office space in the Wheaton development may be potentially less if a significantly large amount of space can be built at the same time as part of a larger project, these potential economies are seen to be outweighed by disadvantages of the air-rights requirements the resulting size of the project, and added requirements associated with the number of participants.

- The Wheaton project has been presented as a lease option and discussions have also included the possibility of a build-to-suit approach. All options with the Wheaton project however, would require subordination to the WMATA land ownership terms and therefore are seen to be at a comparative disadvantage to the Commission using its presently owned land asset.

III. Alternate Sites including Unsolicited Lease Options in Silver Spring

- During the course of this Study a number of alternate site locations have been proposed including lease options one of which has been examined comparatively to the financial aspects of the concepts considered at the Silver Spring Commission site.

A. Space Program

A-1. Facility Components

- The alternate lease options could potentially accommodate the Departmental Space program but within the parameters of either constructed or designed office spaces, and within specified terms of the owners, and important, without complete design flexibility.

A-2. Public Amenities

- Existing or multiple participant planned offices would provide at least some limitations to the flexibility of designing the public use portions of the Departmental program.

B. Site Considerations

- During one of the Community Workshops convened for the project a number of representatives of the Silver Spring business community, with some representation from residents, proposed that the Commission relocate to the Ripley District in Silver Spring.

This idea was promoted with a rationale similar to that associated with the Wheaton option – the opportunity for the Commission to contribute to revitalization of an area.

Relative to the Ripley District Option, staff has determined that this location does not adequately meet the criteria of excellent vehicular access or the ability to provide, from the standpoint of identify, a gateway/signature site.

- Vehicular access for the two proposed Silver Spring lease options would not provide the flexibility and internal site consideration available at the Commission-owned site.

B.2 Identity

- None of the alternate Silver Spring site locations can compare as favorably to the identity and visibility available at the Commission-owned Silver Spring site.
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B.3 Urban Park/Open Space

- The lease options offered do not provide an opportunity for an abutting urban open space that can be integrated with to the Commission facility.
- While assembly of parcels in the Ripley District could provide such an open space element such an approach would present time and cost constraints not present at the Commission site.

B.4 Community Compatibility

- While of the proposed lease options or alternate Silver Spring locations would present considerations of community compatibility as sensitive to those existing at the Commission site, community compatibility can be provided at the Silver Spring site.
- Vacating the current Commission site would increase concerns of existing residents adjacent to the site who expect a moderate density compatible development next to their established neighborhood.

C. Financing

C.1 Cost and analysis

- The examination and analysis of estimated net present value of one of the lease proposals and projected leasing at the Wheaton site show that these options do not compare favorably with development at the Commission site.

C.2 Funding Alternatives

- All of the leasing options place the Commission subordinate to the indefinite terms of the lessor.

APPENDIX D

Summary of Citizen Response to Site and Design Option

COMMUNITY RESPONSE SUMMARY

I. Overview of Community Workshops

The Community Workshops (6) were conducted to obtain a community response to the Study and various concept plans from a broad range of citizen and neighborhood interests in Silver Spring and Wheaton. Each meeting began with a project overview, and a presentation of the concept alternatives by staff. Most of the meetings used the full two-hour planned time period and all participants had a full opportunity to voice their opinions. Notes were taken and staff answered all questions.

A total of 68 individual participants (excluding staff) attended the six Community meetings

Each of the Workshops included a 16-page handout Information Packet, a Flyer Announcement summarizing all of the Workshops, and a sign-in sheet.

The Community response generally focused on five categories:

A). Location; B). Land Use and Development Program; C). Density and Design; D). Access; E). Cost; and F). Community Capability. Detailed response notes from individual Workshops are included in Section III.

The Community Workshops included:

October 15: Silver Spring Community-wide Interests

October 22: Residents Near the Existing Parkside Commission Facility

October 23: Wheaton Community-wide Interests

October 26: Saturday Meeting for those Unable to Attend Other Scheduled Workshop Dates

October 30: Adjacent Property Owners and Residents Living Near the 8787 Georgia Ave. Site

November 12: Wheaton-Kensington Chamber of Commerce

II. Community Response

A. Location Preferences

1. All of the individuals involved in the Community Workshops seemed generally supportive of the Study to improve and consolidate Departmental facilities. While there were many differing opinions related to various considerations, there was not one voiced objection to the overall study purpose.

2. The participants representing Communitywide Silver Spring business and civic interests (October 15 workshop) (1) rejected the idea of any further discussion or consideration of a Wheaton location, and (2) voiced support for the planned facility to be located in The Ripley District of Silver Spring to assist in the continued revitalization of Silver Spring.
3. Residents (at the October 30th Worksession) representing all three (Woodside Park, Woodside Civic, and Woodside Station) of the civic associations adjacent to the existing Commission owned site were (1) generally supportive of the five illustrative concepts under consideration for the property, and (2) supportive of the concept of mixed office and residential uses including market rate and affordable housing. This group clearly did not favor Departmental facilities relocating to The Ripley District or any alternative site in Silver Spring, nor did they support the Wheaton option.
4. Participants representing Wheaton interests (October 23 and November 12 Workshops) favored the facilities relocating to Wheaton. These participants did, however, seem to fully understand the attributes associated with concepts presented for the Commission owned property.
5. The President of Woodside Forrest Civic Association (October 22nd) preferred Parkside uses either to remain or contain uses similar to those that currently exist and include a revenue/producing enterprise facility.
6. The majority of the participants at the October 26th worksession (for those unable to attend one at other times) seemed to favor Commission facilities at the existing site.
7. The Wheaton-Kensington Chamber of Commerce (November 12th) meeting participants voted to endorse the location of Park and Planning at the Wheaton site.

B. Land Use and Development Program

- The Silver Spring community wide participants (October 15th), while favoring the Ripley District location, seemed also to support a mixed-use concept of office and residential for the existing Commission owned site.
- The majority of the other participants at the additional workshops seemed also supportive of the mixed-use concept at the Commission site.
- The majority of all workshop participants seemed, in general, supportive of the concept of both market-rate and affordable housing at the Commission Owned site.

- At the Silver Spring Residents worksession (October 30th) individuals voiced support for both affordable housing and the concept of the mixed-use Commission Facility (Concept 1C). General support for the other four concepts for the Commission owned site was also offered at this Workshop.

C. Density and Design (Massing, Scale, Height, and FAR)

- Most of the participants at all of the Workshops seemed to support the density and general concept designs as presented in the illustrative plans for both the Commission Owned Silver Spring site and the Wheaton site.
- Specific discussion and attention at the Silver Spring Residents (October 30th) Workshop was directed to the massing and coverage of the proposed development along Spring Street. A specific request included reducing the building coverage area of the Spring Street portion of the development even if the height needed increasing toward the center of the site. This group seemed to generally endorse the "stepped" concept of the building with the exception of one person who questioned it.

D. Access

- One person raised concern related to public accessibility with regard to the Wheaton concept and the structures built above the metro bus bays. The same person suggested that overall countywide access to the Wheaton site may be as favorable as access at the Commission owned Silver Spring Site.
- Pedestrian and vehicular access related to concepts for the Commission owned site was discussed at some length at the Silver Spring Residents' (October 30th) Worksession. The adjacent residents wanted assurance that pedestrian circulation through the site would be encouraged and that the extension of Planning Place would not encourage excessive through traffic.

E. Cost

- No participants at any of the Workshops specifically objected to public funding allocated for the planned facilities. No participants voiced adverse reaction to one projected construction cost ranges discussed (thirty seven million dollars) for the potential Commission facilities.
- With respect to the five concepts proposed for the Commission-Owned Silver Spring site there seemed to be general support for the idea of the

combined public-private project with revenues from the private portion partially offsetting the public expenditures.

F. Community Capability

- With regard to the five concepts for the Commission Owned site and the overall density, building area, and Floor Area Ratio (FAR) participants at all of the Workshops seemed supportive of providing a balance between allowable density and community capability.
- Participants at the Silver Spring Residents' (October 30th) Workshop were most concerned about preserving the existing boulevard character of Spring Street and about creating a project that fits the site from the standpoint of compatibility with the adjacent neighborhood. Participants while voicing specific questions and concerns about the development alternatives were generally supportive of the concept plans. They were strongly supportive of Park and Planning remaining at the existing site.

III. Response Notes by Individual Workshop

October 15 Community Workshop/ Silver Spring Communitywide Business and Civic Interests

- Ten persons attended with both the Silver Spring business community and residents represented;
- The group seemed to endorse the idea of mixed-use office and residential at the current Silver Spring site;

Commission Owned Silver Spring Site

- The "stepped" concept of building massing at the Spring Street portion of the property was discussed with one person questioning the concept while others seemed to endorse it;
- Input included the recommendation of reducing the footprint coverage at the Spring Street portion of the site;
- One participant endorsed Concept 1C – (Residential above the Commission Office Facility) and the concept of inclusion of an affordable housing component was not objected to by the group.

Unsolicited Silver Spring Lease Options

- Two participants were adamant about the need to add emphasis to the examination of alternate Silver Spring sites;
- These same two participants recommended that Park and Planning relocate to either the downtown Silver Spring CBD or to the Silver Spring Ripley District to continue to provide input to the revitalization of the Silver Spring CBD and core area;
- At the end of the meeting there seemed to be a consensus among the participants that not only should Park and Planning seriously examine locating in the Ripley District, but that this may be the best location considering the need to continue the revitalization of Silver Spring.

Wheaton

- Most, if not all, participants wanted Park and Planning to exclude any further consideration of the Wheaton site and Wheaton as a location;
- One participant indicated that County decision makers have already excluded Wheaton as a desired location for Park and Planning.

October 22 Community Workshop/ Residents and Property Owners Near the Existing Parkside Commission Facility

- Mr. Mitchell Herman, President of the Woodside Forrest Citizens Association was the only attendee at this Workshop

Commission Owned Silver Spring Site

- Mr. Herman was generally receptive to all of the concepts under consideration at the Silver Spring site;
- Mr. Herman expressed a preference for an all-new Commission facility as preferable to retention of any portion of the existing building;
- Since safety is the primary concern of residents who live near the Parkside facility Mr. Herman believed that a mixed-use project at the Silver Spring site would increase safety in the area by providing activity on a 24-hour basis.

Parkside

- Mr. Herman's first choice for Parkside seemed to be continuation of existing or similar Commission functions;
- It was Mr. Herman's opinion that if the existing Park functions vacated the Parkside site that similar community compatible uses should be introduced together with a revenue producing/enterprise activity of some kind.

Wheaton

- Mr. Herman did not favor the Wheaton location for Park and Planning and raised the question of adequate public accessibility for the Park and Planning at the Wheaton site.

October 23 Community Workshop/ Wheaton Community-Wide Interests

- Eighteen persons representing somewhat of a community-wide cross-section of Wheaton interest attended;

Commission Owned Silver Spring Site

- Participants were receptive to the five concepts presented for the Commission site;
- Participants were interested in construction cost and cost differences among the concepts;

Wheaton

- Two participants expressed preference for a largely private office development at the Wheaton site rather than a large government complex;
- The majority of the participants seemed to favor Park and Planning locating in Wheaton.

October 26 Community Workshop/ Saturday Meeting for those Unable to Attend Other Scheduled Workshop Dates

- Six persons attended including additional residents from the adjacent neighborhood.

Commission Owned Silver Spring Site

- The mixed-use office and housing concepts were discussed and the group seemed very receptive to the concept of housing on the site.

Wheaton

- The majority of this group seemed to favor the Silver Spring location over Wheaton and expressed concern about what would happen to the existing Silver Spring site if Park and Planning relocated.

October 30 Community Workshop/ Silver Spring Residents and Property Owners Near Existing 8787 Georgia Avenue Commission Owned Property

- Fifteen participants attended and all were citizens of the three adjacent citizens associations; Woodside Park; Woodside Civic; and Woodside station. (Presidents of each group attended);

Commissioned Owned Silver Spring Site

- The residents from one adjacent neighborhood were generally supportive of the facility planning interests and the overall study;
- Participants were most concerned about maintaining the existing physical character of Spring Street and strongly advocated of no median cut at Spring Street;
- Participants were all in support of Park and Planning remaining in Silver Spring and most (if not all) favored the present site;
- Participants were all against Park and Planning relocating to Wheaton;
- The residents want us to remain their neighbor;
- The concept of mixed-use office and residential at the Commission's Silver Spring site seemed to be fully accepted and endorsed;
- There was consensus that the Spring Street portion of the development not be too dense to negatively affect the character of Spring Street and the adjacent neighborhood;
- Most favored the "stepped" concept of building massing at Spring Street, particularly with townhouse scaled development adjacent to the street;

- Most participants accepted, with some actively endorsing, the idea of affordable housing being included with market rate housing;
- Participants were not in favor of Park and Planning moving either to the downtown Silver Spring CBD or to the Silver Spring Ripley District;
- Participants were interested in being involved in future phases of the Study.

Wheaton

- Participants seemed to support the objectivity of the Study process, but all favored the Silver Spring existing site over Wheaton.

November 12 Community Meeting/ Wheaton-Kensington Chamber of Commerce

- Project staff was invited to and presented a summary of the Study at the November meeting of the Wheaton-Kensington Chamber of Commerce. Sixteen persons attended.

Commission Owned Silver Spring Site

- Participants, most of whom represented the Wheaton business community, favored Park and Planning locating in Wheaton, however the group was interested in the Silver Spring concepts and seemed supportive of the approaches shown with the Silver Spring concept alternatives.

Wheaton

- The group voted to endorse Park and Planning locating on the Wheaton site
- One participant pointed out that, while the Wheaton site program does not include residential, the new adjacent project east of Georgia Avenue will be largely residential.

APPENDIX E

Potential Alternative Funding Sources

THE POTENTIAL FOR FUNDING LEVERAGE

Staff has completed initial research related to possible grant funding sources that may be available to augment the more traditional public financing of the potential project. Non-traditional and added project funding beyond County sources may very well be available related to the specific public initiatives envisioned for the project.

1. Use of Green Technologies and Environmentally Responsive Design

Montgomery County has a demonstrated history of providing leadership in environmental policy. Planning Board policy has focused upon increasing attention to environmental issues while also addressing real secondary impacts of environmental policy. The Commission as a landowner and an operating and regulatory agency is in a unique position to demonstrate the real benefits of implementing excellent environmental policy. A new facility will provide a superb opportunity to demonstrate leadership and operating excellence in energy conservation and environmental responsiveness.

While initial research indicates that environmentally related funding beyond the expected public project sources would be competitive, a number of potential funding sources have been identified:

The StEPP Foundation (Strategic Environmental Project Pipeline) is a Colorado based tax exempt organization whose primary mission is to increase the number of energy efficient, renewable energy, and pollution prevention projects implemented at the local state and national levels for the benefit of the public. Qualified projects meeting designated design principles are screened and selected and some level of funding is provided in one to three year time frames.

The Maryland Energy Administration (MEA) may offer funding assistance for projects with innovative energy sources and tax credits for the housing component if the Leadership in Energy and Environmental Design system (LEEDs) for energy use is implemented. The MEA also has a State Agency Loan Program based upon guaranteed energy savings.

The U. S. Department of Energy (DOE) and the U. S. Environmental Protection Agency (EPA) offer a number of specific grant programs related to: energy efficiency, technologies that reduce energy consumption, pollution reduction activities, recycling, waste management, renewable energy, heat island mitigation, energy efficient building equipment; and green building initiatives.

Database for State Incentives for Renewable Energy (DSIRE) is funded by the U.S. Department of Energy to "accelerate the use of renewable energy sources and technologies in and through state and local government and community activities."

Funding Green Buildings provides fundraising and grant writing resources and services for energy efficient demonstration projects. The organization conducts “Funding Green Building Workshops” and Funding Directories for Green Buildings.

2. Affordable Housing

Input from the Housing Opportunities Commission, during exploratory discussions, have demonstrated that the development concept of including *the affordable housing component is very promising and should be pursued*. While a financial “gap” or shortfall is typically expected with affordable units use of tax-exempt housing bonds to reduce the interest rate and provide tax credits could be expected to reduce the gap to a feasible level.

Added initial staff research undertaken as part of the Study has confirmed that special financing will be necessary as part of the affordable housing component in conjunction with the market rate component. Related findings include:

- the Silver Spring MRO site is in a State designated housing priority area
- the most successful affordable housing projects have on site services to assist residents to thrive in their new environment
- an interest in participation by the Department of Housing and Community Affairs
- creative leveraging of the public owned land can be expected to mitigate one of the most common barriers to affordable housing- high land cost
- availability of a variety of financing, subsidy, and grant programs for affordable housing

Staff recommends that future phases of formulating the overall financing plan for the project include examination of all possible financing leveraging methods to create feasibility for both market rate and affordable housing in the project.

The *affordable housing component* of the project may also very well *be eligible for funds from Community Development Block Grants (CDBG) within the Entitlement Communities program of the U. S. Department of Housing and Urban Development.*

Two of the three broad funding purposes of the programs are met with affordable housing as proposed in the project: (1) benefit to low and moderate income persons, and (2) meeting other urgent community needs, which in reference to the project could be both the public need aspects of the project and the overall increase in the stock of housing in Montgomery County.

Another specific provision for CDBG funding is the importance of expanding opportunities for lower income persons. The non-typical and higher than normal 30 percent affordable housing program component may relate well to this criterion.

Other particularly encouraging criteria within these funding programs include: (1) specific reference to urban counties with populations over 200,000, and (2) *the flexibility of local governments to carry out all activities themselves or award some or all of the funds to private or public non-profit organizations as well as for-profit entities.*

Typically affordable housing usually requires some form of creative financing to work financially. This is due to the typical financial shortfall or gap between what the non-market rate rents can support and market rate land values and construction costs.

3. Transportation Funding Sources: Model Urban Street, Planning Place

The development concepts for the Commission owned Silver Spring MRO property have placed emphasis upon the potential public benefits of the Consolidated Headquarters project. The idea of using the extension of Planning Place designed to function as a model urban street for both vehicular and pedestrian circulation seems to fit one of the specific CDBG Eligible Activities criteria – “Building public facilities and improvements, such as streets, (and) sidewalks. ”

Staff has met with and briefed County Department of Facilities and Services staff and discussed the concept of extending Planning Place as a unifying element for the mixed-use Commission development, for County Parking Garage No. 2, and for the adjacent residential and commercial neighborhoods. Since use of the approximately 60 foot county owned parcel paralleling the garage would require joint agreements and roadway related expenditures, another specific CDBG eligible activity funding criterion seems also to specifically apply: “Acquiring real property...for public purposes...[and to]...clear land for public purposes.”

Specifically mentioned in the eligibility requirements of the Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Communities Programs are streets and public facilities of the funded communities. The program is used as *“an increasingly important catalyst for economic development activities that expand job and business opportunities for lower income persons”* and neighborhoods.

Additional transportation related funding may be available through The U. S. Department of Transportation Federal Highway Administration Discretionary Programs with a grant source titled *“Transportation and Community System Preservation Pilot Program”* (TCSP). Through this program local governments and planning organizations are eligible for projects that:

- include plans that focus on people and access rather than cars carried
- demonstrate reduced impacts of transportation on the environment
- reduce the impacts of transportation on the environment
- integrate transportation programs and environmental activities
- promote transportation related (and smart growth) development patterns
- are innovative

- include public and private involvement activities
- include new types of land use alternatives

Concepts for the Consolidated Headquarters project are envisioned to meet all of these development objectives. The TCSP program had a 25 million dollar funding level in FY03 and a 120 million dollar allocation for FYs 99 to 03. The State of Maryland requested 1.5 million dollars from this program for the FY03 year for "integrating transportation planning with smart growth."

The Transportation Equity Act is a separate transportation related funding source authorized by Congress for place making projects "to improve communities...[and encourage]...projects that are more than asphalt, concrete, and steel." Since 1991 more than 2.4 billion dollars has been invested under this program administered by the National Transportation Enhancement Clearinghouse.

Planning Place as a model urban street may qualify under a number of the program's 12 funding activity categories including:

- pedestrian and bicycle activities
- acquisition of easements and sites
- landscaping and scenic beautification
- mitigation of highway runoff

4. The Urban Park

During preliminary discussions related to alternative funding sources the Housing Opportunities Commission indicated that grant monies for the affordable housing component may also be available for the adjacent planned Urban Park.