

SilverPlace/MRO Headquarters Mixed-Use Project -- No. 048701

Category	M-NCPPC	Date Last Modified	May 16, 2008
Subcategory	Development	Required Adequate Public Facility	No
Administering Agency	M-NCPPC	Relocation Impact	None
Planning Area	Silver Spring	Status	On-going

EXPENDITURE SCHEDULE (\$000)

Cost Element	Total	Thru FY07	Est. FY08	Total 6 Years	FY09	FY10	FY11	FY12	FY13	FY14	Beyond 6 Years
Planning, Design, and Supervision	2,236	497	1,567	172	172	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0	0	0
Site Improvements and Utilities	0	0	0	0	0	0	0	0	0	0	0
Construction	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
Total	2,236	497	1,567	172	172	0	0	0	0	0	0

FUNDING SCHEDULE (\$000)

Certificates of Participation	1,986	247	1,567	172	172	0	0	0	0	0	0
Current Revenue: Park and Planning	250	250	0	0	0	0	0	0	0	0	0
Total	2,236	497	1,567	172	172	0	0	0	0	0	0

DESCRIPTION

The Montgomery County Planning Board ranked a proposal submitted by SilverPlace, LLC, an entity composed of Bozzuto Development, Spaulding & Slye/Jones Lang LaSalle, and Harrison Development, as the highest of three proposals to construct a mixed-use project at the site of the Montgomery Regional Office (MRO), M-NCPPC's headquarters building, 8787 Georgia Avenue, Silver Spring. The mixed-use development will consist of a new headquarters office building to replace MRO, affordable and market-rate housing, a public open space network, a model urban street, and an array of public amenities. The headquarters building will consolidate functions currently located at four separate sites: two leased facilities on Spring Street, a leased former school building on Brunett Avenue (Parkside), and the existing MRO building on Georgia Avenue which was constructed in 1957 and expanded in 1978. Thirty percent of the housing in the residential component will be made available as affordable units.

From FY04 through FY07, the Commission conducted initial facility planning, retained a development advisor, issued a request for qualifications, qualified three development entities, solicited and ranked the proposals, initiated community outreach efforts, entered into negotiations with the first ranked developer, opened negotiations with the Silver Spring Parking District to acquire adjacent property, and initiated a parking needs analysis.

In FY08 M-NCPPC expects to enter into a Memorandum of Understanding and Development Services Agreement with SilverPlace, LLC; conclude negotiations with the Silver Spring Parking District; advance community outreach efforts; engage in due diligence activities (surveys, environmental analyses, etc.); complete facility and development concept planning; and initiate schematic design. The Commission intends to seek a supplemental appropriation for design of the public share of the project in FY08, prior to entering into a Development Services Agreement with SilverPlace, LLC. In FY09, following the completion of the schematic design in the Commission intends to enter into a General Development Agreement with SilverPlace, LLC and seek a supplemental appropriation to complete the design and construct the public share of the project.

JUSTIFICATION

"MRO Location Assessment Study," completed in 2000. "MRO and Parkside: Consolidated Headquarters Study/ Space Requirements and Site Selection," completed in September 2003. Analyses of MRO HVAC, Electrical Systems, 2001. The Montgomery County Council approved the Silver Spring Central Business District and Vicinity Sector Plan in February 2000 and the M-NCPPC adopted it in March 2000. Housing Montgomery: Housing the People Who Make Montgomery County Work, approved by the Planning Board and County Council in 2003.

OTHER

Traffic signals, streetlights, crosswalks, bus stops, ADA ramps, bikeways, and other pertinent issues will be considered in the design of the project to ensure pedestrian safety.

FISCAL NOTE

The debt associated with this project will be recorded in a new Internal Service Fund (ISF) to account for the new building (MRO Building ISF). The Administration Fund and the Park Fund will budget ISF service charges in amounts sufficient to cover the debt service on the building. The MRO Building ISF will budget those same charges as revenues and also budget the debt service on the note/Certificates of Participation (COPs). The allocation to the Administration Fund and the Park Fund will be based on the space to be utilized by the planning and parks functions. This process assures that each fund is paying a reasonable portion of the cost of the building.

OTHER DISCLOSURES

APPROPRIATION AND EXPENDITURE DATA	COORDINATION	MAP
Date First Appropriation	FY05	See Map on Next Page
First Cost Estimate	FY09	
Current Scope	2,236	
Last FY's Cost Estimate	850	
Appropriation Request	FY09	
Appropriation Request Est.	FY10	
Supplemental Appropriation Request	0	
Transfer	0	
Cumulative Appropriation	2,236	
Expenditures / Encumbrances	2,064	
Unencumbered Balance	172	
Partial Closeout Thru	FY06	
New Partial Closeout	FY07	
Total Partial Closeout	0	

SilverPlace/MRO Headquarters Mixed-Use Project -- No. 048701 (continued)

- A pedestrian impact analysis will be performed during design or is in progress.