

MEMORANDUM

May 22, 2018

TO: County Council
FROM: ^{Go} Glenn Orlin, Deputy Director
SUBJECT: **Introduction:** Expedited Bill 21-18, Special Capital Improvements Project – Rockville Core

Expedited Bill 21-18, Special Capital Improvements Project – Rockville Core, sponsored by Lead Sponsor Council President at the request of the County Executive, is scheduled to be introduced on May 24. A public hearing followed by action is tentatively scheduled for June 19 at 9:30 a.m.

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. Expedited Bill 21-18 would authorize the planning, design and renovation of the Grey Courthouse, Project No. 361702, in the Rockville area.

This packet contains:	<u>Circle #</u>
Expedited Bill 21-18	1
Legislative Request Report	3
Memo from County Executive	4
Fiscal and Economic Impact statement	5
Approved Project Description Form	8

Expedited Bill No. 21-18
Concerning: Special Capital
Improvements Project – Rockville
Core
Revised: 5/22/2018 Draft No. 1
Introduced: May 24, 2018
Expires: November 24, 2019
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: None
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

AN EXPEDITED ACT to: authorize the planning, design, construction, and renovation of the Rockville Core, Project No. 361702, in the Rockville area.

By adding to the Laws of Montgomery County 2018

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1.** **The laws of Montgomery County, Maryland, are amended to**
2 **read as follows:**

3 Montgomery County, Maryland, is authorized to plan, design, and renovate the
4 Rockville Core Project No. 361702 in the Rockville area. This authorization includes
5 all necessary planning, design, and renovation of the Grey Courthouse.

6 **Sec. 2.** **Expedited Effective Date.**

7 The Council declares that this legislation is necessary for the immediate
8 protection of the public interest. This Act takes effect on the date on which it becomes
9 law.

10 *Approved:*

11

Hans D. Riemer, President, County Council

Date

12 *Approved:*

13

Isiah Leggett, County Executive

Date

14 *This is a correct copy of Council action.*

15

Megan Davey Limarzi, Esq., Clerk of the Council

Date

LEGISLATIVE REQUEST REPORT

Expedited Bill 21-18

Special Capital Improvements Project – Rockville Core

- DESCRIPTION:** The County Executive requests that capital project No. 361702 Rockville Core authorized as a “Special Capital Improvements Project” pursuant to Section §302 of the County Charter and Section §20-1 of the Montgomery County Code.
- PROBLEM:** Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The estimated locally-funded cost of this project in the FY19 Capital Budget and FY19-24 Capital Improvements Program is \$25,519,000 for planning, design, site improvement and utilities, and construction costs.
- GOALS AND OBJECTIVES:** This project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space. This project came about as part of a comprehensive analysis of maximizing the use of County versus leased space. This project will be financed with appropriation backed debt funded through lease savings.
- COORDINATION:** PEPCO, Department of Transportation, Maryland Department of Transportation, City of Rockville. Departments moving into the renovated Grey Courthouse including, Department of Technology Services (ERP offices), Department of Health and Human Services, Office of Procurement, CountyStat, Office of Human Resources (Training), Office of Medical Services, Department of Finance, and Community Use of Public Facilities.
- FISCAL IMPACT:** N/A
- ECONOMIC IMPACT:** This project came about as a part of a comprehensive analysis of maximizing the use of County versus leased space.
- EVALUATION:** Capital projects are evaluated biennially by the County Executive and County Council as part of the Capital Improvements Program review.
- EXPERIENCE ELSEWHERE:** N/A
- SOURCE OF INFORMATION:** General Services
- APPLICATION WITHIN MUNICIPALITIES:** To be researched.
- PENALTIES:** None Required

Bill




GO
CC
mm
ML
BD
Am
JH

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

May 22, 2018

TO: Hans Riemer, President, County Council
FROM: Isiah Leggett, County Executive 
SUBJECT: Special Capital Improvements Project Legislation
Rockville Core (P361702)

RECEIVED
MONTGOMERY COUNTY
MAY 22 10 02 AM '18

In accordance with Section 302 of the County Charter and Section 20-1 of the Montgomery County Code, I am forwarding the attached Special Capital Improvements Project Legislation Authorization and Legislative Request Report for the Rockville Core (P361702) project.

This request is necessary because the local cost of the above project exceeds the FY19 Special Capital Improvements Project Legislation threshold of \$16,431,000 as set by Executive Order. The purpose of the project is set forth below.

The Rockville Core project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (56,000 net square feet) of office space for occupancy by various County departments currently in leased space. This project came about as part of a comprehensive analysis of maximizing the use of County versus leased space. This project will be financed with appropriation backed debt funded through lease savings.

I recommend prompt passage of this legislation to advance this project.

IL:hpv

Attachments (5)

c: Bonnie Kirkland, Assistant Chief Administrative Officer
Jennifer A. Hughes, Director, Office of Management and Budget
Greg Ossont, Deputy Director, Department of General Services



Fiscal Impact Statement
Council Bill XX-18 Special Capital Improvements Project
Rockville Core

1. **Legislative Summary.**

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The Executive requested a bill for one project – Rockville Core - that now requires Special Capital Improvement Project legislation.

2. **An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.**

There are no expenditures or revenues associated with this bill. The bill only authorizes the designation of the Rockville Core as a Special Capital Improvement Project.

3. **Revenue and expenditure estimates covering at least the next 6 fiscal years.**

See item #2 above.

4. **An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.**

Not applicable. There are no personnel costs associated with this bill.

5. **Later actions that may affect future revenue and expenditures if the bill authorizes future spending.**

Not applicable.

6. **An estimate of the staff time needed to implement the bill.**

Not applicable. This bill does not affect staff responsibilities.

7. **An explanation of how the addition of new staff responsibilities would affect other duties.**

Not applicable.

8. **An estimate of costs when an additional appropriation is needed.**

Not applicable.

9. A description of any variable that could affect revenue and cost estimates.

Not applicable.

10. Ranges of revenue or expenditures that are uncertain or difficult to project.

Not applicable.

11. If a bill is likely to have no fiscal impact, why that is the case.

This bill authorizes the designation of the project as a Special Capital Improvement project. No new appropriation is required.

12. Other fiscal impacts or comments.

None.

13. The following contributed to and concurred with this analysis:

Helen P. Vallone, Office of Management and Budget.

Jennifer A. Hughes
Jennifer A. Hughes, Director
Office of Management and Budget

5/21/18
Date

Economic Impact Statement
Council Bill XX-18, Special Capital Improvements Project
Rockville Core

Background:

Section §302 of the County Charter and Section §20-1 of the County Code require certain capital improvement projects to be individually authorized by law if the locally-funded cost is projected to exceed \$16,431,000 in FY19 dollars. The Executive requested a bill for one project Rockville Core - that now requires Special Capital Improvement Project legislation.

1. The sources of information, assumptions, and methodologies used.

This bill has no economic impact, as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

2. A description of any variable that could affect the economic impact estimates.

Not applicable. This bill has no economic impact, as it serves only to authorize the designation of the Rockville Core Capital Improvement Project.


3. The Bill's positive or negative effect, if any on employment, spending, saving, investment, incomes, and property values in the County.

The bill has no economic impact – as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

4. If a Bill is likely to have no economic impact, why is that the case?

The bill has no economic impact – as it serves only to authorize the designation of the Rockville Core as a Special Capital Improvement Project.

5. The following contributed to and concurred with this analysis: David Platt,
Finance and Helen P. Vallone, Management and Budget.



Alexandre A. Espinosa, Director
Department of Finance

5/18/2018

Date



Rockville Core (P361702)

Category General Government **Date Last Modified** 02/01/18
SubCategory County Offices and Other Improvements **Administering Agency** General Services
Planning Area Rockville **Status** Preliminary Design Stage

Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
-------	-----------	----------	---------------	-------	-------	-------	-------	-------	-------	----------------

EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	3,351	41	541	2,779	803	734	734	508	-	-	-
Site Improvements and Utilities	100	-	-	100	4	48	48	-	-	-	-
Construction	20,890	5	-	20,885	835	10,025	10,025	-	-	-	-
Other	1,168	-	-	1,168	47	561	560	-	-	-	-
TOTAL EXPENDITURES	25,519	46	541	24,932	1,689	11,368	11,367	508	-	-	-

FUNDING SCHEDULE (\$000s)

Long-Term Financing	25,519	46	541	24,932	1,689	11,368	11,367	508	-	-	-
TOTAL FUNDING SOURCES	25,519	46	541	24,932	1,689	11,368	11,367	508	-	-	-

OPERATING BUDGET IMPACT (\$000s)

Maintenance	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-	-
Program-Other	-	-	528	-	558	37	111	111	111	111	-
Cost Savings	-	-	(11,423)	-	(1,352)	(1,392)	(2,893)	(2,893)	(2,893)	(2,893)	-
NET IMPACT	-	-	(10,495)	-	(794)	(1,355)	(2,782)	(2,782)	(2,782)	(2,782)	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	830	Year First Appropriation	FY16
Appropriation FY 20 Request	11,368	Last FY's Cost Estimate	23,119
Cumulative Appropriation	1,445		
Expenditure / Encumbrances	57		
Unencumbered Balance	1,389		

PROJECT DESCRIPTION

This project provides for the planning, design, and renovation of the Grey Courthouse. The Grey Courthouse work includes renovation of approximately 91,000 GSF (\$6,000 net square feet) of office space for occupancy by various County departments currently in leased space.

LOCATION

27 Courthouse Square

ESTIMATED SCHEDULE

Design began in Summer 2017. Construction will be completed Summer 2021.

COST CHANGE

Increase is based on updated project cost estimates.

PROJECT JUSTIFICATION

Montgomery County Strategic Space Planning Study for the Grey Courthouse was completed in November 2012. The study confirmed that various departments could be relocated from leased space into the facility. The Government Core Facilities Optimization Master Plan Study (funded under Project:500721) analyzed short and long-term growth needs, speed and ease of implementation, cost effectiveness, creation of a suitable government complex, as well as improvement of government services and accessibility. The Government Core Facilities Optimization Master Plan Study noted that additional parking would need to be provided upon occupancy of the Grey Courthouse. This project came about as a part of a comprehensive analysis of maximizing the use of County versus leased space.

OTHER

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

FISCAL NOTE

This project will be financed with appropriation backed debt funded through lease savings.

DISCLOSURES

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

COORDINATION

PEPCO, Department of Transportation, Maryland Department of Transportation, and the City of Rockville. Departments which may be moving into the renovated Grey Courthouse include the Department of Technology Services (ERP offices), Department of Health and Human Services, Office of Procurement, County Stat, Office of Human Resources (Training), Office of Medical Services, Department of Finance, Community Use of Public Facilities,