

Committee: Directly to Council
Committee Review: N/A
Staff: Linda McMillan, Senior Legislative Analyst
Purpose: To make preliminary decisions – straw vote expected
Keywords: #CIP, #DHCA

AGENDA ITEM #22
 April 30, 2020
Worksession

SUBJECT

FY21-26 Capital Improvements Program: Department of Housing and Community Affairs: Community Development March 16th amendments: (1) Countywide Façade Easement Program; (2) Burtonsville Community Revitalization; (3) Colesville/New Hampshire Avenue Community Revitalization

EXPECTED ATTENDEES

Aseem Nigam, Director, Department of Housing and Community Affairs (DHCA)
 Chris Anderson, Chief of Community Development, DHCA
 Pofen Salem, Office of Management and Budget

FISCAL SUMMARY

NEW PROJECT: COUNTYWIDE FAÇADE EASEMENT

FY21-26 versus Amended FY19-24 Expenditures (in 000's)

	Six-Year Total	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	Beyond 6-Years
1 FY19-24 Amended	-	-	-	-	-	-	-			
2 FY21-26 CE Rec	3,026			234	342	606	714	667	463	
3 change from amended (\$,%)	3,026 #DIV/0!			234	342	606	714			-
4 Committee Rec	na									
5 change from amended (\$,%)	na na			-	-	-	-			-
6 change from CE Rec (\$,%)	na na			na	na	na	na	na	na	-

- New project to work to revitalize older commercial properties throughout the county. Improvements can include gateway signage, pedestrian lighting, streetscaping, long-term façade and signage easements. Will encourage public-private partnership. Project is funded with Current Revenue. FY21 appropriation is \$234,000. See page 1-2 of staff report. **Council staff recommends approval subject to reconciliation.**

SCOPE/FUNDING CHANGE: BURTONSVILLE COMMUNITY REVITALIZATION

	Total	ThruFY19	EstFY20	Total 6YRs	FY21	FY22	FY23	FY24	FY25	FY26
CE Recommended	2740	2458	282	0	0	0	0	0	0	0
Approved	3040	2458	582	0	0	0	0	0	0	0
Difference	-300	0	-300	0	0	0	0	0	0	0

- Executive recommends reducing project by \$300,000 based on local business interest and the expected final cost. FY21 appropriation (\$300,000) in G.O. Bond funding. See page 2 of staff report. **Council staff recommends approval.**

SCOPE/FUNDING CHANGE: COLESVILLE/NEW HAMPSHIRE AVENUE COMMUNITY REVITALIZATION

	Total	ThruFY19	EstFY20	Total 6YRs	FY21	FY22	FY23	FY24	FY25	FY26
CE Recommended	720	304	416	0	0	0	0	0	0	0
Approved	2070	304	1766	0	0	0	0	0	0	0
Difference	-1350	0	-1350	0	0	0	0	0	0	0

- Executive recommend reducing project by \$1.35 million based on local business interest and the expected final cost. FY21 appropriation (\$1,350,000) in Current Revenue. See page 2-3 of staff report. **Council staff recommends approval.**

COMMITTEE RECOMMENDATIONS

- None; these amendments were not reviewed by the PHED Committee.

OTHER ISSUES

- None. DHCA Housing CIP is currently scheduled for review on May 7th.

This report contains:

Staff Report – if applicable	Pages 1-3
Countywide Façade Easement PDF	Page 4
Burtonsville Community Revitalization	Pages 5-6
Colesville/New Hampshire Avenue Community Revitalization PDF	Pages 7-8

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MEMORANDUM


TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst

SUBJECT: County Executive's March 16 Amendments and Adjustment to the CIP; Department of Housing and Community Affairs: (1) New Project: Countywide Façade Easement Program; (2) Scope Change: Burtonsville Community Revitalization; (3) Scope Change: Colesville/New Hampshire Avenue Community Revitalization.

1. NEW PROJECT: Countywide Façade Easement Program

FY21-26 versus Amended FY19-24 Expenditures (in 000's)

	Six-Year Total	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	Beyond 6-Years
FY19-24 Amended	-	-	-	-	-	-	-			
FY21-26 CE Rec	3,026			234	342	606	714	667	463	
change from amended (\$,%)	3,026  #DIV/0!			234	342	606	714			-
Committee Rec	na									
change from amended (\$,%)	na na			-	-	-	-			-
change from CE Rec (\$,%)	na na			na	na	na	na	na	na	-

The Executive is recommending this new project which will work to revitalize older commercial properties throughout the county and encourage private investment. The PDF further says that improvements could include gateway signage, pedestrian lighting, connectivity, streetscape, plant installation, long-term façade and signage easements, and other amenities. While DHCA plans to start with commercial areas proximate to residential areas in the Focused Neighborhood Assistance Program (Glenmont and Layhill Shopping Centers, Montgomery Village, Hillandale, and the Wheaton Central Business District (CBD)), the effort is not limited to those areas.

A total of \$3.026 million is programmed in the six-years. The project is funded with Current Revenue.

On March 3, 2020, the Council approved the report of the PHED Committee on the DHCA CIP for community development projects. At that session, the Committee discussed that several years ago, DHCA had a countywide façade program but that it was reduced during the recession to only being available in areas where CDBG funds can be used. DHCA said that the Executive was considering re-establishing such a program. The PHED Committee reported that

it had requested and received an update on the use of the \$32,300 the Council approved in FY19 to create potential designs for improvements to the Glenmont Shopping Center.

DHCA reported that, “DHCA, in conjunction with Councilmember Nancy Navarro and the County Executive’s Office, is utilizing approximately \$32,000 for concept design services toward improving the facades and parking lot of the shopping center. Design work has been completed, and a meeting with the property owners and other stakeholders is being coordinated for a date in Spring 2020. The Glenmont Shopping Center was not typical due to the complexities of working with 12 individual owners with varying goals.” The PHED Committee was also told that the priority for the property owners was improved road access and the parking lot.

Council Staff recommendation: Approve subject to CIP reconciliation (project funded with Current Revenue). This project is in line with concerns that have been raised by the Council about the need to pay attention to older commercial areas in the county.

2. SCOPE/FUNDING CHANGE: Burtonsville Community Revitalization

	Total	ThruFY19	EstFY20	Total 6YRs	FY21	FY22	FY23	FY24	FY25	FY26
CE Recommended	2740	2458	282	0	0	0	0	0	0	0
Approved	3040	2458	582	0	0	0	0	0	0	0
Difference	-300	0	-300	0	0	0	0	0	0	0

FY21 Appropriation = (\$300,000) in G.O. Bonds

The Executive is recommending reducing the total funds for this project by \$300,000 in G.O. Bonds. The Executive says that the reduction is appropriate based on local business interest in the program. No additional funding was expected in the CE’s original CIP recommendation. This project will remain active until all work is completed.

Last year, the Council approved the CE’s recommendation to reduce total funding in this project by approximately \$1 million based on estimated interest from businesses and the expected cost. Improvements completed include signage, façade, window, door, planting, and siding improvements to two shopping centers, façade improvements to Seibel’s Restaurant, and community gateway signage.

Council Staff recommendation: Approve as recommended.

3. SCOPE/FUNDING CHANGE: Colesville/New Hampshire Avenue Community Revitalization

	Total	ThruFY19	EstFY20	Total 6YRs	FY21	FY22	FY23	FY24	FY25	FY26
CE Recommended	720	304	416	0	0	0	0	0	0	0
Approved	2070	304	1766	0	0	0	0	0	0	0
Difference	-1350	0	-1350	0	0	0	0	0	0	0

FY21 Appropriation = (\$1,350,000) in Current Revenue

The Executive is recommending a reduction of \$1.35 million due to limited property owner and business participation.

At the February PHED Committee session, the Committee was told that while the project is ongoing, there had not been further interest by businesses. Work completed includes the 13401 New Hampshire Avenue (7/11 Building). The ongoing work includes major façade renovation to the Meadowood Shopping Center, which is a public/private partnership. Last year, the Council approved the Executive's recommendation to reduce the project by \$1.18 million based on the expected scope of work.

Council Staff recommendation: Approve as recommended.



Countywide Facade Easement Program (P762102)

Category	Community Development and Housing	Date Last Modified	03/11/20
SubCategory	Community Development	Administering Agency	Housing & Community Affairs
Planning Area	Countywide	Status	Planning Stage

	Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	787	-	-	787	116	122	132	138	140	139	-
Construction	2,100	-	-	2,100	100	200	450	550	500	300	-
Other	139	-	-	139	18	20	24	26	27	24	-
TOTAL EXPENDITURES	3,026	-	-	3,026	234	342	606	714	667	463	-

FUNDING SCHEDULE (\$000s)											
Current Revenue: General	3,026	-	-	3,026	234	342	606	714	667	463	-
TOTAL FUNDING SOURCES	3,026	-	-	3,026	234	342	606	714	667	463	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)											
Appropriation FY 21 Request			234	Year First Appropriation							
Appropriation FY 22 Request			342	Last FY's Cost Estimate							-
Cumulative Appropriation			-								
Expenditure / Encumbrances			-								
Unencumbered Balance			-								

PROJECT DESCRIPTION

This project provides for revitalizing commercial areas throughout Montgomery County with a focus on older commercial properties. The objective is to provide support to small businesses and to encourage private investment. Improvements will include gateway signage, pedestrian lighting, connectivity, streetscape elements, plant material installation, acquisition of long term facade and center signage easements, and other amenities. The Department of Housing and Community Affairs (DHCA) will begin the project with a focus on commercial areas proximate to residential improvement projects currently underway in DHCA's Focused Neighborhood Assistance program, which will serve as a complement to existing redevelopment efforts that are already in progress. This program will provide a comprehensive approach and balance residential and commercial revitalization activities in these aging communities. This program is not limited to the initially identified commercial areas and may also be expanded to other communities in the County.

LOCATION

The project focus will initially include five commercial areas identified by DHCA, located in the Glenmont and Layhill Shopping Centers, Montgomery Village, Hillandale, and the Wheaton Central Business District. Three of the targeted areas, Wheaton, Montgomery Village and a portion of Hillandale were also selected in part due to their location in Montgomery County's Opportunity Zones. However, this program may expand to other commercial areas throughout the County for additional implementation flexibility.

PROJECT JUSTIFICATION

As older commercial areas throughout the County continue to age, it is important for the County to provide technical and financial assistance to assure those aging properties are improved to meet today's commercial standards and demands. The Countywide Facade Easement Program will require participants to maintain their properties for a negotiated term, with the intent to leverage investment provided by the public sector to encourage private property and business owners to make physical improvements to their buildings. The objective is to provide more attractive and aesthetically pleasing commercial environments that are safe shopping areas for residents and to generate a greater impact on the older commercial areas throughout the County.

OTHER

DHCA will review various M-NCPPC master and sector plans to evaluate and identify specific commercial areas to participate in the program.

FISCAL NOTE

Some areas may be eligible for the Federal Community Development Block Grant funding.

COORDINATION

Office of the County Executive, Regional Services Centers, Office of the County Attorney, Department of Permitting Services, Office of Procurement, the Maryland-National Capital Park and Planning Commission, Maryland Department of the Environment, and Montgomery County Economic Development Corporation.



Burtonsville Community Revitalization (P760900)

Category	Community Development and Housing	Date Last Modified	03/10/20
SubCategory	Community Development	Administering Agency	Housing & Community Affairs
Planning Area	Fairland-Beltsville and Vicinity	Status	Ongoing

Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
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EXPENDITURE SCHEDULE (\$000s)

Planning, Design and Supervision	1,366	1,347	19	-	-	-	-	-	-	-
Site Improvements and Utilities	358	347	11	-	-	-	-	-	-	-
Construction	955	761	194	-	-	-	-	-	-	-
Other	61	3	58	-	-	-	-	-	-	-
TOTAL EXPENDITURES	2,740	2,458	282	-	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)

Current Revenue: General	460	460	-	-	-	-	-	-	-	-
G.O. Bonds	263	(19)	282	-	-	-	-	-	-	-
PAYGO	2,017	2,017	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	2,740	2,458	282	-	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 21 Request	(300)	Year First Appropriation	FY09
Appropriation FY 22 Request	-	Last FY's Cost Estimate	3,040
Cumulative Appropriation	3,040		
Expenditure / Encumbrances	2,458		
Unencumbered Balance	582		

PROJECT DESCRIPTION

This project provides for community revitalization in the Burtonsville area with primary focus on the commercial core. Project elements will mitigate the impact of transportation improvement projects to businesses in the Burtonsville commercial area. The objectives are to support the existing small businesses, create new opportunities for private investment, and create a "village center" by improving the visual appearance of the area. Project elements include gateway signage, pedestrian lighting, streetscape elements, and acquisition of long-term facade and commercial center signage easements.

LOCATION

The project area is located near the intersection of MD Route 198 and the US Route 29 in eastern Montgomery County. Generally, the area is comprised of the commercial areas in each of the four quadrants near the intersection of Route 198 and Old Columbia Pike, and the additional four quadrants located at the intersection of Route 198 and the realignment of US Route 29. Specifically, the areas are identified as the combined Commercial Core Study Area and the Community Legacy Plan Study area contained in the 2008 Burtonsville Community Legacy Plan.

COST CHANGE

The project cost is adjusted to reflect actual commitments for facade and signage improvements in the area.

PROJECT JUSTIFICATION

This project is initiated in response to proposals contained in the Burtonsville Community Legacy Plan. Burtonsville is a gateway into the County from the east and US Interstate 95. The Burtonsville Commercial Core is comprised of many older, local neighborhood retail centers with some office space. Many of the small strip shopping centers along Route 198 are in visibly poor condition. Some of the larger, older commercial and office space is vacant and underutilized. The project is intended to respond to both the visual condition of the commercial core, and to address possible business disruption that may result from a proposed realignment of Route 198 by the State. This area has also been designated as the location of a stop on the County's planned Bus Rapid Transit (BRT) system.

OTHER

Burtonsville Crossroads Neighborhood Plan, Maryland-National Capital Park and Planning Commission, 2012; Burtonsville Community Legacy Plan, Department of Housing and Community Affairs, 2008; Burtonsville Market Study and Consumer Shopping Survey, Department of Housing and Community Affairs, 2007.

FISCAL NOTE

Expenditure and funding schedules are adjusted to reflect updated conditions on committed private investment for facade and signage improvements in the Burtonsville commercial area.

DISCLOSURES

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

COORDINATION

Department of Transportation, Maryland State Highway Administration, Maryland-National Capital Park and Planning Commission, Maryland Department of the Environment, and Department of Permitting Services.



Colesville/New Hampshire Avenue Community Revitalization (P761501)

Category	Community Development and Housing	Date Last Modified	03/06/20
SubCategory	Community Development	Administering Agency	Housing & Community Affairs
Planning Area	Colesville-White Oak and Vicinity	Status	Ongoing

	Total	Thru FY19	Est FY20	Total 6 Years	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	Beyond 6 Years
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	275	154	121	-	-	-	-	-	-	-	-
Construction	445	150	295	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	720	304	416	-	-	-	-	-	-	-	-

FUNDING SCHEDULE (\$000s)											
Current Revenue: General	720	304	416	-	-	-	-	-	-	-	-
TOTAL FUNDING SOURCES	720	304	416	-	-	-	-	-	-	-	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)			
Appropriation FY 21 Request	(1,350)	Year First Appropriation	FY15
Appropriation FY 22 Request	-	Last FY's Cost Estimate	2,070
Cumulative Appropriation	2,070		
Expenditure / Encumbrances	304		
Unencumbered Balance	1,766		

PROJECT DESCRIPTION

This project provides for commercial revitalization in the Colesville community focused on the four commercial intersections along New Hampshire Avenue (MD Route 650). The objectives are to support the existing small businesses, create new opportunities for private investment, and improve the visual appearance of the area. Project elements include gateway signage, pedestrian lighting, connectivity, streetscape elements, landscaping/screening, acquisition of long-term facade and commercial center signage easements, and other amenities.

LOCATION

The focus areas are: the four quadrants at the intersection of New Hampshire Avenue and Randolph Road; the commercial area at New Hampshire Avenue and Vital Way; the commercial area between Thomas Drive and Eldrid Drive on the west side of New Hampshire Avenue; and the commercial node east of New Hampshire Avenue at Hollywood Avenue.

ESTIMATED SCHEDULE

Completed one facade project in 2017 for the shopping center located between E. Randolph Road and New Hampshire Avenue. Expenditure schedule has been adjusted to reflect actual implementation.

COST CHANGE

The project scope reflects limited property owner and business participation.

PROJECT JUSTIFICATION

The Colesville commercial area is primarily older local, neighborhood retail centers with some office space. The White Oak Master Plan (1997) recommended providing a more unified "Main Street" form of development, integrating the commercial development with neighboring residential communities while providing buffers between the adjacent residential neighborhoods. The Colesville community is interested in enhancing the viability of commercial centers along New Hampshire Avenue.

OTHER

Plans and Studies: Maryland-National Capital Park and Planning Commission's White Oak Master Plan (1997), Colesville Commercial Area and Design Study (2013).

FISCAL NOTE

This area is not eligible for CDBG funding.

DISCLOSURES

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

DISCLOSURES

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

COORDINATION

Department of Transportation, Maryland State Highway Administration, Maryland-National Capital Park and Planning Commission, Maryland Department of the Environment, and Department of Permitting Services.