



**THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**

Montgomery County Department of Parks  
Montgomery County Planning Department

MCPB Date: 10/10/19  
Agenda Item #4

MEMORANDUM

DATE: October 3, 2018

TO: Montgomery County Planning Board

VIA: Mike Riley, Director of Parks *MR*  
Gwen Wright, Planning Director *GLW*  
Miti Figueredo, Deputy Director of Administration, Department of Parks *Mf*  
Tanya Stern, Deputy Planning Director, Planning Department  
Shuchi Vera, Chief, Management Services Division (Parks) *S.V.*

FROM: Nancy Steen, Budget Manager, Management Services Division (Parks) *Nancy C. Steen*  
Karen Warnick, Chief, Management Services Division (Planning) *Karen Warnick*

SUBJECT: FY21 Proposed Budget – Wheaton Headquarters Building Operating Budget Impact (OBI)

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**Staff Recommendation**

Approval to move forward with the proposed Operating Budget Impact (OBI) for the Wheaton Headquarters Building (Wheaton HQ).

**Background**

Last October, we presented an overview of the Wheaton HQ project including projected operating costs for FY20, FY21, and FY22. Last year's Planning Board memo is available for review at:

<https://montgomeryplanningboard.org/wp-content/uploads/2018/09/FY20-Budget-Discussion-Session-1.pdf>

As we move closer to the completion date, there have been minor adjustments to the projected costs.

The Wheaton HQ will provide new office space for several County departments and agencies including M-NCPPC. This 14-floor, 308,000 square foot building will accommodate nearly 1,000 staff including approximately 360 M-NCPPC staff. All the staff moving into this building will be relocated from existing government-owned or leased property. M-NCPPC will be the owner of the building and will need to include funding for the maintenance and operation of the building in the budget. The Wheaton HQ is currently under construction and scheduled to be completed in May 2020. The FY20 budget includes partial funding for two months of operating costs based on the projected the May completion date.

**Update**

The FY21 proposed budget includes operational funding for the full fiscal year with the Information Technology and Innovation Division (ITI) scheduled to move in during June and July 2020 and the remaining Parks and Planning staff relocating by August. In addition, the operation and maintenance costs associated with the buildings currently occupied and being vacated by the M-NCPPC will be used towards covering the annual cost, thereby reducing the annual net operating budget cost. There will be a short period of time when we will assume ownership of Wheaton HQ while still occupying our current buildings. During this time, we will be paying for current expenses as well as certain expenses to initiate the occupation of Wheaton HQ. **For M-NCPPC, the net OBI impact for the FY21 proposed budget is \$340,661.** The table below summarizes this cost impact:

Description	FY20 Adopted Budget	FY21 Proposed Budget	Difference (OBI Impact for FY21)
Operating Maintenance	56,592	1,218,632	1,162,040
One-time costs (Wi-Fi Install, Data Center Move, Network Consulting)	579,000	-	(579,000)
Auditorium A/V cost (payment to Capital Equipment ISF and maintenance support)	152,000	202,000	50,000
Security (Park Police)	-	82,560	82,560
Employee Transportation Subsidy	-	333,800	333,800
Reduction from current building expenses (MRO, Parkside, Hillandale)	-	(708,739)	(708,739)
<b>TOTAL</b>	<b>787,592</b>	<b>1,128,253</b>	<b>340,661</b>

This net cost of \$340,661 includes FY21 OBI of \$481,404 for Parks and (\$140,743) for Planning. While costs are being split equally for each Department, the primary difference in the departmental totals is from a higher level of contributed cost savings for the Planning Department's move out of the Montgomery Regional Office (MRO).