

MCPB Item #<u>5</u> Date: 03 / 26 / 2020

# MEMORANDUM

DATE:	March 19, 2020
то:	Montgomery County Planning Board
VIA:	Michael F. Riley, Director of Parks Miti Figueredo, Deputy Director, Administration John Nissel, Deputy Director, Operations Andrew Frank, Division Chief, Park Development Division (PDD)
FROM:	Brenda Sandberg, Real Estate Management Supervisor, PDD 🕰
SUBJECT:	Land Acquisition Recommendation: Veteran's Park Civic Green The Charles H. Goldberg Family Trust & The Bettie Goldberg GST Tax Exempt Trust 11,152 square feet, more or less, improved

# STAFF RECOMMENDATION

Staff requests the following two actions by the Montgomery County Planning Board:

- Approve Resolution No. 20-022 to acquire The Charles H. Goldberg Family Trust & The Bettie Goldberg GST Tax Exempt Trust ("Goldberg Trusts") properties to implement the future Veteran's Park Civic Green for a negotiated purchase price of \$9,600,000 to be funded with Bethesda Park Impact Payments (PIPs).
- 2) Approve staff entering into discussions with other land owners in the immediate vicinity to negotiate land exchanges or other real estate transactions to fulfill the Bethesda Downtown Plan goal of creating Veteran's Park Civic Green.

### SUMMARY

This acquisition will provide the real estate assets necessary to create the future Veteran's Park Civic Green as envisioned in the *Bethesda Downtown Plan* (2017). The purpose of this new civic green is to complement the existing Veteran's Park (a public space in MCDOT right-of-way operated by Bethesda Urban Partnership) with a green public space to allow for community events, programming, and casual use. This acquisition consists of two parcels that will be purchased in phases as allowed by funding levels in the Bethesda Park Impact Payment PDF. After purchase, negotiations will occur with adjacent and nearby land owners to determine how and where to provide the Civic Green while supporting redevelopment of adjacent properties through land exchanges or other real estate transactions.

9500 Brunett Avenue, Silver Spring, Maryland 20901 www.MontgomeryParks.org General Information: 301.495.2595



Figure 1: The Charles H. Goldberg Family Trust & The Bettie Goldberg GST Tax Exempt Trust properties

## **PROPERTY DESCRIPTION**

The Charles H. Goldberg Family Trust & The Bettie Goldberg GST Tax Exempt Trust properties are located at the corner of Norfolk and Wisconsin Avenues in the heart of downtown Bethesda. The property consists of two lots zoned CR-3.0 with a maximum building height of 225 feet. The property is located within the Bethesda Overlay Zone that provides additional requirements and incentives for certain types of development. The two lots together total 11,152 square feet, a little over one-quarter of an acre.

The larger of the two lots (7800 Wisconsin Avenue, Lot 613) is currently developed with a two-story commercial building that for many decades housed Union Hardware, a specialty retailer of high-end hardware and plumbing fixtures. The Union Hardware building has three existing tenants while the primary ground floor space is currently vacant. The smaller of the two lots (7810 Wisconsin Avenue, Lot 621) also is developed with a two-story commercial building that currently houses a retail shop (Ultimate Home Inc.) on the first floor and vacant storage space on the second floor. The two buildings are separate but are interconnected on each floor.

The owners are willing sellers and the property is being acquired through negotiation, in fee simple, in two phases.



Figure 2. Exterior Photos, 7800 & 7810 Wisconsin Avenue

Figure 3. Interior Photos, 7800 Wisconsin Avenue



# MASTER PLAN AND POLICY RATIONALE

These properties are identified as an important new park site that supports the goals and objectives in many adopted policies and master plans, including the 2017 *Bethesda Downtown Plan, Vision 2030 Strategic Plan for Parks and Recreation, 2017 PROS Plan,* and the recently adopted *Energized Public Spaces Functional Master Plan.* All these planning documents highlight the importance of park and open space needs for urban communities to promote healthy living through diverse recreation and leisure activities. The acquisition of the Goldberg Trusts' properties is a critical step in implementing the vision and goals of these plans for downtown Bethesda.

### Bethesda Downtown Plan, 2017

Three Civic Greens were identified in the *Bethesda Downtown Plan* (BDP, 2017) as important new parks to serve the expanding number of residents and employees in the Bethesda central business district. The **Veteran's Park Civic Green** is described in the BDP as a major civic gathering space that would serve as the linkage between the Woodmont Triangle and Wisconsin Avenue Districts. This green open space is meant to complement the hardscape plaza in the current Veteran's Park and provide expanded space for casual use and more formal events and programming.

Public input during the master plan process frequently mentioned the need for urban parks in the downtown. A major goal for the Wisconsin Avenue District of the Plan is to create a major civic gathering space as the hinge between Wisconsin Avenue and Norfolk Avenue. The BDP Plan recommended expanding Veteran's Park through a new civic green bordered by a shared street connecting Wisconsin Avenue to Norfolk Avenue and the Woodmont Triangle neighborhood (Figure 4).

Figure 4. Proposed Veteran's Park Civic Green Location in the Bethesda Downtown Plan

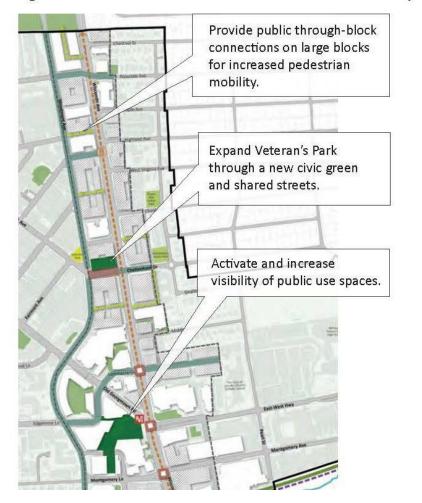


Figure 3.02: Wisconsin Avenue Corridor District Public Realm Improvements

Vision 2030, 2017 PROS Plan, and Energized Public Spaces Functional Master Plan

These three policy documents include broad policy direction and specific recommendations that support this acquisition. The *Vision 2030 Strategic Plan for Parks and Recreation* (2010) prioritized efforts to meet the increasing demands of a growing population that will be concentrated in the urban areas of the central and southern part of the County. This strategic plan emphasized that adequate green space and parks and recreation amenities in these urbanized areas is essential to maintaining the high quality of life that is enjoyed by residents in Montgomery County.

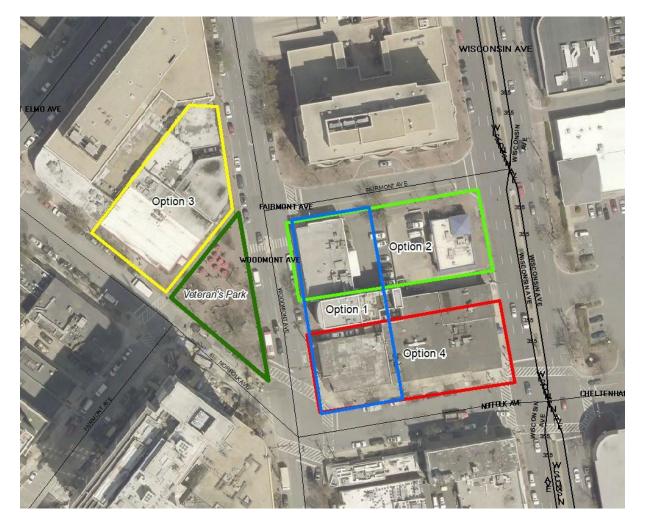
The 2017 PROS Plan outlines strategies for providing a variety of parks and recreation facilities that address current needs and emerging trends and sharpens the focus on addressing park needs in our most dense communities. Most recently, the *Energized Public Spaces Functional Master Plan* (2018) directed urban park efforts toward creating parks and public spaces within walking distance so people can gather, play and be in touch with the outdoors in our urbanizing communities. The proposed Veteran's Park Civic Green will meet these needs by providing a variety of social gathering amenities on a relatively small footprint in the rapidly developing Wisconsin Avenue corridor.

# VETERAN'S PARK CIVIC GREEN IMPLEMENTATION

The *Bethesda Downtown Plan Design Guidelines* (July 2017) provides guidance for implementing this proposed Civic Green. The priority amenity for this park is a large, flexible green space in a welcoming setting, including shade trees along the street frontage, safe pedestrian access, and active building frontages along the park edge.

The Design Guidelines also indicate that the exact location of the Civic Green is not yet determined and the vision for this park could be realized on several sites. The Design Guidelines identifies four potential locations where the Civic Green could be created, mapped on Figure 5. It also includes a vision sketch of what the future park could look like if it were located adjacent to Norfolk Avenue between Woodmont and Wisconsin Avenues and illustrative diagrams of the other site options (Figure 6).

Figure 5. Potential Locations for Veteran's Park Civic Green, Bethesda Design Guidelines, 2017



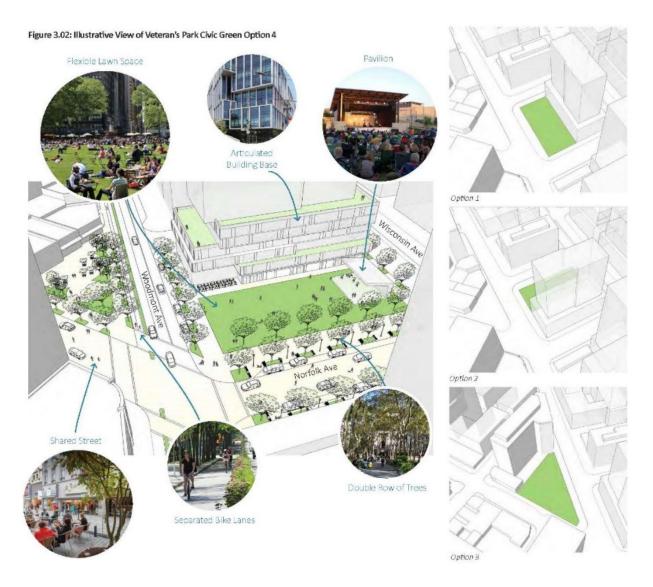


Figure 6. Illustrative Diagrams for Potential Civic Green Locations, Bethesda Design Guidelines, 2017

The purchase of the Goldberg Trusts' properties is the first step in creating the future Civic Green. This real estate asset will be used to negotiate with adjacent and nearby property owners to determine how and where to provide the Civic Green. Close coordination with the redevelopment of adjacent properties and use of land exchanges or other real estate transactions will be necessary to implement the vision for this new Civic Green.

## INTERIM PROPERTY STATUS

This acquisition is unique for the Parks Department in that the properties are improved with two commercial buildings in the heart of the County's most rapidly developing downtown district. The land is in a highly visible location, across the street from the new Marriott headquarters at the corner of Norfolk and Wisconsin Avenues. During the interim period between acquisition and future park and/or private development on the property, staff intend for the buildings to remain standing as operating commercial space. The length of this interim situation will be determined by subsequent real estate

negotiations and the progress of redevelopment projects in the immediate vicinity.

These two connected buildings were constructed in 1961 and 1970 and much of these older buildings' infrastructure appears to be original equipment. Since these buildings only will stay in place as a temporary use until redevelopment occurs, staff does not recommend investing large sums in any major upgrades. The intent is to maintain the existing building condition to serve the current tenants. Estimated revenues from the current tenants are anticipated to be adequate to provide maintenance response, perform basic repairs, and pay utilities.

The artwork on the exterior of the Union Hardware building will remain in place per the purchase contract during the interim period. The Starry Night mosaic and graphic art panels around the outside of 7800 Wisconsin Avenue (examples in Figure 7) will stay until the building is ready to be demolished. Just prior to demolition, the Goldberg Trusts will remove the exterior art.

Figure 7. Mosaic and Sample Art Panel to Remain on Exterior of 7800 Wisconsin Avenue



## CONCLUSION

Real Estate Management staff are pleased to bring this important acquisition to the Planning Board for approval to implement the parks vision in the *Bethesda Downtown Plan*.

Attachment: MCPB Resolution No. 20-022

CC: Gary Burnett Jai Cole Darryl McSwain Jim Poore Kristi Williams Shuchi Vera David Vismara Megan Chung Robert Kronenberg Elza Hizel-McCoy Leslye Howerton

## MCPB No. 20-022 Acquisition of the Goldberg Trusts Properties to create Veteran's Park Civic Green

### **RESOLUTION**

WHEREAS, the Maryland-National Capital Park and Planning Commission ("Commission") is authorized by Md. Code Ann., Land Use §17-101 (formerly Article 28, Section 5-101), to acquire, develop, maintain and operate a public park system within the Maryland-Washington Metropolitan District; and

WHEREAS, the Montgomery County Planning Board received and considered a recommendation from staff of the Commission, in closed session on March 12, 2020, that it approve the acquisition of 11,152 square feet of land, more or less, improved, from The Charles H. Goldberg Family Trust & The Bettie Goldberg GST Tax Exempt Trust (collectively, "Seller"), identified as Maryland Department of Assessment and Taxation's Tax Account Numbers 07-00551018 (Lot 613) and 07-00551667 (Lot 621), (collectively, "Property"); and

WHEREAS, the Property will provide the real estate assets necessary to create the future Veteran's Park Civic Green as envisioned in the *Bethesda Downtown Plan* (2017); and

WHEREAS, the Property will be acquired in two phases, where Phase 1 (Lot 613 for \$7,000,000) will be purchased within 120 days of the Land Purchase Agreement being executed, and Phase 2 (Lot 621 for \$2,600,000) will be purchased no later than October 31, 2021; and

WHEREAS, there are sufficient funds in the Commission's FY-20 Bethesda Park Impact Payment (PIP) CIP available to pay the \$7,000,000 negotiated purchase price for Phase 1 of the Property; and

WHEREAS, additional Bethesda Park Impact Payments have been approved by the Montgomery County Planning Board via approved Site Plans, and sufficient Park Impact Payments are anticipated to be available in the Bethesda PIP CIP to pay the \$2,600,000 negotiated purchase price for Phase 2 of the Property prior to October 31, 2021; and

NOW THEREFORE, BE IT RESOLVED, that the acquisition of the Property from the Seller as described above, for a total purchase price of \$9,600,000, in accordance with the Land Purchase Agreement between the Commission and Seller, is hereby approved by the Montgomery County Planning Board on this 26<sup>th</sup> day of March, 2020 and the Executive Director is authorized to execute said Agreement on behalf of the Maryland-National Capital Park and Planning Commission.

\* \* \* \* \* \* \* \* \* \* \* \*

This is to certify the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission on motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, with Commissioners \_\_\_\_\_\_ voting in favor of the motion, at its regular meeting held on Thursday, March 26, 2020 in Silver Spring, Maryland.

> Casey Anderson, Chair Montgomery County Planning Board