

County Council Of Howard County, Maryland

2017 Legislative Session

Legislative Day No. 9

Resolution No. 99-2017

Introduced by: The Chairperson at the request of the County Executive
and cosponsored by Greg Fox

A RESOLUTION declaring that certain real property containing approximately 7.71 acres located at 8775 Cloudleap Court, Columbia, Maryland and acquired by the County pursuant to the urban renewal project initiated by Council Resolution No. 22-2014 is no longer needed by the County for public purposes; authorizing the County Executive to sell the property to Orchard Development Corporation or its subsidiary affiliate; waiving the advertising and bidding requirements of Section 4.201 of the Howard County Code; providing that the County Executive is not bound to sell the property if he finds that it may have a further public use.

Introduced and read first time June 5, 2017.

By order

Jessica Feldmark
Jessica Feldmark, Administrator

Read for a second time at a public hearing on June 19, 2017.

By order

Jessica Feldmark
Jessica Feldmark, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council

on July 3, 2017.

Certified By

Jessica Feldmark
Jessica Feldmark, Administrator

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, the County’s Urban Renewal Law is codified at Title 13, Subtitle 11 of the
2 County Code; and

3
4 **WHEREAS**, pursuant to the Urban Renewal Law, on March 5, 2014 the County Council
5 approved County Council Resolution No. 22-2014 which, among other things, declared that
6 certain properties in the Long Reach Village Center constituted a blighted area that needed to be
7 rehabilitated or redeveloped through an Urban Renewal Project, authorized the County Executive
8 to acquire certain real property in connection with the Project, and declared that the Project is
9 necessary in the interest of the public health, safety and welfare of the residents of the County;
10 and

11
12 **WHEREAS**, under the authority granted by Resolution No. 22-2014, the County
13 acquired property in the Village Center from Long Reach Village Associates, LLC, by deed
14 dated October 1, 2014, and recorded among the Land Records of Howard County, Maryland in
15 Liber 15841, Folio 184, and by deed dated February 20, 2015, and recorded among the Land
16 Records of Howard County, Maryland in Liber 16036, Folio 227 (the “Property”), containing
17 approximately 7.71 acres shown as shaded in the attached Exhibit A; and

18
19 **WHEREAS**, the County has worked with the local community to develop the ReImagine
20 Long Reach Village Center Plan and is now ready to move forward with the Urban Renewal
21 Project for the Long Reach Village Center; and

22
23 **WHEREAS**, in December of 2016, the County issued a Request for Proposals (RFP)
24 inviting offerors to redevelop and purchase the Property; and

25
26 **WHEREAS**, in response to the RFP, four proposals were submitted and Orchard
27 Development Corporation was selected; and

28
29 **WHEREAS**, immediately prior to passage of this Resolution, the County Council has
30 passed Council Resolution No. 98-2017 that approves the urban renewal project, the plans for
31 which include redevelopment of the Property; and

1
2 **WHEREAS**, the plans for the Urban Renewal Project require that the developer, Orchard
3 Development Corporation or its subsidiary affiliate, take ownership of the Property; and
4

5 **WHEREAS**, Section 4.201 "Disposition of real property" of the Howard County Code
6 authorizes the County Council to declare that property is no longer needed for public purposes
7 and authorizes the County Council to waive advertising and bidding requirements for an
8 individual conveyance of property upon the request of the County Executive and after a public
9 hearing that has been duly advertised; and
10

11 **WHEREAS**, the County Council has received a request from the County Executive to
12 waive the advertising and bidding requirements in this instance for the sale of the Property to
13 Orchard Development Corporation or its subsidiary affiliate.
14

15 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
16 Maryland, this 3rd day of July, 2017, that the Property, shown as shaded
17 in the attached Exhibit A, is no longer needed by the County for public purposes.
18

19 **AND BE IT FURTHER RESOLVED** that, having received a request from the County
20 Executive and having held a public hearing that was duly advertised, the County Council
21 declares that the best interest of the County will be served by authorizing the County Executive
22 to waive the usual advertising and bidding requirements of Section 4.201 of the Howard County
23 Code for the sale of the Property to Orchard Development Corporation or its subsidiary affiliate.
24

25 **AND BE IT FURTHER RESOLVED** that, the terms and conditions of the sale of the
26 Property shall require that a petition for a Major Village Center Redevelopment consistent with
27 the Proposal for the Redevelopment of the Long Reach Village Center included in Exhibit B of
28 Council Resolution 98-2017 obtain Zoning Board approval before the sale of the Property goes
29 to closing.
30

1 **AND BE IT FURTHER RESOLVED** that, the authorization of the sale of the Property
2 subject to these terms does not require, dictate, preordain, or imply any decision or action by the
3 Zoning Board.

4
5 **AND BE IT FURTHER RESOLVED** that, if the County Executive finds that the
6 Property may have a further public use and that the County's Property interest should not be
7 terminated, he is not bound to sell the Property in accordance with this Resolution.

EXHIBIT A



Amendment 1 to Council Resolution No. 99-2017

BY: Calvin Ball
Greg Fox
Mary Kay Sigaty
Jennifer Terrasa
Jon Weinstein

Legislative Day No: 10

Date: July 3, 2017

Amendment No. 1

(This amendment clarifies that there must be Zoning Board approval for a Major Village Center Redevelopment before the closing for sale of the Long Reach Village Center).

1 On page 2, immediately following line 24, insert the following:

2 “AND BE IT FURTHER RESOLVED that, the terms and conditions of the sale of the
3 Property shall require that a petition for a Major Village Center Redevelopment consistent with
4 the Proposal for the Redevelopment of the Long Reach Village Center included in Exhibit B of
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16
ADOPTED as amended 7/3/17
FAILED
SIGNATURE Jessica Feldman

Amendment 1 to Amendment 1 to Council Resolution No. 99- 2017

BY: Mary Kay Sigaty

Legislative Day No. 10

Date: July 3, 2017

Amendment No. 1

(This amendment adds co-sponsors.)

1 Add to the list of sponsors Greg Fox and Jon Weinstein.

ADOPTED 7/3/17
FAILED _____
SIGNATURE Jessica Feldman

Amendment 2 to Council Resolution No. 99-2017

BY: The Chairperson at the
request of the County Executive

Legislative Day No. 10
Date: July 3, 2017

Amendment No. 2

(This amendment changes terminology to use the word "affiliate" instead of "subsidiary".)

- 1 Strike "subsidiary" and substitute "affiliate" in the following instances:
2 1. In the fifth line of the title;
3 2. On page 2, in line 3;
4 3. On page 2, in line 13; and
5 4. On page 2, in line 23.
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ADOPTED 7/3/17
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Introduced and read first time _____, 2017

By order _____
Jessica Feldmark, Administrator

Read for a second time at a public hearing on _____, 2017.

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This Resolution was read the third time and was Adopted __, Adopted with amendments __, Failed __, Withdrawn __, by the County Council on _____, 2017.

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BY: Calvin Ball
Mary Kay Sigaty
Jennifer Terrasa

Legislative Day No: 10

Date: 7/3/17

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Amendment 2 to Council Resolution No. 99-2017

**BY: The Chairperson at the
request of the County Executive**

**Legislative Day No. 10
Date: July 3, 2017**

Amendment No. 2

(This amendment changes terminology to use the word "affiliate" instead of "subsidiary".)

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- 6



TESTIMONY OF

Howard County Economic Development Authority

BEFORE

The Howard County Council

Public Hearing, June 19th, 2017

Testimony for CR98-2017 and CR99-2017

Chairman Weinstein and members of the County Council, the Howard County Economic Development Authority, located at 6751 Columbia Gateway Drive, Suite 500 in Columbia, Maryland is a public-private partnership that promotes the retention, growth and attraction of new businesses to Howard County.

The Howard County Economic Development Authority is submitting this testimony respectfully requesting your support of CR98 and CR99 that will enable the redevelopment of the Long Reach Village Center.

The Authority recently commissioned an economic impact study on the proposed project for the redevelopment of the Long Reach Village Center that has been submitted by the Orchard Development Group. This study was performed by the Economic Alliance of Greater Baltimore and examined the economic impacts of the projected employment, the project anticipated to be generated.

In addition to being a creative project that we believe can be a best-practice model for Village Center redevelopment, the economic impacts make this project worthy of support in terms of job creation and tax revenue. According to the study, the construction activity will generate an estimated 730 full-time jobs, \$39.9 million in labor income, \$105.6 million in economic output and \$4.2 million in state and local taxes over the span of construction activity. When fully occupied the project on an annual basis will sustain 215 jobs, \$11.3 million in labor income, \$21.7 million in economic output and \$1.3 million in state and local taxes per year. A full copy of the report is attached for your review.

The redevelopment of the Long Reach Village Center is long overdue and approval of this plan will bring a new energy and vitality to this neighborhood. The HCEDA urges you to pass CR98-2017 and CR99-2017. From an economic development perspective, it is critical to encourage this development which will bring an aging retail center back into an attractive and productive use.

Thank you.

Lawrence F Twele

CEO

Howard County Economic Development Authority

Economic Impacts of the Redevelopment of Long Reach Village Center

June 16, 2017

Conducted For:

Howard County Economic Development Authority

Conducted by:

Economic Alliance of Greater Baltimore



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Key Findings

The Orchard Development Corporation has proposed development of an economically sustainable and connected community space in the *Proposal for the Redevelopment of The Long Reach Village Center*. The Long Reach Village Center has been targeted by Howard County public and private organizations as a key to revitalizing the Long Reach Village. The proposed redevelopment has both an intangible revitalization effect, creating a dynamic space for community and innovation, as well as quantifiable economic impact on Howard County.

The prospective economic impact of the redevelopment stems from two sources:

- The growth generated during the construction activities, and
- The sustained impacts of the new commercial activity generated within the proposed retail, medical office, and incubator space upon completion.

Construction Activity

The economic impacts of construction activities were calculated using projected construction costs. A total of \$64,868,506 in construction costs has been estimated for the redevelopment. These costs are detailed below:

Table 1: Construction Costs

	Commercial	Multi-Family	Townhomes	Parking Garage
Size	75,000 sf	239,088 sf	98,800 sf	498 spaces
Projected Cost	\$14,425,000	\$34,854,654	\$6,624,852	\$8,964,000

This spending would generate 730 jobs, \$40 million in wages, and \$106 million of output in the county over the lifetime of the construction activities. These estimates were generated using the IMPLAN input-output economic modeling software, and utilizing conservative figures when possible. Details of the economic impacts of the proposed construction are provided on the following page.

Table 2: Construction Activity Economic Impacts

	Employment	Labor Income	Output
Direct Effect	414	\$24,819,569	\$64,462,805
Indirect Effect	139	\$6,960,014	\$17,823,815
Induced Effect	177	\$8,099,528	\$23,362,235
Total Effect	730	\$39,879,111	\$105,648,855

The economic impacts generated by the redevelopment construction activity would result in \$4,199,941 of new state and local taxes over the lifetime of construction activities.

New Commercial Activity

The economic impacts of the new commercial activity generated by the proposed retail, medical office, and incubator spaces were analyzed using projected employment levels within the space. These projections were derived using estimated rates of employment per square foot, by type of space. These estimates and the resulting employment projections are detailed below. Note that the incubator space has been excluded from the employment estimates and impact analysis, as the employment and impacts of incubator space can range widely, and this analysis seeks to provide accurate and conservative results.

Table 3: New Commercial Activity Employment Estimates

	Retail	Medical Office	Incubator
SF of Space	37,500	17,500	20,000
SF per Employee	450	300	Not Included
Employment Estimate	83	58	Not Included

The new commercial activity would sustain 215 jobs, \$11 million in wages, and \$22 million of output in the county when fully occupied per year. Details of the economic impacts of the proposed construction are provided on the following page.

Table 4: New Commercial Activity Economic Impacts

	Employment	Annual Labor Income	Annual Output
Direct Effect	141	\$7,802,582	\$11,635,806
Indirect Effect	24	\$1,260,776	\$3,532,337
Induced Effect	50	\$2,285,695	\$6,592,406
Total Effect	215	\$11,349,053	\$21,760,549

The economic impacts generated by the new commercial activity would result in \$1,298,865 of new state and local taxes on an annual basis.

Methodology

Economic Impact Model

EAGB utilized the IMPLAN input-output model with the most current, 2015 dataset to conduct the economic impact analysis for Howard County. This analysis accounted for direct spending leakages out of the county as well as captured indirect and induced effects.

The two sources of impacts will manifest in three categories of effects:

Direct Effect: Economic activities directly associated with the spending and employment in the construction activities and by the occupants of the completed commercial spaces.

Indirect Effect: Second-order economic activities of industries that respond to new demand generated by the direct economic activities detailed above. These industries supply goods and services to the construction actors and the commercial occupants. Indirect employment is generated as these second-order industries expand to meet this new demand.

Induced Effect: Economic activities generated by spending from workers supported by the direct and indirect effects of construction activities and by the occupants of the completed commercial spaces. As full- and part-time workers employed by the redevelopment activities or an industry indirectly supported by the redevelopment, use their income on typical household consumption, they create additional economic activity. Workers that use their income to purchase retail, housing, banking, and food services induce employment and wage growth in those industries.

The sum of direct, indirect, and induced effects represents the total gross economic impact.

The direct, indirect, and induced effects can be measured in several different ways. The following economic factors are used in this report and, as distinct measures, should not be combined to estimate total economic impact:

Employment: the number of jobs supported

Labor Income: the dollars paid as wages and benefits to workers, as well as proprietor's income

Output: the market value of goods produced or services provided, which is frequently reflected as total revenue or sales in businesses

Tax Generation: the state and local taxes and fees generated, including sales, property, income, and several other tax and fee categories at the local, state, and federal level

Input Estimates

The inputs used to represent the activity of the construction and the new commercial spaces were estimated using a variety of conservative sources.

Construction spending was derived from information provided by Orchard Development Corporation and only accounted for direct construction spending. Engineering, architecture, deconstruction, and several other small costs were not included, allowing for a more conservative model of the potential economic impacts.

New commercial activity employment estimates were made using average employment per square foot figures. These figures can be found in limited detail by several organizations, including the Institute of Transportation Engineers, San Diego Association of Governments, the U.S. Department of Energy, and others. Research uncovered a wide range of estimates; therefore, a conservative employment per square foot estimates was selected, that appropriately reflected the types and locations of the commercial spaces the are the subject of the analysis. The exclusion of impacts of the incubator space further supports the conservative nature of the impacts calculated for the new commercial activities resulting from the Long Reach Village Center Redevelopment. Had estimates been included for incubator employment and economic impact, the result total impact would have increased significantly.

Sayers, Margery

From: David Wissing <drwissing@gmail.com>
Sent: Tuesday, June 06, 2017 1:01 PM
To: CouncilMail
Subject: Written Testimony for CR98-2017 and CR99-2017

I am writing on behalf of the pre-filed legislation **Council Resolutions CR98-2017 and CR99-2017** and my request to all Council Members to both support both resolutions as presented and allow a vote on these two items at the July 3rd legislative session to help maintain the proposed schedule by the County and Developer.

I am a life-long resident of Columbia and have lived in different parts of Columbia, including Oakland Mills, Town Center, and for the past three years in Long Reach. Growing up in Oakland Mills, the Oakland Mills Village Center became one of the places I frequented regularly, whether it was at the miniature golf course that once existed, the Columbia Ice Rink, the loft at the Other Barn, or with my Mom at the Grocery store. The Village Center was an important place in my youth and a special and unique piece of Columbia that makes it what it is.

But as the demographics and times have changed, the original purpose of the Village Centers and their function need to change with it. One needs to look no further than my home new home's village center in Long Reach as a place that has struggled over the years to keep up. When I moved to Long Reach, where I plan to raise my family, one of my main questions is what will happen to the Long Reach Village Center. After some research, I learned the Long Reach Board of Directors (Village Board) developed a Master Plan. In 2015, I attended three of the five public meetings held by the County under ReImagine Long Reach and was impressed by the public input into what became the ReImagine Long Reach Plan that eventually led to current point we are at today.

I am a big believer in Columbia and its future, which is one reason our family has settled here and plan to raise our new family. My excitement for what the Long Reach Village Center grew even more last month when the County introduced the developer and their plans for the new Long Reach Village Center. It was very clear from the proposed plan that the developer took into account the public input that created the Long Reach Village Center Master Plan and the subsequent ReImagine Long Reach Plan. I was also excited to see the Howard County Planning Board give a unanimous approval to the conceptual plan at its May 18th meeting.

Neighbors I have spoken to are excited, but the one question that is constantly asked is when this will get started. Like me, they are residents of Long Reach who are raising families and they want to see the Long Reach Village Center reach its full potential and become another exciting area in Columbia as quickly as possible. The current schedule is for a first-use in the first quarter of 2020, which seems like a long time away. However, in order to maintain this schedule, the county needs to approve the Urban Renewal Plan (CR98-2017) and approve the sale of the property (CR99-2017) by the July 3rd date.

I hope and expect there will be many more public hearings on the Long Reach Village Center as this conceptual plan starts to develop through the process to the final plans. But in order for that process to begin, these first two steps with CR 98-2017 and CR99-2017 need to occur. **With no legislative session scheduled for August, pushing this until September has the potentially of delaying this process and threatening the hoped-for 2020 opening.**

I ask you to support Council Bills 98-2017 and 99-2017 and look forward to the discussion at the public hearing on June 19th and ask for a vote at the July 3rd legislative meeting.

Thank you for your time and consideration

David Wissing

Twenty Year Chase, Columbia

410-707-2612