



MONTGOMERY COUNTY PLANNING BOARD
MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

Item 5c

MCPB Item # 7
Date 6/13/2019

MEMORANDUM

May 31, 2019

TO: Montgomery County Planning Board

VIA: Mike Riley, Director of Parks

Mitra Pedoem, Deputy Director for Administration *Mitra*

John Nissel, Deputy Director for Operations

Jai Cole, Chief, Park Planning & Stewardship Division (PPSD) *Jai Cole*

Andrew Frank, Acting Chief, Park Development Division (PDD) *Andrew Frank*

Hyojung Garland, Supervisor, Park and Trail Planning, PPSD *Hyojung Garland*

FROM: Mark S. Wallis, Planner Coordinator, Park and Trail Planning Section, PPSD *MSW*

Brenda Sandberg, Real Estate Management Supervisor, PDD *BS*

SUBJECT: Land Exchange between M-NCPPC and the City of Takoma Park

STAFF RECOMMENDATION

- Approve the attached Joint Resolution (MCPB No. 19-058/M-NCPPC No. 19-14) to direct staff to implement a land exchange between M-NCPPC and the City of Takoma Park as proposed in the 2012 Takoma-Langley Crossroads Sector Plan. The proposed land exchange will transfer the Takoma Langley Recreation Center (Parcel N621) owned by M-NCPPC to the City of Takoma Park in exchange for a parcel owned by the City (Parcel P259) that will connect portions of Long Branch Stream Valley Park (Figure 1).

SUMMARY

The intent of this proposed land exchange between M-NCPPC and the City of Takoma Park is to allow the City to redevelop the recreation center site with a newer and larger recreation center while removing from Montgomery Parks the ongoing liability for the maintenance and repair of an out-of-date structure. In addition, this land swap will benefit the Commission by consolidating ownership of a down-county Stream Valley Park, thus facilitating the creation of trails and other future park improvements.

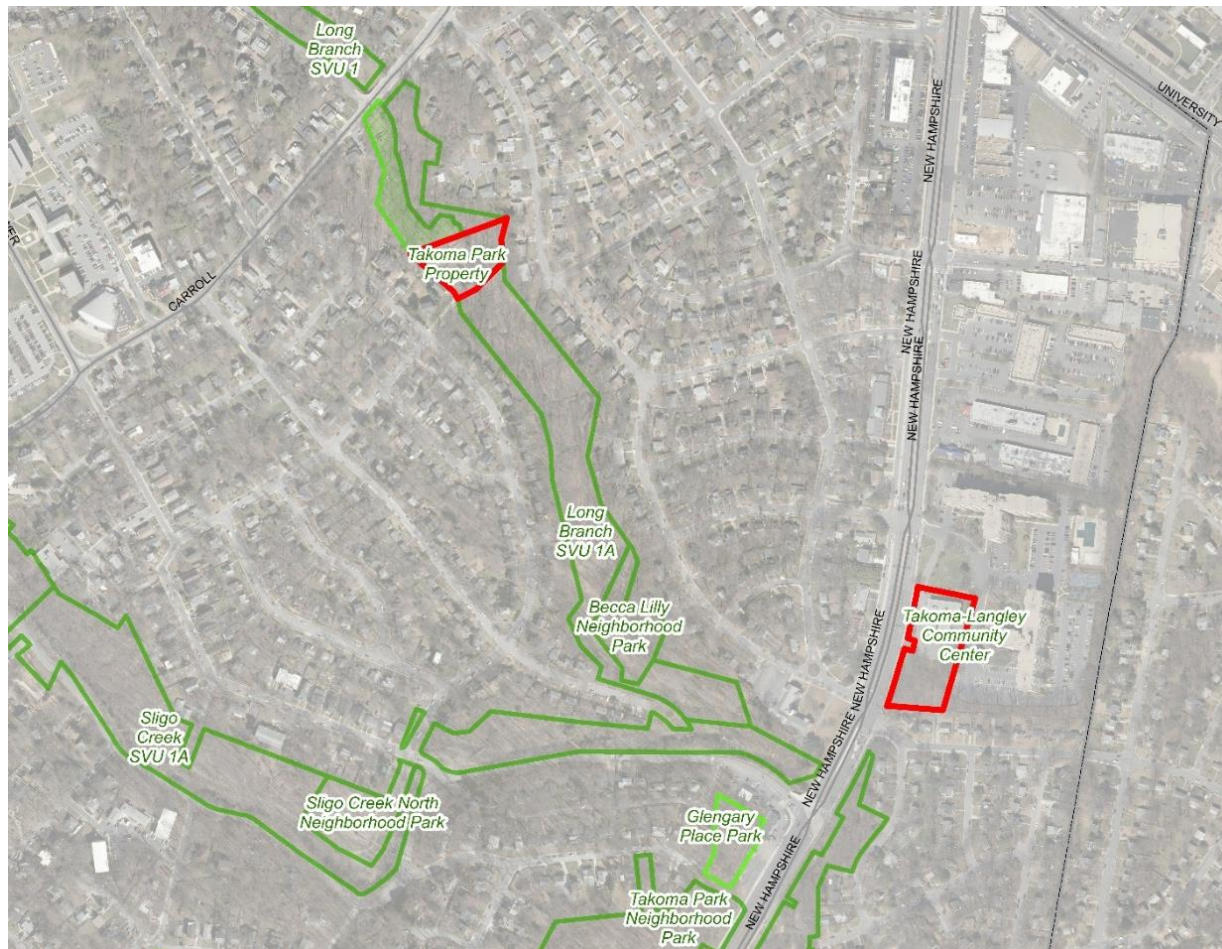


Figure 1. Vicinity Map, Proposed Land Exchange Properties

BACKGROUND/CURRENT CONDITIONS

Prior to 1997, the City straddled two counties with the eastern portion of Takoma Park located in Prince George’s County and the western portion in Montgomery County. After much lobbying, the City of Takoma Park was unified entirely into Montgomery County after approval by both County Councils and the Maryland General Assembly in 1997. That process transferred control of certain M-NCPPC land and improvements from Prince George’s Department of Parks and Recreation to Montgomery County Department of Parks, including the Takoma Park Recreation Center. After unification, Montgomery Parks assumed control of the property and became responsible for maintenance and repairs to the building. The City of Takoma Park assumed control of recreation programming within the building.

The City of Takoma Park pays no rent to the Department of Parks for use of the building. Further, the City receives an annual operating subsidy under a contract with the Montgomery County Recreation Department (\$85,000 most recently). The City also collects all programming revenue. Despite the recreation center being used very heavily, the City operates the building at a financial loss due to the small building size, poor condition, and inefficient layout for recreational purposes.

Montgomery Parks is responsible for cyclical maintenance and all major component life-cycle replacements on this structure. Parks is seeing a significant rise in maintenance and repair costs as the building is reaching the end of its lifespan, and the potential for a major system failure that would necessitate significant repair costs increases every year. Since the current structure does not meet the recreation needs of the City residents, it is not an efficient use of public funds to continue to maintain and repair this structure.

TAKOMA/LANGLEY CROSSROADS SECTOR PLAN

In 2007, a study of all Park Activity and Ancillary Buildings recommended that ownership of the Takoma Recreation Center be transferred to the City. Shortly thereafter, the *Takoma/Langley Crossroads Sector Plan* was initiated in 2009 and approved and adopted by the Planning Board and County Council in June 2012. The Sector Plan recommended this land exchange as a creative solution to support the redevelopment of this parcel with improved recreation amenities, housing, and other uses to serve this highly populated area of Montgomery County. The Sector Plan outlines the parameters of the recommended land transfer (page 53):

- *Replace the Takoma Park Recreation Center due to its age and inefficient layout. To achieve a new building, the following sequence of events is recommended:*
 - *Secure a legal entrance to the recreation center site. Securing a legal entrance can be accomplished by acquisition of the property north of the recreation center site or by direct access to New Hampshire Avenue via an access permit from the Maryland State Highway Administration, whoever proves most feasible and economical.*
 - *Execute a land exchange between the City of Takoma Park and the Maryland-National Capital Park and Planning Commission to better align management priorities and long-term facility needs. A land exchange is consistent with the Commission practice of land exchanges to further public goals. The City would deed to M-NCPPC the Long Branch parcel 259 and M-NCPPC would deed the Takoma Park Recreation Center parcel N621 to the City of Takoma Park. The transfer deed for the recreation center property would contain a reversion clause stating that if the property no longer functions for recreation purposes, it would return to M-NCPPC, if requested.*
 - *After land exchange between M-NCPPC and the City of Takoma Park and rezoning of the recreation center between M-NCPPC and the City of Takoma Park and rezoning of the recreation center property, the City of Takoma Park and any selected partner would be obligated by the exchange agreement to build a new recreation center with additional mixed-use development that should include senior housing, affordable housing, or local retail.*

The Sector Plan and subsequent zoning actions changed the zoning on the Commission property from R-60 residential to CRT 2.0 to accommodate mixed-use development on the Rec Center site. This increase in density supports the provision of a new recreation building along with senior housing, affordable housing, and/or local retail. The first recommended action from the sector plan also has been completed: the recordation of an easement providing legal access to the Commission property along the current driveway entrance.

As the owner of the Takoma Recreation Center parcel, the City will benefit by being able to leverage the parcel's development potential in exchange for the construction of a new recreation center. In 2017, the City issued a solicitation to gauge the level of developer interest in such a development partnership. The responses provided the City with confidence that a mixed-use project was viable on this property.

The benefits for the Department of Parks are twofold: first, to transfer the maintenance responsibilities and life cycle replacement costs for an aging building to the City; and second, to gain ownership of an important portion of the Long Branch Stream Valley to accommodate trails and other resource-based recreation opportunities.

PROPOSED TERMS OF LAND EXCHANGE

The Takoma Langley Recreation Center property (Parcel N621, "Commission Property") consists of 1.8 acres and includes a 6,894 square foot recreation building, parking for approximately 30 cars, and a wooded buffer area to the south (Figure 2). The exchange parcel (Parcel P259, "City Property") consists of 0.9 acres of forested stream valley land located as an inholding within Long Branch Stream Valley Park, Unit 1A (Figure 3).

The Commission will transfer all responsibilities for the existing recreation center building and land at the time of the land exchange, resulting in measurable operating budget savings to the Commission. Per the master plan recommendation, the City of Takoma Park intends to partner with a developer to construct a new approximately 20,000 sf recreation center with housing and/or neighborhood retail. The City of Takoma Park will operate the new recreation center.

In April 2019, The City of Takoma Park and Montgomery County Department of Parks signed a non-binding Letter of Intent (LOI) outlining the proposed terms for the future land exchange agreement (see Attachment A). In the LOI, The City and the Department of Parks each agreed:

- To use the exchanged parcels for parks, open space, and recreation purposes.
- That the City intends to pursue a mixed-use redevelopment of the Commission parcel to build a new recreation center and housing/local retail, per the Sector Plan guidance. Such plan will be subject to Planning Board review through the normal development review and/or Mandatory Referral process.
- That if the City pursues a different development plan to achieve the overall goal of a new rec center, such as putting only housing on this parcel and constructing the new rec center on a different parcel, such plan will require prior approval by the Planning Board. This clause allows the City to pursue innovative options that may not have been considered during the Sector Plan process, as long as The City receives Planning Board approval for the new proposal.

After approval by the Planning Board, this land swap must then be approved by the entire Maryland-National Capital Park and Planning Commission (M-NCPPC). The exchange approval is targeted for completion prior to July 1, 2019, to take advantage of budget year efficiencies.

PROPERTY INFORMATION

As noted above, the Commission property was transferred to Montgomery Parks control during the 1997 consolidation of the City of Takoma Park within Montgomery County. The City property was acquired in 1997 with a State Program Open Space (POS) grant to preserve the wooded parcel in the Long Branch Stream Valley Park. As with all other POS-purchased properties in the park system, the City parcel is subject to a State POS covenant that stipulates the land may not be converted from outdoor public recreation or open space to another use without State approval. While formal approval is not necessary for the proposed transfer of the property to the Commission, the Maryland Department of Natural Resources that administers the POS program will be informed of the proposed land swap.

The intent of this land exchange is to meet a variety of public goals, not to be an equitable exchange of land either financially or physically. Prior to the Sector Plan, the City and Commission properties were both zoned R-60 and were valued accordingly. During the Sector Plan process, the recommendation to rezone the Commission parcel and pursue this exchange was based on a clear understanding that the two parcels were different in size and value and would become more significantly different in value after the rezoning of the Commission parcel. Creating that value was precisely the intent of the Sector Plan recommendations to give the City of Takoma Park an asset that they could leverage to create a new, larger recreation center for their residents.



Figure 2 – Takoma Recreation Center, M-NCPPC property to be conveyed to City of Takoma Park



Figure 3 – City of Takoma Park property to be conveyed to M-NCPPC

NEXT STEPS

Several procedural steps will follow approval of the attached Joint Resolution to meet the preferred timeline of completing this land transfer before the end of the fiscal year on June 30.

- Definitive Agreement developed to implement the in-fee land swap
- Approval by full Commission (tentatively scheduled on June 19)
- Signature on the Definitive Agreement by the Executive Director
- Settlement for transfer of the parcels and recordation of the new deeds (targeted for completion prior to June 30)

Attachments:

- A: Letter of Intent between City of Takoma Park and Department of Parks, 5/15/2019
- B: Joint Resolution, MCPB No. 19-058/M-NCPPC No. 19-14

cc:

Megan Chung, Office of General Counsel
Jim Poore, Facilities Management
Bill Tyler, Southern Region Operations
Michelle Grace, Facilities Management
Michael Brown, Planning Department
Melissa Williams, Planning Department

City of Takoma Park, Maryland

Office of the City Manager
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Suzanne R. Ludlow, City Manager

May 2, 2019

Mr. Michael F. Riley, Director
Montgomery County Department of Parks
Maryland-National Capital Park and Planning Commission
9500 Brunett Avenue
Silver Spring, Maryland 20901

Subject: Takoma-Langley Recreation Center Land Exchange

Dear Mr. Riley,

This non-binding Letter of Intent expresses the City of Takoma Park's interest in transferring ownership of a vacant residentially zoned parcel located adjacent to the Long Branch Stream Valley Park in exchange for the Takoma Park Recreation Center property and to identify the terms and conditions of the desired exchange (the "**Contemplated Transaction**").

Background

- A. The Maryland-National Capital Park and Planning Commission ("**Commission**") is the owner of the Commission Property (defined below).
- B. City of Takoma Park Maryland ("**City**") is the owner of the City Property (defined below) and wishes to exchange certain Property interest with the Commission.
- C. The property exchange between the parties was recommended in the 2012 Approved and Adopted Takoma/Langley Crossroads Sector Plan.

Purpose

1. This Letter of Intent ("**LOI**") will establish the basic terms to be used in a definitive exchange agreement ("**Definitive Agreement**") to be entered into between the Commission and the City. The terms contained in this LOI are not comprehensive and it is expected that additional terms may be added, and existing terms may be changed or deleted. The basic terms are set forth below.

Non-Binding

2. This LOI is non-binding. The terms and conditions of the Definitive Agreement will supersede any terms and conditions contained in this LOI.

Non-Exclusive

3. The Commission and City may each enter into negotiations with other third parties regarding the subject matter of this LOI, prior to the execution of the Definitive Agreement.

Property Descriptions

4. The property owned by the Commission that is the subject of this LOI is the Takoma Park Recreation Center, located at 7315 New Hampshire Avenue, Takoma Park, Maryland 20912, containing 1.86 acres, more or less, improved, and further identified as Tax Account No. 13-03171273 (the "**Commission Property**"). The Commission Property was rezoned from R-60 Single Family to CRT 2.0, C 2.0, R 2.0, H 60 pursuant to the Sectional Map Amendment G-953 approved 12/11/12 by County Council Resolution #17-644.

5. The Commission has secured an access easement to serve the Commission Property over and through the Takoma Overlook Condominium, Inc., property. The access easement was recorded in the Montgomery County land records on February 13, 2019, at Liber 57211 folio 57.

6. The property owned by the City that is subject of this LOI is located at 922 Jackson Avenue, Takoma Park, Maryland 20912, containing 0.93 acres, more or less, unimproved, and further identified as Tax Account No. 13-03163466 (the "**City Property**"). The City Property is zoned R-60.

Contemplated Transaction

7. The City and the Commission acknowledge that they are a Maryland government agency and municipality, and as such must adhere to applicable legal requirements prior to completing the Contemplated Transaction. The parties acknowledge that the Commission Property and City Property are subject to certain restrictions regarding their use, disposition, and receipt of government approval, among others (collectively, the "**Restrictions**"), and that closing of the Contemplated Transaction is conditional upon the Commission and the City resolving the Restrictions.

8. If the Restrictions may be removed or otherwise resolved to the parties' satisfaction, the City and the Commission will conduct a property exchange pursuant to the terms of the Definitive Agreement, with the desired closing time and date of midnight on July 1, 2019, whereby:

- a) The City will own the fee-simple interest in the Commission Property, collectively with the improvements.
 - b) The Commission will own the fee-simple interest in the City Property.
9. The Commission agrees to use the City Property for public park and open space purposes as a part of Long Branch Stream Valley Park.
10. The City agrees to use the Commission Property for a public recreation purpose.
11. The City intends to pursue a mixed-use redevelopment of the Commission Property to build a new recreation center, plus housing or local retail, per the Approved and Adopted Takoma/Langley Crossroads Sector Plan (the "**Intended City Plan**"). Such plans will come before the Commission's Montgomery County Planning Board through the Mandatory Referral and/or the regulatory development review process.
12. If the City pursues a development that deviates from the Intended City Plan, the City must first obtain prior approval from the Commission's Montgomery County Planning Board.
13. This Letter of Intent will be made effective on the last signature date below.

Sincerely,

Suzanne R. Ludlow
City Manager

SEEN AND AGREED TO:

CITY OF TAKOMA PARK

By: 
Suzanne R. Ludlow, City Manager

Date: May 2, 2019

MARYLAND-NATIONAL PARK AND PLANNING COMMISSION

By: 
Michael F. Riley, Director
Montgomery County Department of Parks

Date: 5/15/19

Introduced by: Councilmember Searcy

First Reading: April 10, 2019
Second Reading: May 1, 2019
Effective Date: May 1, 2019

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE NO. 2019-6

Approving the Land Exchange for the Takoma Park Recreation Center

- WHEREAS, the property identified as 922 Jackson Avenue is an unimproved, vacant, residentially zoned parcel that functions as part of Long Branch Stream Valley Park; and
- WHEREAS, the City of Takoma Park acquired title to the property at 922 Jackson Avenue from Forma, Inc. by deed on January 8, 1998 and recorded in Liber 15436, Folio 00640; and
- WHEREAS, it was determined that the property should not be developed and the land should remain unimproved, given its location adjacent to Long Branch Stream Valley Park; and
- WHEREAS, the property is not needed by the City of Takoma Park for the public use; and
- WHEREAS, the exchange of the property for the Takoma Park Recreation Center at 7315 New Hampshire Avenue (Tax I.D. #13-03171273), owned by Maryland-National Capital Park and Planning (M-NCPPC), was anticipated and affirmed by the Takoma Park City Council most recently through Resolution 2018-59, Resolution of Intent to Proceed with the Takoma Park Recreation Center Land Exchange; and
- WHEREAS, the Takoma Park City Council, having investigated the potential fiscal and operational impact of the proposal on the City's recreation programs and solicited input from residents and members of the Recreation Committee, has expressed support of the proposal to transfer ownership of 922 Jackson Avenue to M-NCPPC in exchange for the Takoma Park Recreation Center; and
- WHEREAS, in exchange for the deed from M-NCPPC for 7315 New Hampshire Avenue, the City will execute and deliver a deed conveying City owned property at 922 Jackson Avenue (Tax I.D. #13-03163466), containing 40,511 square feet (0.93 acres), unimproved land to M-NCPPC, to become part of Long Branch Stream Valley Park for public park and open space purposes; and
- WHEREAS, the City filed a Mandatory Referral submission regarding the disposition of 922 Jackson Avenue to Montgomery County (#MR2019008), which was approved by Montgomery County on January 7, 2019; and

WHEREAS, the City will accept the Takoma Park Recreation Center property at 7315 New Hampshire Avenue, Takoma Park, Maryland 20912 containing 1.86 acres, more or less from the Maryland-National Capital Park and Planning Commission; and

WHEREAS, the City agrees to use the property for a public recreation purpose; and

WHEREAS, the City intends to pursue a mixed-use redevelopment of the property to build a new recreation center, plus housing or local retail, per the Approved and Adopted Takoma/Langley Crossroads Sector Plan; and

WHEREAS, if the City pursues a development that deviates from the intended plan, the City must first obtain prior approval from the Montgomery County Planning Board.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT:

- Section 1. The property at 922 Jackson Avenue is not needed by the City for public use and that the Council authorizes the exchange of the property with M-NCPPC for the Takoma Park Recreation Center at 7315 New Hampshire Avenue.
- Section 2. The City shall give not less than twenty (20) days of public notice that the City is to dispose of the property at 922 Jackson Avenue in exchange for the Takoma Park Recreation Center at 7315 New Hampshire Avenue.
- Section 3. Pursuant to Section 401(b)(41) of the Municipal Charter of the City of Takoma Park, public notice of this proposed conveyance of the property at 922 Jackson Avenue shall be published in a newspaper of general circulation at least 20 days before the disposition of the property.
- Section 4. The City Manager is instructed to set procedures for the City to pursue the land exchange with M-NCPPC, to be completed by July 1, 2019.

Adopted by the Council of the City of Takoma Park this 1st day of May, 2019.

AYE: Stewart, Kovar, Dyballa, Kostiuk, Seamens, Smith, Searcy
NAY: None
ABSTAIN: None
ABSENT: None



MONTGOMERY COUNTY PLANNING BOARD
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB No. 19-058
M-NCPPC No. 19-14

Takoma Park Recreation Center:
Land Exchange with City of Takoma Park

RESOLUTION

WHEREAS, the Maryland-National Capital Park and Planning Commission (“Commission”) is authorized under the Md. Code, Ann., Land Use, §17-206(b), to exchange land held by it for any other land held by any other public body or agency, which the Commission determines to be more suitable; and

WHEREAS, the Commission holds fee-simple title to a parcel of property known as the Takoma Park Recreation Center, located at 7315 New Hampshire Avenue, Takoma Park, Maryland 20912, containing 1.86 acres, more or less, improved, and further identified as Tax Account No. 13-03171273 (the “Commission Property”); and

WHEREAS, the City of Takoma Park (the “City”) holds fee-simple title to a property known as 922 Jackson Avenue, Takoma Park, Maryland 20912, containing 0.93 acres, more or less, unimproved, and further identified as Tax Account No. 13-03163466 (the “City Property”); and

WHEREAS, the 2012 Takoma/Langley Crossroads Sector Plan recommended the exchange of the City Property and Commission Property to facilitate various recreation and open space goals, including the construction of a new recreation center (the “Exchange”); and

WHEREAS, the Commission and the City intend to conduct the land exchange pursuant to a land exchange agreement prior to June 30, 2019; and

WHEREAS, the City agrees to use the Commission Property for a public recreation purpose, and the Commission agrees to use the City Property for public park and open space purposes; and

WHEREAS, following review and analysis of the Exchange by the Commission’s Montgomery County Department of Parks (“Parks”), the Parks staff issued a memorandum to the Commission’s Montgomery County Planning Board (the “Planning Board”), dated May 31, 2019, setting forth its analysis and recommendation for approval; and

WHEREAS, on June 13, 2019, the Planning Board held a public hearing on the Exchange, at which the Planning Board heard testimony and received evidence submitted for the

record and voted to recommend that the Commission approve the Exchange by the vote as certified below.

NOW THEREFORE BE IT RESOLVED that the Planning Board finds that the Exchange is suitable for and furthers the recreational purposes at the subject properties;

BE IT FURTHER RESOLVED that, the Planning Board hereby recommends that the Commission approve conveyance of the Commission Property to the City in exchange for the receipt of the City Property in accordance with the terms and conditions recommended and imposed by the Planning Board; and

BE IT FURTHER RESOLVED that, the Commission hereby adopts the Planning Board's findings, accepts the Planning Board's recommendation and approves the conveyance of the Commission Property in exchange for the receipt of the City Property in accordance with the terms and conditions recommended and imposed by the Planning Board.

* * * * *


CERTIFICATION

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 Fani-Gonzalez, seconded by Commissioner Patterson, and with Anderson, Cichy, and Dreyfuss voting in favor of the motion, at its regular meeting held on Thursday, June 13, 2019 in Silver Spring, Maryland.



Casey Anderson, Chair
Montgomery County Planning Board

APPROVED AS TO LEGAL SUFFICIENCY



M-NCPPC Legal Department
Date 6/14/2019

CERTIFICATION

This is to certify that the foregoing is a true and correct copy of Resolution No. 19-14 adopted by the Maryland-National Capital Park and Planning Commission on motion of Commissioner Dreyfuss, seconded by Commissioner Doerner, with Chair Hewlett, Vice-Chair Anderson, Commissioners Bailey, Cichy, Doerner and Dreyfuss voting in favor of the motion, with Commissioners Fani-Gonzalez, Geraldo, Patterson and Washington being absent from the meeting held on Wednesday, June 19, 2019 at the Montgomery Regional Office Auditorium in Silver Spring, Maryland.



Anju A. Bennett
Acting Executive Director