| MONTGOMERY COUNTY EXECUTIVE ORDER <br> Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850 |  |  |
| :---: | :---: | :---: |
| Disposition of County Property: Halpine View Real Property | Executive Order No. $155-20$ | Subject Suffix |
| Montgomery County Department of General Services | Department No. | Effective Date 12/14/2020 |

## BACKGROUND

WHEREAS, Halpine Park LLC owns several parcels of property in Rockville, Maryland located at 13001 Twinbrook Parkway, 5508 Dowgate Court, and 12813 Twinbrook Parkway ("Halpine View Property"); and

WHEREAS, the Halpine View Property is currently improved with 564 rental units, including several twobedroom and three-bedroom units with rents that currently do not exceed $80 \%$ of the Area Medium Income ("AMI") for the Washington Metropolitan Statistical Area; and

WHEREAS, the County owns an unimproved parcel land of approximately 1.99 acres ("County Parcel") that bifurcates the Halpine View Property that was dedicated to the County by Halpine Park LLC's predecessor in interest for a roadway that was never constructed; and

WHEREAS, the County Parcel is described as: "A 1.99 acre parcel of land on Twinbrook Parkway, which parcel, commonly known as the Aspen Hill Extension, conveyed by Martin Seldeen, Trustee to Montgomery County, Maryland, by deed dated April 10, 1964, recorded among the Land Records of Montgomery County, Maryland in Liber 3221 at folio 441 and is depicted on that certain Plat entitled "Parcels A \& B Prevention" recorded among the Land Records of Montgomery County, Maryland on May 6, 1964 as Plat No. 7381;" tax identification number 04-03851496; and

WHEREAS, the County Parcel was conveyed to the County in fee simple; and

WHEREAS, the County Parcel and Halpine View Property are included in the April 2019 Approved and Adopted Veirs Mill Corridor Master Plan ("Master Plan"); and

WHEREAS, Halpine Park LLC intends to redevelop the Halpine View Property and County Parcel (both jointly referred to as the "Property"); and

WHEREAS, as part of the consideration for the County's transfer of the County Parcel to Halpine Park LLC, Halpine Park, LLC agrees to record covenants against the Property to require affordable housing and to govern, among other things, the number and size of the affordable housing units and the level of affordability of the housing units when the Property is redeveloped; and

WHEREAS, the Master Plan supports the return of the County Parcel to the Halpine View Property through the County's property disposition process in exchange for the requirement that any redevelopment of the Property

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include a minimum of $30 \%$ of the dwelling units attributable to the density of the County Parcel be Moderately Priced Dwelling Units as defined under Chapter 25A of the County Code ("MPDUs"); and

WHEREAS, if Halpine Park LLC or its successors and assigns obtain site plan approvals to construct 1,800 or fewer new dwelling units at the Property, 30 MPDUs shall be attributable to the County Parcel ("County Parcel MPDUs"), and will be constructed over the first four phases of the redevelopment (determined at the time of site plan) such that in each of the four phases, the County Parcel MPDUs constructed in each Phase will equal the greater of one-quarter of the total County Parcel MPDUs or $3 \%$ of the total units constructed in that phase; and

WHEREAS, to the extent practicable, each of the four phases of redevelopment must include County Parcel MPDUs at the following income limits in a proportional manner: six of the County Parcel MPDUs provided to households whose income does not exceed $30 \%$ of AMI; six of the County Parcel MPDUs provided to households whose income does not exceed $40 \%$ of AMI; six of the County Parcel MPDUs provided to households whose income does not exceed $50 \%$ of AMI, and twelve of the County Parcel MPDUs provided to households whose income does not exceed 70\% of AMI; and

WHEREAS, under this redevelopment scenario, all 12 of the County Parcel MPDUs provided to households whose income does not exceed $70 \%$ of AMI shall be counted for purpose of satisfying the Master Plan criterion of achieving no net loss of affordable units during redevelopment; however, the County Parcel MPDUs provided to households whose income does not exceed $50 \%$ of AMI shall not be counted for purposes of satisfying the no net loss of affordable units; and

WHEREAS, if Halpine Park LLC or its successors and assigns obtain site plan approvals to construct greater than 1,800 new dwelling units at the Property, the number of County Parcel MPDUs shall be equal to $30 \%$ of the number of units attributable to the County Parcel (determined by multiplying the total of all units approved under a site plan for the Property by $5.77 \%$, which is the percentage of the County Parcel's land area of the Property), to be constructed over the first four phases of redevelopment (determined at the time of site plan) such that in each of the first four phases of redevelopment, the County Parcel MPDUs constructed for each phase will equal the greater of one-quarter of the total County Parcel MPDUs or $3 \%$ of the total units constructed in that phase; and

WHEREAS; to the extent practicable, each of the four phases must include County Parcel MPDUs in the percentages at the following income limits in a proportional manner: $20 \%$ of the County Parcel MPDUs provided to households whose income does not exceed $30 \%$ of AMI; $20 \%$ of the County Parcel MPDUs provided to households whose income does not exceed $40 \%$ of AMI; 20\% of the County Parcel MPDUs provided to households whose income does not exceed $50 \%$ of AMI, and $40 \%$ of the County Parcel MPDUs provided to households whose income does not exceed 70\% of AMI; and

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WHEREAS, under this redevelopment scenario, twelve of the County Parcel MPDUs provided to households whose income does not exceed $70 \%$ of AMI shall be counted for purpose of satisfying the Master Plan criterion of achieving of achieving no net loss of affordable units during redevelopment; however, any County Parcel MPDUs required at or below 70\% of AMI in excess of twelve units, and all County Parcel MPDUs provided to households at or below $50 \%$ of AMI, shall be in addition to the combination of MPDUs and market-rate affordable units (no more than $80 \% \mathrm{AMI}$ ) generated from the Property that are necessary to achieve no net loss of affordability; and

WHEREAS, as provided in the Master Plan, the site plan shall require that the redevelopment of the Property includes a minimum of $20 \%$ of all newly constructed units be two-bedroom units and $5 \%$ of all newly constructed units be three-bedroom units; and

WHEREAS, as provided in the Master Plan, to achieve no net loss of affordable units during redevelopment of the Property, each phase of development must provide a number of affordable units, both market-rate affordable units and MPDUs, equal to the number of affordable units being removed from the Property; and

WHEREAS, the market-rate affordable units constructed on the Property, to be offered to households whose income does not exceed $80 \%$ AMI, must remain as market-rate affordable rental units for a term of 30 years; and

WHEREAS, Halpine Park LLC or its successors and assigns, when leasing the redeveloped rental units, must give priority to existing tenants to lease the two-bedroom and three-bedroom units and, if a tenant's income qualifies, the MPDUs and market-rate affordable units; and

WHEREAS, except for the income qualifications for the MPDUs and the market-rate affordable units, no conditions other than good standing status under a tenant's lease shall be imposed upon existing tenants seeking to relocate to an MPDU, market-rate affordable unit, two-bedroom unit, or three-bedroom unit. Halpine View, LLC must verify the income of existing tenants seeking to relocate to MPDUs or market-rate affordable units; and

WHEREAS, the covenants governing the affordable units, as described above, must remain in place for a term of fifty years; and

WHEREAS, the County Parcel has not been used by the County or the public since the County acquired it in 1964 and the County Parcel is no longer needed for public use; and

WHEREAS, in addition to providing the affordable housing described above, Halpine Park, LLC will pay the County $\$ 2,898$ for the County Parcel, which is less than full market value; however, the transfer of the County


Parcel to Halpine Park, LLC will result in the construction of more affordable housing units than could be constructed on the County Parcel alone; and

WHEREAS, the material terms of the sale of the County Parcel are as stated above, including the requirement that the affordable housing requirements be recorded among the Land Records of Montgomery County, Maryland as covenants binding the Property for the 50 year term; and

WHEREAS, under Section 11B-45 of the County Code, the County may waive the requirement that the County Parcel be disposed of at less than full market value; and

WHEREAS, the disposition of the County Parcel at less than full market value is in the best interest of the County as the County Parcel will yield more affordable housing units if it is redeveloped with the Halpine View Property; and

WHEREAS, in accordance with the provisions of Montgomery County Code Section 118-45, Disposition of Real Property, the County Executive must issue an Executive Order declaring that County owned or controlled land is no longer needed for County use.

## ACTION

In consideration of the above recitals, the County Executive hearby declares that the County Parcel, approximately 1.99 -acres off of Twinbrook Parkway in Rockville, Maryland, is no longer needed for County use and is available for disposition and sale to Halpine Park LLC subject to the material terms, including the covenants governing affordability, described above.

Approved as to Form and Legality
Office of the Countr Attorney



