

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2023 Legislative Session

Resolution No. CR-001-2023
Proposed by The Chair (by request – Planning Board)
Introduced by Council Members Dernoga, Ivey, Hawkins, Franklin, Blegay, Olson, S. Harrison
Co-Sponsors _____
Date of Introduction December 6, 2022

RESOLUTION

1 A RESOLUTION concerning

2 The Maryland-National Capital Park and Planning Commission

3 For the purpose of making certain adjustments and amendments to the Prince George's County
4 portion of the Maryland-National Capital Park and Planning Commission Fiscal Year 2022–2023
5 approved operating budget pursuant to the provisions of the Maryland Annotated Code, Land
6 Use Article, as amended.

7 WHEREAS, the Commission's Prince George's County Planning Board ("Planning
8 Board") and its Prince George's County Planning Department ("Planning Department") currently
9 utilize offices situated within the County Administration Building owned by Prince George's
10 County, and other outbuildings owned by the Commission, located together in Upper Marlboro,
11 Maryland (collectively, the "Existing Office Complex"); and

12 WHEREAS, the Commission's Prince George's County Department of Parks and
13 Recreation ("Department of Parks and Recreation") currently operates offices situated within the
14 Parks and Recreation Administration Building located in Riverdale, Maryland as well as within
15 leased offices located in Greenbelt, Maryland (collectively the "DPR Administrative Offices");
16 and

17 WHEREAS, the Commission and Prince George's County Government (the "County")
18 now mutually desire for the Commission to consolidate and relocate its Existing Office Complex
19 and DPR Administrative Offices to a new location (the "Largo Headquarters") situated in

1 proximity to both the Largo Metro transit-oriented development district and the County’s Wayne
2 K. Curry Building located in Largo, Maryland; and

3 WHEREAS, the County Council previously approved a plan to construct a headquarters
4 building by means of: (a) contracting for the purchase of a suitable property; and (b) hiring a
5 suitable development entity that is capable of (i) developing the property on a build-to-suit basis
6 and (ii) financing an amortized purchase of the building improvements by the Commission under
7 a sale-and-lease-back arrangement; and

8 WHEREAS, by action of the Prince George’s County Planning Board in PGCPB
9 Resolution 2020-179 dated December 10, 2020, attached hereto as Appendix A (the “Planning
10 Board Resolution”), the Commission has established on its books and records a designated
11 internal service fund – known formally as the “Largo Headquarters Internal Service Fund (ISF)”
12 – for the limited purpose of aggregating the appropriations and expenditures associated with its
13 development and operation of the Largo Headquarters, the establishment of which ISF is
14 consistent with Generally Accepted Government Accounting Standards and the Commission’s
15 prior practices to account for other office buildings owned and operated by the Commission; and

16 WHEREAS, the Largo Headquarters ISF has been funded with budget transfers approved
17 by the County Council pursuant to CB-55-2022 using the following Commission Undesignated
18 Fund Balance Resources: \$59.5 million from the Park Fund, and \$25.5 million from the
19 Recreation Fund; and pursuant to Resolution CR-5-2021: \$60 million from the Administration
20 Fund (collectively hereinafter “Funding”), which was consistent with past practices of the
21 Commission in creating and maintaining internal service funds to properly account for financial
22 arrangements required for other office facilities; and

23 WHEREAS, the Planning Department has continued to explore other relocation options and
24 has identified two former University of Maryland Global Campus buildings located at 1601
25 McCormick Drive and 1616 McCormick Drive, and one tract of land located at 1440
26 McCormick Drive in Upper Marlboro, Maryland (collectively, the “Property”) owned by the
27 State of Maryland and the University of Maryland (collectively, the “Landowner”) that will
28 accommodate the Department of Parks and Recreation in addition to the Planning Board and
29 Planning Department, and will not require new construction, but will require funds to acquire,
30 design, renovate, furnish, operate, and maintain the Property; and

1 WHEREAS, the Planning Department received Planning Board approval on June 9, 2022,
2 to submit an offer to acquire the Property; and

3 WHEREAS, the Commission entered into a Letter of Intent dated September 21, 2022, with
4 the Landowner to purchase the Property, in the amount of Seventy-Five Million Dollars
5 (\$75,000,000), in accordance with the Planning Board approval dated June 9, 2022; and

6 WHEREAS, the Planning Board approved the execution of the Land Purchase Agreement
7 with the Landowner to purchase the Property for Seventy-five Million Dollars (\$75,000,000);
8 and

9 WHEREAS, the Commission will partner with the Maryland Economic Development
10 Corporation (“MEDCO”) which has significant experience as a quasi-governmental agency in
11 the acquisition, interior fit-out and space planning process and will be the project manager for the
12 Commission’s Largo Headquarters project; and

13 WHEREAS, the Largo Headquarters project will utilize the Funding, not to exceed the
14 amount designated in the ISF, to acquire, design, renovate, furnish, operate, and maintain the
15 Property for the needs of the Planning Board, Planning Department, the Department of Parks and
16 Recreation, and other Commission units as needed, and a project manager that will be needed to
17 accomplish this purpose; and

18 WHEREAS, the Commission and MEDCO have estimated the total project cost required to
19 develop and occupy – that is, to pay for the property acquisition, design, renovation, repairing,
20 furnishing, operating and maintaining the Largo Headquarters will not exceed the sum of Ninety
21 Million Dollars (\$90,000,000), such sum hereinafter referred to alternatively as the “Total
22 Project Cost” or “TPC”; and

23 WHEREAS, the County has previously approved the Commission’s Annual Budget and
24 Appropriation Ordinance for Fiscal Year 2022–2023 with the enactment of CB-55-2022; and

25 WHEREAS, the Commission’s Fiscal Year 2022–2023 annual operating and capital
26 budgets for the Planning Department require certain amendments and adjustments in order to: (a)
27 authorize current fiscal year expenditures for the Commission’s purchase of the Property; (b)
28 authorize expenditure of funds to enable appropriate renovation of the Largo Headquarters; and
29 (c) otherwise provide for completion of the Largo Headquarters; and

30 WHEREAS, the County Council and County Executive, as the County governing body,
31 have duly considered the Commission’s request, the Planning Board Resolution, and the other

1 information contained in the Offering Memorandum (PDF) Appendix B and the Commission's
2 plan to acquire the Property for the Largo Headquarters project, and approved the Commission's
3 plan via adoption of CR-123-2022 on October 31, 2022; and

4 WHEREAS, subject to certain circumstances and conditions expressed therein, Section 18-
5 108 of the Land Use Article, Annotated Code of Maryland, authorizes the County Council to
6 amend the Commission's previously adopted budgets by resolution upon reasonable notice to the
7 public; and

8 WHEREAS, upon consideration of the foregoing, and having conducted a duly advertised
9 public hearing on the proposed budget amendment, the County Council has determined that the
10 amendment to the Commission's Fiscal Year 2022–2023 Annual Budget and Appropriation
11 Ordinance should be approved.

12 NOW THEREFORE, BE IT RESOLVED by the County Council of Prince George's
13 County, Maryland, that, pursuant to the provisions of the Land Use Article, Annotated Code of
14 Maryland, the previously approved Undesignated Fund Balance within the Fiscal Year 2022–
15 2023 Maryland-National Capital Park and Planning Commission Operating Budget, as approved
16 in CB-55-2022, be appropriated to Capital Expenditures within the Largo HQ Building Internal
17 Service Fund in the amount of Eighty Million Dollars (\$80,000,000).

18 BE IT FURTHER RESOLVED that the Commission is hereby authorized to expend up to
19 the Total Project Cost (\$90,000,000) to pay for the Property acquisition, design, construction,
20 renovation, repair, furnish for use, operation, and maintenance. The Commission shall account
21 for expenditures of the Total Project Cost using the Internal Service Fund established by the
22 Planning Board in its Resolution PGCPB No. 2020-179.

23 BE IT FURTHER RESOLVED that the Commission is hereby authorized to utilize the
24 Internal Service Fund in order to purchase the Property in an amount not to exceed the purchase
25 price stated hereinabove plus customary fees, costs and charges associated with a real estate
26 settlement.

27 BE IT FURTHER RESOLVED that the Commission is further authorized to utilize the
28 Internal Service Fund for direct costs associated with the acquisition, design, construction,
29 renovation, furnishing, repair, operating, and maintaining the Project, including, without
30 limitation, the customary fees incurred with respect to the project management services of
31 MEDCO.

1 BE IT FURTHER RESOLVED that, upon signature by the Chair of the County Council, a
2 copy of this Resolution shall be transmitted to the Chairman of the Prince George’s County
3 Planning Board.

Adopted this 6th day of December, 2022.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Thomas E. Dernoga
Chair

ATTEST:

Donna J. Brown
Clerk of the Council