

Expedited Bill No. 13-23  
Concerning: Montgomery County  
Urban Districts – Friendship Heights  
Urban District  
Revised: 4/5/2023 Draft No. 4  
Introduced: February 28, 2023  
Enacted: April 11, 2023  
Executive: April 20, 2023  
Effective: April 20, 2023  
Sunset Date: None  
Ch. 14, Laws of Mont. Co. 2023

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Council Vice-President Friedson

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### AN EXPEDITED ACT to:

- (1) create an urban district located in the Friendship Heights area of the County;
- (2) expand the purposes of urban districts in the County;
- (3) create a commercial district charge as an additional mechanism to fund an urban district;
- (4) establish a Friendship Heights Urban District Advisory Committee; and
- (5) generally amend the law concerning urban districts in the County.

By amending

Montgomery County Code  
Chapter 68A, Montgomery County Urban Districts  
Sections 68A-1, 68A-3, 68A-4, 68A-5, and 68A-8

<b>Boldface</b>	<i>Heading or a defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland, approves the following act:*

1           **Sec 1. Sections 68A-1, 68A-3, 68A-4, 68A-5, and 68A-8 are amended as**  
 2 **follows.**

3 **68A-1. Definitions.**

4           For purposes of this Chapter, the following terms have the meanings  
 5 indicated:

6 (a) *Board of directors* means the board of directors of an urban district  
 7 corporation.

8 (b) *Class 1 property* means real property used or intended to be used for  
 9 residential use categories under Chapter 59.

10 (c) *Class 2 property* means real property used or intended to be used for  
 11 commercial or industrial use categories under Chapter 59.

12 ~~[(b)]~~ (d) *Corporation* means an urban district corporation.

13 ~~[(c)]~~ (e) *Department* means a County department, principal office, or  
 14 other office that the County Executive designates to perform functions  
 15 under this Chapter. Department does not include an urban district  
 16 corporation.

17 ~~[(d)]~~ (f) *Maintaining streetscape amenities* means cleaning, repairing  
 18 rehabilitating, or replacing streetscape amenities.

19 ~~[(e)]~~ (g) *Maintaining the streetscape* includes cleaning sidewalks,  
 20 driveways, streets, and other public areas; collecting trash; and caring  
 21 for trees and other plantings. Maintaining the streetscape includes  
 22 streetscaping of the medians and street sweeping, but does not include  
 23 maintaining the road or the curbs.

24 ~~[(f)]~~ (h) *Off-site amenity* means a streetscape amenity installed by an  
 25 optional method developer on a public right-of-way.

26 ~~[(g)]~~ (i) *On-site amenity* means a streetscape amenity installed by an  
 27 optional method developer on property owned by the optional method

28 developer or on private property not owned by an optional method  
 29 developer.

30 ~~[(h)]~~ (j) *Optional method development* means property for which the  
 31 owner has agreed with the Maryland-National Capital Park and  
 32 Planning Commission to be responsible for installing and maintaining  
 33 both on-site and off-site improvements.

34 ~~[(i)]~~ (k) *Streetscape amenity* includes such items as bulletin boards and  
 35 electronic displays; communication systems; containers for growing  
 36 things; fountains and pools; drinking fountains; functional and  
 37 decorative lighting; outdoor seating; restrooms; seating and other street  
 38 furniture; shelters for pedestrians and persons using public  
 39 transportation; non-standard paving; sidewalks; trees and other  
 40 plantings; trash containers; vending booths and kiosks; works of art;  
 41 any outdoor item that an optional method developer agreed to install  
 42 and maintain as a condition of site plan approval; and other items of a  
 43 similar character or purpose.

44 ~~[(j)]~~ (l) *Urban district corporation* means a corporation created under  
 45 Section 68A-9.

46 **68A-3. Creation of urban districts; purposes.**

47 (a) Urban districts are created in the business districts of Wheaton,  
 48 Bethesda, [and] Silver Spring, and Friendship Heights as described in  
 49 Section 68A-8.

50 (b) Except as provided in subsection (c), the department may provide the  
 51 public services and facilities necessary to implement the following  
 52 purposes of an urban district:

- 53 (1) maintaining the streetscape and streetscape amenities on:
  - 54 (A) public rights-of-way; and

- 55 (B) any property that is used by the general public;
- 56 (2) promoting and programming public interest activities that benefit
- 57 both residential and commercial interests of an urban district
- 58 (and which may incidentally benefit neighboring communities,
- 59 or neighboring jurisdictions if the neighboring jurisdictions share
- 60 a common economic interest with the subject urban district);

61 \* \* \*

62 **68A-4. Funding.**

63 (a) *General.* Each urban district is funded through:

64 (1) Urban District Tax.

65 (A) Except as provided in paragraph (7), [Each] each tax year

66 the County Council may levy against all the assessable real

67 and personal property in an urban district a sum not greater

68 than 30 cents on each \$100 of assessable property.

69 (B) The urban district tax is levied and collected as other

70 county taxes are levied and collected by law.

71 (C) The urban district tax has the same priority, bears the same

72 interest and penalties, and in every respect must be treated

73 the same as other county taxes.

74 (D) The urban district tax rate may differ from one urban

75 district to another.

76 (2) Parking Lot District fees.

77 (A) The County Council may transfer revenue from parking

78 fees to the fund of the urban district in which the fees are

79 collected.

80 (B) The amount of revenue from parking fees transferred to an

81 urban district must not exceed the amount calculated by

- 82 multiplying:
- 83 (i) The number of parking spaces in the urban district
- 84 by
- 85 (ii) The number of enforcement hours per year by
- 86 (iii) 20 cents.
- 87 (C) The amount of revenue from parking fees may differ from
- 88 one urban district to another.

89 (3) Maintenance charge on optional method developments.

- 90 (A) The County Executive may charge each optional method
- 91 development for the cost of maintaining off-site amenities
- 92 for that development, including the County's cost of
- 93 liability insurance.
- 94 (B) The County Executive may collect a maintenance charge
- 95 under this section in the same way that the County collects
- 96 taxes.
- 97 (C) A maintenance charge under this section has the same
- 98 priority and bears the same interest and penalties as county
- 99 taxes.

100 (4) Commercial district charge.

- 101 (A) Except as provided in paragraph (7), each tax year the
- 102 County Council may levy a commercial district charge on
- 103 each owner of real property within the district used by
- 104 commercial or residential tenants, computed as:
- 105 (i) for Class 2 Properties, excluding hotels and motels,
- 106 the amount of \$0.165 per square foot for each net
- 107 rentable square foot;
- 108 (ii) for hotels or motels, the amount of \$120 per hotel

109 or motel room; and  
110 (iii) for Class 1 Properties that contain 5 or more  
111 residential units, available for rental for non-  
112 transient residential dwelling purposes, \$120 per  
113 unit.

114 (B) Except as provided under paragraph (4)(A), Class 1  
115 Properties and residences are exempt from the commercial  
116 district charge under this paragraph.

117 (C) Residential units restricted by law to households earning  
118 100 percent of the area median income or less are exempt  
119 from the commercial district charge under this paragraph.

120 (D) The Director must collect the charge in the same manner  
121 as County real property taxes, apply the same interest,  
122 penalties, and other remedies (including tax sale) if the  
123 charge is not paid, and generally treat the charge for  
124 collection and administration purposes as if it were a  
125 County real property tax. The Director may treat any  
126 unpaid charge as a lien on the property to which the charge  
127 applies.

128 (E) The Director may require each property owner within the  
129 district to report annually, on a form provided by the  
130 Director and by a deadline specified by the Director:

131 (i) the number of Class 2, hotel or motel, or Class 1  
132 square footage or units, as applicable, subject to the  
133 charge;

134 (ii) the amount of charge required by this Section to be  
135 collected; and

136 (iii) any other information the Director requires to  
137 assure that the proper charge will be remitted to the  
138 County.

139 ~~[(4)]~~ (5) Transfer from the General Fund. The Council may transfer  
140 revenues from the County general fund to an urban district. The  
141 transfer may be subject to repayment as specified in the Council  
142 resolution approving the district's annual operating budget.

143 ~~[(5)]~~ (6) Miscellaneous Revenue. All other revenues collected by  
144 an urban district, including charges for services and private  
145 contributions, must remain in the respective urban district fund,  
146 and, subject to appropriation, may be used to fund the urban  
147 district budget.

148 (7) Exclusivity of urban district tax or commercial district charge.  
149 Within a single urban district, the Council may levy under this  
150 Section either an urban district tax or a commercial district  
151 charge, but not both.

152 \* \* \*

153 **68A-5. Advisory committees.**

154 (a) Composition. Each urban district must have an advisory committee, or  
155 an urban district corporation board of directors, whose members are  
156 appointed by the County Executive and confirmed by the County  
157 Council.

158 \* \* \*

159 (4) The Friendship Heights Urban District Advisory Committee has  
160 5 members. The County Executive must strive to appoint the  
161 members so that:

162 (A) two members are commercial property owners in the

163 district nominated by the Friendship Heights Alliance;

164 (B) one member is a resident renter in the district;

165 (C) one member is a residential property owner in the district;  
166 and

167 (D) one member is a business [[owner in the district]]  
168 representative nominated by the Greater Bethesda  
169 Chamber of Commerce.

170 [(4)] (5) The County Executive may reject a person nominated to  
171 serve on an advisory committee and request additional  
172 nominations from the same source.

173 \* \* \*

174 **68A-8. Urban district boundaries**

175 \* \* \*

176 (c) The Friendship Heights Urban District is all the land within the area  
177 described as follows:

178 (1) Beginning at the centerline intersection of Belmont Avenue and  
179 Oliver Street;

180 (2) Then in a southeasterly direction along the centerline of Belmont  
181 Avenue until the centerline intersection of Belmont Avenue and  
182 Park Street;

183 (3) Then in a southeasterly direction continuing along the right of  
184 way for Belmont Avenue Trail;

185 (4) Then in a northeasterly direction continuing along the right of  
186 way for Belmont Avenue Trail;

187 (5) Then in a southeasterly direction to the westernmost corner of  
188 Lot 20, Block 5 on Plat 349, recorded among the land records of  
189 Montgomery County, Maryland;



- 190           (6)   Then in a southeasterly direction to the southernmost corner of  
 191                   Lot 8, Block 5 on Plat 349, recorded among the land records of  
 192                   Montgomery County, Maryland;
- 193           (7)   Then in a southeasterly direction to the centerline of Western  
 194                   Avenue;
- 195           (8)   Then in a southwesterly direction along the centerline of Western  
 196                   Avenue;
- 197           (9)   Then in a northwesterly direction to the southernmost corner of  
 198                   Parcel A on Plat 5074, recorded among the land records of  
 199                   Montgomery County, Maryland;
- 200           (10) Then in a southwesterly direction along the western boundary of  
 201                   Parcel A on Plat 7074, recorded among the land records of  
 202                   Montgomery County Maryland;
- 203           (11) Then in a northwesterly direction along the western boundary of  
 204                   Parcel A on Plat 5074, recorded among the land records of  
 205                   Montgomery County, Maryland;
- 206           (12) Then in a northwesterly direction along the western boundary of  
 207                   Parcel A on Plat 5074, recorded among the land records of  
 208                   Montgomery County, Maryland;
- 209           (13) Then in a northeasterly direction along the western boundary of  
 210                   Parcel A on Plat 5074, recorded among the land records of  
 211                   Montgomery County, Maryland;
- 212           (14) Then in a northwesterly direction along the western boundary of  
 213                   Parcel A on Plat 5074, recorded among the land records of  
 214                   Montgomery County, Maryland;
- 215           (15) Then in a southwesterly direction along the western boundary of  
 216                   Parcel A on Plat 5074, recorded among the land records of

- 217 Montgomery County, Maryland;  
218 (16) Then in a northwesterly direction along the western boundary of  
219 Parcel A on Plat 5074, recorded among the land records of  
220 Montgomery County, Maryland;  
221 (17) Then in a northeasterly direction along the western boundary of  
222 Parcel A on Plat 5074, recorded among the land records of  
223 Montgomery County, Maryland;  
224 (18) Then in a northwesterly direction along the western boundary of  
225 Parcel A on Plat 5074, recorded among the land records of  
226 Montgomery County, Maryland;  
227 (19) Then in a northwesterly direction along the western boundary of  
228 Parcel A on Plat 5074, recorded among the land records of  
229 Montgomery County, Maryland;  
230 (20) Then in a northwesterly direction along the western boundary of  
231 Parcel A on Plat 5074, recorded among the land records of  
232 Montgomery County, Maryland;  
233 (21) Then in a northwesterly direction along the western boundary of  
234 Parcel A on Plat 5074, recorded among the land records of  
235 Montgomery County, Maryland;  
236 (22) Then in a northwesterly direction along the western boundary of  
237 Parcel A on Plat 5074, recorded among the land records of  
238 Montgomery County, Maryland;  
239 (23) Then in a northwesterly direction along the western boundary of  
240 Parcel A on Plat 5074, recorded among the land records of  
241 Montgomery County, Maryland;  
242 (24) Then in a northeasterly direction along the western boundary of  
243 Parcel A on Plat 5074, recorded among the land records of

- 244 Montgomery County, Maryland;
- 245 (25) Then in a northwesterly direction along the western boundary of
- 246 Parcel A on Plat 5074, recorded among the land records of
- 247 Montgomery County, Maryland;
- 248 (26) Then in a southwesterly direction along the western boundary of
- 249 Parcel A on Plat 5074, recorded among the land records of
- 250 Montgomery County, Maryland;
- 251 (27) Then in a northwesterly direction along the western boundary of
- 252 Parcel A on Plat 5074, recorded among the land records of
- 253 Montgomery County, Maryland;
- 254 (28) Then in a northeasterly direction along the western boundary of
- 255 Parcel A on Plat 5074, recorded among the land records of
- 256 Montgomery County, Maryland;
- 257 (29) Then in a northwesterly direction along the western boundary of
- 258 Parcel A on Plat 5074, recorded among the land records of
- 259 Montgomery County, Maryland;
- 260 (30) Then in a southwesterly direction along the western boundary of
- 261 Parcel A on Plat 5074, recorded among the land records of
- 262 Montgomery County, Maryland;
- 263 (31) Then in a northwesterly direction to the westernmost corner at
- 264 the Willard Avenue right of way of Parcel A on Plat 5074,
- 265 recorded among the land records of Montgomery County,
- 266 Maryland;
- 267 (32) Then in a northwesterly direction to the centerline of the Willard
- 268 Avenue right of way;
- 269 (33) Then in a northeasterly direction along the centerline of the
- 270 Willard Avenue right of way;


- 271           (34) Then in a northeasterly direction along the centerline of the  
 272           Willard Avenue right of way to the intersection of North Park  
 273           Avenue;
- 274           (35) Then in a southeasterly direction along the centerline of the  
 275           Willard Avenue right of way to the intersection of Friendship  
 276           Boulevard;
- 277           (36) Then in a northeasterly direction along the centerline of  
 278           Friendship Boulevard;
- 279           (37) Then in a northwesterly direction along the centerline of  
 280           Friendship Boulevard to the intersection of South Park Avenue;
- 281           (38) Then in a northeasterly direction along the centerline of South  
 282           Park Avenue to the intersection of The Hills Plaza;
- 283           (39) Then in a northwesterly direction along the centerline of The  
 284           Hills Plaza;
- 285           (40) Then in a northeasterly direction to the northernmost corner of  
 286           Lot 20, Block 1 of Plat 8963;
- 287           (41) Then in a northeasterly direction to the centerline of Wisconsin  
 288           Avenue;
- 289           (42) Then in a northwesterly direction along the centerline of  
 290           Wisconsin Avenue to the centerline intersection of Oliver Street;
- 291           (43) Then in a northeasterly direction along the centerline of Oliver  
 292           Street to the point of beginning; and
- 293           (44) Any lot that is partially within and partially outside of the areas  
 294           under paragraphs (1) through (44).

**Sec. 2. Expedited Effective Date.**

295           The Council declares that this legislation is necessary for the immediate  
 296           protection of the public interest. This Act takes effect on the date on which it  
 297

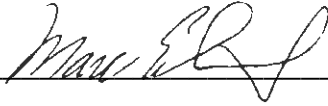
298 becomes law.

*Approved:*

  
\_\_\_\_\_  
Evan Glass, President, County Council


4/13/2023  
\_\_\_\_\_  
Date

*Approved:*

  
\_\_\_\_\_  
Marc Elrich, County Executive

4/20/2023  
\_\_\_\_\_  
Date

*This is a correct copy of Council action.*

  
\_\_\_\_\_  
Judy Rupp, Clerk of the Council

4/20/2023  
\_\_\_\_\_  
Date