THE SILVER SPRING WAR
AND
REBIRTH:
THE FALL AND RISE
OF AN
AMERICAN DOWNTOWN

Location is destiny.

by Gus Bauman

Makeover Montgomery Conference
Civic Building
Silver Spring, Maryland
April 14-16, 2011

I. THE PRELUDE

June 1956       Interstate Highway System Act signed
February 1960    Wheaton Plaza (now Westfield Wheaton) opens
August 1964      Capital Beltway final segment opens
Summers 1964-68  Urban riots culminate in nationwide rioting after Dr. King assassination
1970's           Middle class and business abandonment of cities becomes a flood
February 1978    First Metrorail Station in Maryland opens in downtown Silver Spring

II. THE WAR

August 24, 1984 (Friday) Demolition commences of 1938 Silver Theater and Shopping Center art deco elements (as County historic designation hearing is scheduled for September 5)
August 27, 1984    Montgomery County issues demolition Stop-Work Order
1985              Silver Theater, last remaining downtown movie house, closes
<table>
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<tr>
<th>Date</th>
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<tr>
<td>December 1986</td>
<td>Silver Triangle regional mall/office towers/hotel project proposed for CBD’s core by local developer</td>
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<td>September 1987</td>
<td>Hecht's department store leaves downtown for Wheaton Plaza</td>
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<tr>
<td>September 29, 1988</td>
<td>Planning Board approves Silver Triangle project after <strong>contentious hearings</strong></td>
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<tr>
<td>November 8, 1988</td>
<td>County voters defeat <strong>referendum</strong> that would prevent funding of County garage necessary for Silver Triangle</td>
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<td>December 1988</td>
<td>Opposition citizens groups <strong>file lawsuit</strong> to overturn Silver Triangle approval</td>
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<td>June 1989</td>
<td>Nordstrom backs out of Silver Triangle project, Macy's remains</td>
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<td>July 5, 1989</td>
<td><strong>Circuit court overturns</strong> Planning Board approval of Silver Triangle project</td>
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<tr>
<td>September 1989</td>
<td>JCPenney, last remaining major retailer downtown, closes</td>
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<td>December 14, 1989</td>
<td>Planning Board approves Silver Triangle with revisions and conditions</td>
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<td>1980's</td>
<td>Several office towers built near Metro Station (NOAA HQ consolidation completed 1993)</td>
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<td>September 11, 1990</td>
<td><strong>County Executive loses in Democratic primary election</strong> to Councilmember over Executive's strong Silver Triangle support; Councilmember elected County Executive in November</td>
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<td>January 7, 1991</td>
<td>Maryland <strong>high court reverses</strong> circuit court, reinstates 1988 Silver Triangle project approval</td>
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<td>March 1991</td>
<td>Planning Board holds hearings on Draft Silver Spring CBD Sector Plan</td>
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<td>June 1991</td>
<td>JCPenney signs on with Macy's at Silver Triangle project</td>
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### III. THE TRUCE

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<td>December 1991</td>
<td>County-initiated mediation leads to announcement by County, citizens, Silver Triangle developer of compromise plan, Silver Triangle II, for radically revised project</td>
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<td>January 1992</td>
<td>Macy’s files for bankruptcy protection</td>
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<td>February 1992</td>
<td>Urban Land Institute submits to County its Downtown Silver Spring report, evaluating the Silver Triangle sites</td>
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<td>April 1992</td>
<td>City Place opens at Hecht’s site</td>
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<td>August 1992</td>
<td>County adopts 29-acre Urban Renewal Plan for CBD core (CBD encompasses 360 acres)</td>
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<td>April 1993</td>
<td>County adopts CBD Sector Plan for the Revival of Downtown Silver Spring</td>
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<td>February 1994</td>
<td>Per the Sector Plan, County places Silver Theater and Shopping Center on Historic Preservation Master Plan JCPenney, in financial turmoil, withdraws from Silver Triangle II project</td>
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<tr>
<td>December 1994</td>
<td>Silver Spring Alternatives Working Group (21 members) issues Report to County Executive on retail development alternatives for east side of urban renewal area</td>
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<td>January 1995</td>
<td>Macy’s emerges from bankruptcy protection</td>
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<td>January 9, 1995</td>
<td>Greater Silver Spring Committee (19 members) issues Report to new County Executive recommending termination of County’s development agreement with Silver Triangle developer</td>
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<tr>
<td>January 9, 1995</td>
<td>County and Silver Triangle developer terminate relationship</td>
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<tr>
<td>May 1995</td>
<td>County issues Request for Expressions of Interest for portion of east side of urban renewal area (14 acres)</td>
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<tr>
<td>February 1996</td>
<td>Silver Spring Redevelopment Advisory Board (48 members) recommends County negotiate with Canadian development company for American Dream retail/entertainment mall proposal</td>
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November 1996  County terminates development agreement with American Dream developer for inability to secure required private financing

December 1996  State designates Silver Spring Enterprise Zone offering employment and property tax credits, administered by the County

1988-96  More than 220 businesses leave downtown Silver Spring; office vacancy rate reaches 39% in 1996, store vacancy rate 25%

IV. THE RECONSTRUCTION

February 1997  Silver Spring Redevelopment Steering Committee (31 members) appointed by County Executive to advise County and developers on concepts for urban renewal area

May 1997  Executive enters into exclusive negotiation with joint venture development team to craft “town center” project plan

April 1998  County signs development agreement with joint venture developers for town center concept

County agrees to purchase, restore and expand Silver Theater into film complex, AFI agrees to be the operator

October 1998  Discovery Communications agrees to move to Silver Spring on urban renewal area’s west side

February 2000  County adopts Silver Spring CBD Sector Plan, a refinement of the 1993 Plan

August-October 2000  Phase I of Downtown Silver Spring project opens with several retailers

January 2002  State designates Silver Spring Arts & Entertainment District offering financial assistance and tax benefits

March/April 2003  Discovery Communications HQ opens

AFI Silver Theater and Cultural Center opens

Round House Theater opens
2004-10

New County, State Buildings:

- Silver Spring Innovation Center (2004)
- Court House; Fire Station
- Montgomery College Health Sciences Center, Cafritz Foundation Arts Center, Cultural Arts Center
- Civic Bldg. and Veterans Plaza/Ice Rink (2010)
- Transit Center (opens 2012); Library (under construction)

June 2006

Phase I of United Therapeutics HQ and labs opens (phase II under construction)

September 2011

Live Nation’s Fillmore Music Hall to open at vacant JCPenney building under public-private partnership agreement

V. THE OUTCOMES

2000-10

Over $450 million in public investments leveraged to support some $2.0 billion in private investments

2000-11

Some 2,500 new residential units built; hundreds more under construction; some 1,500 more approved

Dozens of restaurants, three hotels open; more planned

1995-2007

CBD tax base grows 62%

January 2007

Maryland Youth Ballet moves to downtown Silver Spring

2007

Silver Spring 20910 becomes highest median home price area of Greater Silver Spring’s eight zip codes

2010

Office vacancy rate second lowest in county (only Bethesda-Chevy Chase is lower)
VI. THE LESSONS

1. The community must coalesce on a vision and its master plan adhere to that vision, yet be ever nimble when opportunity comes calling.

2. Through governmental administration after administration after administration, never waver from the plan’s vision and creative multi-front implementation.

3. There is no silver bullet for success, only dozens of bullets of every description and caliber.

4. Public investments and incentives are necessary to leverage greater private investments and achieve a healthier tax base.

5. Mix the old with the new, mix the uses, mix private with public facilities, mix transportation options, stir and shake and watch the people come.

6. None of the above is politically sustainable without the engagement of a strong middle class base.

VII. THE MORAL

Persist, persist, persist.

"Downtown" (1965)

When you're alone
And life is making you lonely,
You can always go downtown
When you've got worries,
all the noise and the hurry
Seems to help, I know, downtown

Just listen to the music of the traffic in the city
Linger on the sidewalk where the neon signs are pretty
How can you lose?

The lights are much brighter there
You can forget all your troubles, forget all your cares and go
Downtown, things'll be great when you're
Downtown, no finer place for sure,
Downtown, everything's waiting for you
(Downtown)

Don't hang around
and let your problems surround you
There are movie shows downtown
Maybe you know
Some little places to go to
Where they never close downtown

- 6 -
Just listen to the rhythm of a gentle bossanova
You'll be dancing with 'em too before the night is over
Happy again

The lights are much brighter there
You can forget all your troubles, forget all your cares and go
Downtown where all the lights are bright,
Downtown, waiting for you tonight.
Downtown, you're gonna be alright now

-- by Tony Hatch
-- artist, Petula Clark
Gus Bauman

Gus Bauman is an attorney at Beveridge & Diamond, P.C. focusing on land use and environmental issues, advising clients on such matters as comprehensive planning, project development, and natural resource regulation. From 1989 through 1993, Gus was full-time Chairman of the Maryland-National Capital Park & Planning Commission, the regional land use and parks authority for Montgomery and Prince George’s Counties. He received the 1995 Garrott Award for outstanding service by a public official in Montgomery County. He was a partner at Beveridge & Diamond during 1988-89, representing public and private clients. Before joining Beveridge & Diamond, Gus was legal department director for the National Association of Home Builders. He has been deeply involved as co-counsel or amici counsel in Supreme Court land use and wetlands cases since 1980, including landmark decisions on regulatory takings of property and development exactions. His writings have been cited in several Supreme Court cases. From 1974 through 1978, he was legal counsel for the Park & Planning Commission.

Gus served as a member of the Maryland Greenways Commission and a reviewer of the Growing Smart model code project led by the American Planning Association. He is a highly-rated faculty member of the annual Land Use Institute for the American Law Institute-American Bar Association. In 2004, he was appointed to the D.C. region’s blue ribbon commission charged with recommending a funding solution for Metro, the regional transit agency. In 2006-07, Gus chaired the Joint Development Task Force to the Washington Metropolitan Area Transit Authority, which recommended major reforms (since adopted) to how D.C.-area Metrorail station areas should be developed. He currently chairs, by appointment of the Governor, the Maryland Blue Ribbon Commission on Transportation Funding.

Regarding Silver Spring, Gus served as County Executive appointee to the Silver Spring Revitalization Blue Ribbon Committee (1981-83), organizer of the Downtown Silver Spring Study by the Harvard Design School (1987), chairman of the Silver Spring CBD Sector Plan Advisory Committee (1988), and chairman of the Greater Silver Spring Committee (1994-95). As Chairman of the Park & Planning Commission, Gus led the effort to formulate and adopt the 1993 CBD “Sector Plan for the Revival of Downtown Silver Spring, Maryland.”