

MEMORANDUM

October 12, 2018

TO: County Council

FROM: Gene Smith, Legislative Analyst *GS*  
Marlene Michaelson, Executive Director *MM*

SUBJECT: **Introduction** – Resolution to support the findings and recommendations from the Montgomery County Colocation of Public Facilities Study;  
**Briefing** – Montgomery County Colocation of Public Facilities Study

PURPOSE: Introduce subject resolution; receive briefing

**Expected attendees for briefing:**

Ramona Bell-Pearson, Director, Office of Community Use of Public Facilities (formerly Assistant Chief Administrative Officer, Office of the County Executive)  
Gwen Wright, Planning Director, Montgomery Planning (“Planning”)  
Carrie McCarthy, Division Chief, Research and Special Projects, Planning  
Nick Holdzkom, Senior Planner, Planning

The attached resolution indicates the Council’s support of the findings and recommendations in the Montgomery County Colocation of Public Facilities Study (the “Colocation Study”) (see ©1-6).<sup>1</sup> The resolution was recommended by an interagency group of senior level staff, the Directors Oversight Committee (“DOC”), tasked with exploring opportunities for colocation of public facilities. Executive and Planning staff from the DOC will brief the Council on the Colocation Study and next steps today (Agenda Item #7). Action on the subject resolution is tentatively scheduled for October 23.

**Background**

The development of new public facilities is becoming more challenging and expensive due to limited availability of land and funding. These challenges are not new, and the County Government and County agencies have an established record of collocating facilities to more efficiently and cost effectively provide public facilities. To continue these successes, the Maryland-National Capital Park

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<sup>1</sup> The full report is available at: [http://montgomeryplanning.org/wp-content/uploads/2018/09/Montgomery\\_County\\_Colocation\\_Study\\_Final\\_Report\\_20180830.pdf](http://montgomeryplanning.org/wp-content/uploads/2018/09/Montgomery_County_Colocation_Study_Final_Report_20180830.pdf).

and Planning Commission (M-NCPPC), with consultant support approved by the Council, completed the Colocation White Paper in January 2015 (the “White Paper”) that researched possible opportunities and challenges for the colocation of public facilities.<sup>2</sup> The DOC was created in 2016 to further the White Paper’s research by establishing a colocation framework for the County’s agencies and departments. The DOC completed the Colocation Study in April 2018.

### Findings of the Colocation Study

The following summarizes key principals of colocation discussed by the DOC:

- **There is no single definition of colocation.** Colocation should be embraced as a standard planning practice of physically locating organizations in facilities together to save resources and increase potential collaboration. The DOC agreed on six definitions (see ©4).
- Colocation is not a goal but a tool.
- Colocation is about effective service delivery and must be grounded in mission-driven priorities to best meet the needs of local populations.
- Creating a colocation mindset requires policy guidelines at the executive-level across agencies and a framework that integrates colocation into multiple phases of the planning process.

See ©5-6 for the findings and recommendations of the DOC. Many of the action steps are best implemented by the County Executive or at the executive-level for departments or agencies; however, members of the DOC believe that Council endorsement of the concept will encourage implementation. Below are selections that are relevant to the Council’s work or the Council’s involvement in the colocation process.

- A recommended administrative step for the Council is the adoption of a resolution to indicate support of the DOC’s findings and recommendations for colocation. **Adoption of the attached resolution would fulfill this goal.**
- **Consider funding sources to advance colocation.** Two recommendations are a non-departmental account dedicated to on-going planning of colocation initiatives and/or a revolving funding source (i.e., Advance Land Acquisition) for colocation projects.
- Add to Capital Improvement Program agency self-evaluation of colocation activities related to planning steps taken.

### This packet contains:

Resolution & attached executive summary of the Colocation Study

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<sup>2</sup> The referenced white paper is available at:

<http://www.montgomeryplanning.org/research/documents/MNCPPCColocationFinal1-14-15.pdf>.

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: County Council

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**SUBJECT:** Support of the Findings and Recommendations from the Montgomery County Colocation of Public Facilities Study and the Ongoing Efforts of the Directors Oversight Committee

**Background**

1. The Council recognizes that the development of new public facilities is becoming more challenging and expensive due to limited available land.
2. The Council maintains the goal of providing high quality services to residents and efficiently using limited resources.
3. The Council acknowledges that the County has a successful history of colocation and seeks to build on this success through a strategic approach to colocation and enhanced interagency partnerships.
4. The Council approved funding for the Maryland-National Capital Park and Planning Commission (M-NCPPC) to study colocation and to examine ways the public can benefit from colocation to more efficiently and cost effectively provide facilities such as parks, schools, community health centers, libraries, or other public amenities or services.
5. M-NCPPC completed a Colocation White Paper in January 2015 that addressed possible opportunities and challenges for colocation in the County and reviewed colocation policies and practices in other jurisdictions.
6. The Directors Oversight Committee (DOC), a group of senior level leadership representing the County's agencies and departments, was created in 2016 to follow up on the 2015 White Paper by establishing a framework for the County to pursue colocation opportunities for county agencies and departments.
7. The DOC completed the Montgomery County Colocation of Public Facilities Study in April 2018 and briefed the Council on the study on September 25, 2018.

8. The Council recognizes that the definition of colocation is broad and includes the sharing of physical space, operational infrastructure, and service delivery on a regular basis to save resources and increase potential collaboration.
9. The Council desires that agencies and departments continue to work together to develop and maintain innovative facilities that provide high quality services to residents.

**Action**

The County Council for Montgomery County, Maryland supports the following:

- 1) The findings and recommendations in the attached Executive Summary of the Montgomery County Colocation of Public Facilities Study;
- 2) The ongoing efforts of the DOC to monitor, encourage, and ensure that colocation policies and practices become and remain a part of the County property development process.

This is a correct copy of Council action.

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Megan Davey Limarzi, Esq.  
Clerk of the Council

## I. EXECUTIVE SUMMARY

### Study Purpose

This study establishes a framework for Montgomery County to pursue colocation opportunities for county agencies and departments. Colocation, the sharing of real estate (land and buildings) and services (infrastructure, technology, etc.) by two or more organizations, offers many benefits, including resource conservation and operational cost-effectiveness.

A colocation Directors Oversight Committee (DOC) was created at the direction of the Montgomery County Council and County Executive under the joint leadership of the County Executive's Office and the Maryland-National Capital Park and Planning Commission (M-NCPPC). This current initiative follows the 2015 completion of the Montgomery County Colocation White Paper (Phase 1, <http://www.montgomeryplanning.org/research/documents/MNCPPCColocationFinal1-14-15.pdf>), which addressed possible opportunities and challenges for colocation in Montgomery County, and included looking at policies and practices in other jurisdictions.

The purpose of this colocation study (Phase 2) is to examine historical, current and future colocation initiatives in Montgomery County and to document the DOC's findings, recommendations and next steps. Although the DOC's focus is physical colocation opportunities (facilities), there may be many options for agencies / departments to collaborate on business operations and administration that could improve future service delivery. Specific DOC evaluation concentrates on:

- a) Enhancing the delivery of Montgomery County services.
- b) Addressing resource constraints (real estate and financial).
- c) Encouraging agency and department engagement.
- d) Advancing the colocation conversation.

DOC objectives include:

- a) Compiling and reviewing agency planning procedures and metrics.
- b) Establishing multi-organizational colocation principles and approaches to planning.
- c) Dissecting constraints to colocation options.
- d) Exploring colocation prospects for inter-jurisdictional liaison and cooperation.
- e) Promoting a holistic approach toward community interests and engagement.

### Colocation Study Organizational Structure and Stakeholder Engagement

The colocation study is the product of the DOC, consisting of senior level leadership representing:

- a) Montgomery County Executive Office
- b) Montgomery County Department of General Services (DGS)
- c) M-NCPPC - Montgomery County Planning Department (M-NCPPC Planning)
- d) M-NCPPC – Montgomery County Department of Parks (M-NCPPC Parks)
- e) Montgomery County Public Schools (MCPS)
- f) Montgomery County Council

- g) Office of Management and Budget (OMB)
- h) Montgomery County Department of Transportation (DOT)
- i) Housing Opportunities Commission (HOC)
- j) Montgomery College
- k) Washington Suburban Sanitary Commission (WSSC)

Additional input was obtained through strategic stakeholder interviews, comprising more than 16 agencies and departments, and totaling close to 100 county representatives.

### **Colocation Types / Definition**

The study respects that no single definition of colocation can be applied; there are many possible interpretations and applications of the concept. Rather, colocation should be embraced as a standard planning practice of physically locating organizations in facilities together to save resources and increase potential collaboration. For purposes of this study, the DOC agreed to use six definitions of colocation as follows:

1. Public Uses in the Same Building
2. Adjacent Public Uses
3. Adjacent Private Uses
4. Joint Use of Space
5. Public Private Partnerships (PPP)
6. Shared / Other Public Benefits or Interest

### **Existing Montgomery County Projects, Policies and Practices**

Approximately 165 examples of colocation projects were identified in Montgomery County as part of the colocation study. Historically, colocation was most prevalent in bilateral partnerships between MCPS and M-NCPPC Parks or the Montgomery County Department of Health and Human Services (i.e. child care programs and health centers). Of these 165 projects, six were selected for detail profiling, primarily because they are recently delivered projects comprising a broad cross-section of facility types and agencies. Projects are categorized into two colocation realms: colocated administrative functions and colocated service delivery.

### **Pilot Projects**

The DOC identified three pilot projects to highlight possible models for Montgomery County that could help expand colocation awareness. One pilot is for countywide internal operational services (fueling management), one is an under-utilized geographically-based site (Rockville / Carver Educational Service Center Site) and the third pilot represents possible future service delivery concepts (High School Community Service Colocation).

## Study Findings and Recommendations

### Primary Principles

A consensus for colocation action is premised on the following primary principles:

- a) Colocation is not a goal but a tool to achieving a desired outcome.
- b) Colocation is about effective service delivery, a possible answer to resource constraints and realizing cost-saving opportunities.
- c) Clustering of services and a one-stop-shop mentality can be an objective, but its application must be grounded in mission-driven priorities, including geography, to best meet the needs of local populations.
- d) Creating and supporting a framework that integrates colocation into multiple phases of the planning process will help promote a colocation mindset.
- e) Policy guidelines at the executive level across agencies are important to reinforcing colocation.

### Administrative Action

#### Executive Branch / Council Level Policy Advancement

- a) Possible county policies and/or County Council resolutions (i.e. Council Resolution No 12-1758 for the Interagency Technology Policy and Coordination Committee (ITPCC)).
- b) County Executive's communications role.
- c) Executive leadership to continue to provide DOC oversight, identify DOC obligations, prescribe actions, implementation recommendations, etc.
- d) Employ incentives to offset agency / department reservations and elevate interest.
- e) Facilitate interagency procurement tools and resource sharing.

#### Agency / Department Level

- a) Appoint and sustain agency-level designated staff for interagency communications to advance on-going collaboration.
- b) Leverage and expand on existing interagency relationships.
- c) Adapt annual reports to include colocation agency self-evaluation of colocation history, progress and future goals.
- d) Agencies may incorporate colocation considerations when assessing business service delivery and facility metrics (i.e. consolidation of duplicative services between agencies / departments).
- e) Reliance on agency / departmental accountability and self-monitoring (fundamental to the success of colocation).

Budget Advancement

- a) Funding incentives to encourage collaborative efforts.
- b) Consider funding a non-departmental account dedicated to on-going planning of colocation initiatives.
- c) Assess the merit of using revolving funding sources, such as Advance Land Acquisition Revolving Funds (ALAR Funds) for colocation projects.

*Ongoing Colocation DOC Initiative*

- a) Purpose is to advance colocation principles, process and practices.
- b) County Administrative Officer and M-NCPPC Planning Director to co-chair, provide administrative support and DOC oversight.
- c) Develop annual agendas for goals and outreach (including coordinating with the ITPCC regarding colocation project advances).
- d) Report annually to the executive leadership.
- e) Market colocation history, progress and future goals (host Montgomery County interactive website, etc.).

*Planning Process Implementation*

Agency / Departmental Practices

- a) Establish early project specific agency facility / project planning (i.e. concept phase prior to mandatory referral).
- b) Synchronize agency facility master planning horizons.
- c) Shift planning paradigm from today to longer-term.
- d) Add to Capital Improvement Program (CIP) agency self-evaluation of colocation activities related planning steps taken.
- e) Incorporate OMB in the early stages of planning.

Additional Planning Factors

- a) Create a generic project planning colocation checklist (possible requirement for mandatory referral regulatory review submission).
- b) Evaluate merit of aligning service delivery geographies.
- c) Promote private sector developer contributions supporting colocation opportunities.
- d) Consider a requirement for a project concept plan to be submitted earlier in the planning process than the initiation of mandatory referral review for purposes of exploring possible colocation opportunities.
- e) Establish colocation agency-level and project-based performance measures.