

Executive Board Meeting Minutes

February 9, 2016

CALL TO ORDER

President Gregory Intoccia called the meeting to order at 7:30 p.m. GOCA representatives, alternates, invited guests and members of the public introduced themselves.

Intoccia asked for a motion to approve the January 12, 2015 minutes. Matt Zaborsky made a motion to approve the minutes; the motion was seconded, and the minutes were approved unanimously.

Intoccia asked for a motion to approve the meeting draft agenda. Barbara Falcigno made a motion to approve the agenda. Matt Zarborsky seconded the motion, and the agenda was approved unanimously.

PUBLIC COMMENTS & ANNOUNCEMENTS

Greg Intoccia said that the County Council meeting on the blizzard of 2016 that was scheduled for today has been cancelled due to the “potential snow” forecast for tonight. The meeting will be rescheduled. There were no other announcements or comments.

CHAMBER OF COMMERCE REPORT – UPDATE ON NEW BUSINESS IN OLNEY

Mark Rosendorf of the Olney Chamber of Commerce reported on the retail climate in the Olney market and upcoming projects in Olney. He said Olney is a sub-market in Montgomery County. There is a lot of interest in the Olney market. It is an encapsulated, high rent market with no real growth. There is little opportunity for expansion of retail. The supply and demand is interesting in that it is an expensive market and many businesses have been priced out as have many businesses in the County. He noted that Bethesda is one of the priciest markets in the nation. The service sector has gotten softer. The national restaurant brands are the strongest sector in retail and the ones that can afford the high rent. Olney is a very high rent market. Rates in Olney compare with some of the highest in the nation. Bethesda and the south County are some of the priciest in the nation exceeding even some of the strongest in DC submarkets. Average retail space in Olney for “class A” retail is \$40/square foot per year, as advertised, but 20% higher for additional charges, which is almost \$50/square foot with the additional costs. All tenants in the major shopping centers pay a pro rata share depending on the size of their space and their operating costs, aka common area tax, which is whatever the real estate tax is for the shopping center property and the insurance on the property. So, tenants are paying for insurance twice, their own and up to \$10 more. He said many businesses in Olney find it challenging to survive, especially local mom and pop businesses. The Olney Chamber is trying to be supportive of local businesses. That means that all store fronts can be struggling. The landlord is keeping them on because they don’t want a dark store front. There is not a lot of that here although there is always a percentage of that going on. The national restaurants here tend to do very well, but they also have to struggle a bit because their rents are so high.

The rents still go up year to year and the business sales do not necessarily keep pace. The rents could escalate as much as 3% a year. But, Olney is still one of the strongest submarkets. Rosendorf said he surveyed some of the landlords in Olney to get updates. He found that CVS is doing so well in the region, with a store at the intersection of New Hampshire Avenue and Rt 108 and is expanding its store in Olney. The cleaner next to CVS is being repositioned several bays down nearer to Starbucks to make more room for CVS. Rents in that particular strip mall are the most expensive in Olney with a base of \$50/square foot.

The Rite-Aid shopping center needs updating but the landlord will not be spending money to update or beautify that center because he is already getting top dollar and doesn't feel the need to reinvest to make it more contemporary or beautiful. They are doing well and rents have increased. They are expanding as well into a casual component with international restaurants, which is a fast growing sector in the restaurant industry- Asian, Japanese Thai, and Vietnamese. That center will see some change this year also. Jersey Mikes is opening, similar to a Subway or Jerry's. There is a hair salon which will be departing this year. The Olney Cleaners will close also. The landlord is looking to replace that cleaner with another cleaner. It will be difficult for another cleaner to come in because the space is large and most cleaners do not have on-site cleaning. Technology has changed so much. That particular space may have some contamination and may have to be remediated. The typical size of a drycleaner would normally be half the size of that space. Those are some of the challenges with the reuse of that space.

There are several vacancies in the Village Mart Center. There are several vacancies in this center. The Olney Beer and Wine store was replaced with a massage company. It took a while to fill that space. It was a large space, 2500 square feet. Very high rent and a lot of restaurants here already as well as banks and cleaners. There is some other vacancy. There is a restaurant which appears to be struggling.

The situation in the Fair Hill Center seems to be fairly static. No turnover is expected in the near future. Rents are high in that center as well.

On Hillcrest, the Center is beautiful. The rents are still very high there even though they are less than the top of the market. The rent in Hillcrest is anchored in a small center would probably be a 20% discount. There is still some vacancy there.

Rosendorf asked for questions.

Jim Smith asked for clarification on the \$40 per square foot – in what period of time. Rosendorf said it is annualized and includes the rent plus the additional amount of \$10/sq ft. Smith asked whether the Chamber has reviewed the concept of the Olney Town Center in the last three years. One thing he noticed is that zoning now permits higher density, but no one has taken advantage of this permit for higher density. They have all developed per the standard model. He asked why, with such high rents, developers would not go with a higher density when they develop. Although we would not want the skyscrapers as in Wheaton, the three levels could be an option. Rosendorf felt that either model would work, with businesses below and apartments above.

He said there is not much demand for office space in Olney. The office market in Montgomery County is still recovering and there is still a large vacancy factor in the office market. We would have to have

demand, e.g. if the hospital sector was growing exponentially, for medical offices. He believes the hospital is trying to sustain its growth.

Barbara Falcigno asked about some of the property vacated by the Good Earth and the rumor that someone is planning on building there. She questioned what will go there. Rosendorf said it is not known at this time.

Sharon Dooley asked about what additional amounts tenants would pay over and above the rent. Rosendorf said it's common that retail tenants would pay a percentage of their sales to the extent that the business exceeds a certain threshold of annual sales. Usually the sales to be reached are so high that most tenants do not have to pay a percentage rent. It's a very high threshold, but it is an additional rent.

Matt Quinn asked about the status of privatization of economic development in Montgomery County. Rosendorf said he does not have any information. He felt that this lags in the County behind Prince Georges County and Washington DC, which have become leaders in the nation with respect to their economic development. Maybe if privatization were here in Montgomery County, it would be very good to potentially privatize the liquor and wine sales. There are arguments on both sides regarding liquor and wine privatization. Intoccia said it has been privatized but whether it has taken effect is another question. Board members were appointed about six months ago. Joe Corbett asked what "privatized" means. Intoccia said it means the economic development activity would promote businesses in Montgomery County that were previously in the County government. The County Executive has made a decision to contract out for that service and the Economic Board consisting of companies, basically a private/public ownership, to oversee it. Corbett asked what authority they have besides promotion, or to implement anything they recommend. Intoccia said they are advisors to the county government.

A question arose on the demographics of Olney residents. Rosendorf said he would have to defer to Joe Buffington but estimated, based on the strong restaurant market, that the average annual household income is about \$115,000, which would support a strong restaurant business in Olney.

PROPOSED RESOLUTION ON NEW SUBCOMMITTEE ON SCHOOLS

Jon Arias updated the Board on progress made by the Public Policy & Community Affairs Committee (PP&CAC) since last spring on a proposal and rationale on why Olney should support the public schools. He cited the connection between the quality of our schools and quality of life, economic and social perspective. Property taxes often track the schools. Other issues such as social and economic are also closely linked to the quality of schools. The issue is that education must meet the goals of the County school system since 49% of every tax dollar goes to schools. Schools must make sure they deliver.

Arias said that the Committee discussed the issue of how GOCA might interact with local schools and advocate for their needs. They have had informal conversations with principals about their needs. One set of requests has been submitted by James Edward Blake High School. The Committee would like to help local schools achieve their goals by lending additional support. He felt that without a strong voice advocating for our local schools through MPCS, other County schools will have a competing voice and resources will be divided many ways. The strength of advocacy done by a community has effect on

what schools can provide. He said the proposal is to work with local schools on specific programs like providing books or, to enhance the ability of students to perform, by advocating directly to the MCPS on behalf of those schools. The Committee goal is a collaboration with the PTSAs that cannot effectively advocate on their own because of ambivalence, no commitment to volunteer, or they are not adept at advocating as GOCA is. He said that the Committee wants to entertain a resolution tonight that puts forward that education is a concern of GOCA and with a subcommittee for further study and action.

The question is how can the PP&CAC interact with Olney and the schools to help them achieve their goals? The new subcommittee would work with local schools to identify needed items for classrooms or programs for student performance enhancement. The PP&CAC wants to collaborate with the PTSA.

Matt Quinn noted that they are not advocating that GOCA do any of the activities that the PTSA already does, like fundraising. He said they want to advocate at the higher level of the administration of Montgomery County Public Schools. This is different from the PTSA.

Quinn then introduced the following Resolution on Forming a New Subcommittee of the Public Policy & Community Affairs Committee on Schools,

WHEREAS the objectives of GOCA include to study, plan, coordinate, and promote the civic, economic, and cultural welfare of the Olney community;

WHEREAS the continued vitality and growth of good jobs in the Olney community depend on an educated workforce, and an educated resident workforce benefits stakeholder community companies who look to hire;

WHEREAS local government depends in part on Olney residents as a tax base, and Olney homeowners benefit from strong property values;

WHEREAS improved academic outcomes (such as improved grades and higher graduation rates) result in a broader range of professional opportunities for graduates and the potential for greater and more effective civic participation in the community;

THEREFORE, the Public Policy & Community Affairs Committee will, under the direction of its Chair, form a subcommittee on SCHOOLS to study, plan, coordinate, and promote school-related issues of concern to the Olney community.

Intoccia asked for discussion.

Jim Smith asked why a resolution is needed. Do the GOCA bylaws require this? Intoccia said they do not. The motivation is to determine if we have the support of the delegates and transparency in the interest of understanding for GOCA.

Joe Corbett said that he is against the resolution because GOCA would be supplanting the PTSA and this is not part of GOCA's mission. He felt that the PTSA is closer to the problem and if they need a larger voice, they should ask GOCA for support on what they want to do. He felt this is well beyond what GOCA should be doing, i.e. to study, plan and coordinate schools. This is not part of our mission.

We already have a set of organizations, the PTSA, and if there is a problem they can bring it to us on specific things that would be appropriate. He also said that GOCA is not representative of the Olney community as a whole. It's representative of Olney HOAs. He felt it would be inappropriate for GOCA to do this. The leadership should remain with the PTSA.

Matt Zaborsky responded that GOCA has never touched education, and asked what GOCA could do that the PTSA cannot do. He also questioned what is meant by advocacy. He said he would be opposed to financial contributions. He added that there are a lot of questions before GOCA can address this.

Jon Arias said that PTSAs do not have the manpower to mobilize several hundred parents to contact their representatives and advocate for funding etc. They are ineffective at advocating for resources from the MCPS because their volunteers are limited compared to other areas like Potomac, which have very savvy people and many resources. He felt we can let the PTSAs deal with this as a local issue. This is not an effort to supplant them. He felt that GOCA could help the PTSAs do what they can't do themselves

We want to augment and work as partners with the schools to mobilize for more school supplies. GOCA has the means to communicate more effectively with our elected representatives and with MCPS officials about these issues. We are just adding our voice, not supplanting, and we are not contributing money, only advocacy for the programs, resources our schools need to meet their mission. We will make sure that they provide evidence of meeting their goals.

Barbara Falcigno said GOCA has experts in land use so whenever a development proposal comes in, the adjacent property owners come to GOCA for help. Since the adjacent property owners don't have a need or opportunity to be experts on land use, GOCA's experience and knowledge are valuable resources for them. The same can apply to schools issues. PTAs are run by parent volunteers and each year is a new set of people. GOCA can be a valuable resource for them as well. .

Sharon Dooley disagreed. She said it is not GOCA's task.

Another comment noted the danger is not letting PTSAs be transparent. Schools should be transparent.

Joe Corbett disagreed. GOCA should not meet with principals. We have a structure. The PTSAs are the ones who meet with the principals about school issues related to that school. He did not feel GOCA should inject itself into meeting with the principals. We can advocate for our schools but should not be planning or coordinating or promoting schools' issues. We should encourage the PTSAs to bring their issue forward to GOCA. He did not feel that the proposed committee should meet with the principals.

Another comment suggested that we find people that students can work with, particularly the high school kids. That has been successful in other schools. The schools need people on an individual basis to help kids find ways to contribute to society rather than dropping out of school. That would be more of a contribution than helping them get more computers.

Greg Intoccia said that, to clarify, we want to go into targeted areas where we can make a difference. We are a well known advocate in the County. The Montgomery County school system accounts for 50% of the county operating budget. There is a lot of money being spent and there needs to be

accountability. This is another way where GOCA can work in cooperation with them to help them with the staffing programs they need, for example. We don't want to interject, but find out what resources they need and help them make their case, not just help with computers. Tracy Rana said that declining schools would affect families wanting to move to Olney. Quality education is important to the entire community.

Jon Arias said he has great confidence in the administrative and teaching staff in the schools. They have a tough job. This is not a criticism. We only want to help them. The issue of computers was just an example. We have to trust the principals to tell us what they need and make a case for that. GOCA is not on their radar. We must raise our visibility so they can come to us as an effective advocacy voice for the PTSA.

Intoccia asked for a vote on the proposed Resolution (*see above*).

The Resolution passed:

14 Yes

4 Opposed

1 Abstention

TRANSPORTATION COMMITTEE PRESENTATION

Barbara Falcigno presented an eight minute video describing congestion on Georgia Avenue and explaining how a connected street grid system in the Olney Town Center could help alleviate some of the congestion. She discussed the results of a traffic study done by the Committee to determine how many cars would potentially use some of the proposed connections between North High Street and Morningwood Drive. Although traffic projections are not an exact science, the data may indicate what is possible. The Committee estimated that with a North High Street connection to Morningwood Drive (G Street), 20 cars every 15 minutes during morning peak commute and 30 to 40 cars every 15 minutes during evening peak hours might utilize these connections.

However, Falcigno said that new information from the County warrants revisiting the *original* proposed resolution, which was:

The GOCA Transportation Committee supports a safe implementation of a public alleyway between North High Street and Morningwood Drive. The GOCA Transportation Committee requests traffic calming measures such as a raised crosswalk for access to the Goddard School from the parking lot and consideration for an appropriate, low speed limit.

She said that given that the County will not consider any traffic calming on the proposed alley and given that the proposed alley would be the only through street in that section of the Town Center, the Committee recommends the following **new resolution**:

- Whereas the proposed alley connection would link North High Street to Morningwood Drive;
- Whereas alleys are designed to connect two through streets;

- Whereas North High Street will not be a through street until it is directly connected with Morningwood Drive;
- Whereas constructing the alley connection now without the direct North High Street to Morningwood Drive connection would result in the alley being used as a through street;

GOCA resolves that the alley should not be connected until North High Street is connected to Morningwood Drive.

Discussion and comments followed.

Jim Smith said that the Olney Town Center Advisory Committee (OTCAC) is not that sensitive to transportation but he has been a long advocate of the alley. Both he and Helene Rosenheim agree that the Resolution is the best we can do right now.

Tracy Rana said that, in her opinion, this is a better option right now.

Kathy Curtis asked about the probability that the connection will be made any time soon. Falcigno said it is hard to say. GOCA has continued to push it. One property is for sale and if they build anything more, there is property potentially there. The County has put in for a study on a civic center. So, a lot could happen if this were to be done by a property developer. When a property is sold, the new owner will be required to put in the connection. OTAC is pursuing it as a CIP.

Another comment arose that the alley would be risky and a recommendation made to push for the High Street connection with Morningwood Drive and not for the alley. Falcigno said that Park & Planning knows that an alley will be built eventually. They examined that before they approved the Goddard School.

With no further comments, Intoccia asked for a vote on the Resolution. The Board voted unanimously to approve the Resolution.

20 Yes

0 No

0 Abstentions

OFFICERS/COMMITTEE/LIAISON REPORTS

Correspondence Report

Jackie Benn passed the correspondence folder to the Board.

Olney Town Center Advisory Committee

Jim Smith said there was nothing to report because the last meeting was snowed out. The Committee will work on drafting the Civic Center/Town Commons plan by March.

Public Policy & Community Affairs Committee

Matt Quinn said there were no new issues to report. His group has met with Eric Leutke, George Leventhal, and Nancy Navarro.

Treasurer's Update

Kathy Curtis said there was nothing to update.

Membership

Greg Intoccia reported that we are one third into dues collection process so there are more dues and renewals to be collected. He asked the delegates to make sure to get the dues and renewal applications in. To date, there are \$1554 total with \$900 for dues, \$454 for Olney Days and \$200 for the police substation.

Mid-County Citizen's Advisory Board

Intoccia, chair of the Mid-County Citizen's Advisory Board (MCCAB), said there was not much to report.

Awards Ceremony Update

Barbara Falcigno reported that the deadline for nominations is 2/9/2016. There are several nominations for each award category. Ballots will be sent electronically to all GOCA Representatives (not alternates) on Friday. Voting will be open for two weeks and winners will be announced at the March GOCA meeting. Matt Zaborsky said that the Awards Ceremony is scheduled for March 13 at Good Counsel High School from 2-4 pm. Awards will be presented then.

NEW BUSINESS - Election of 2016 Officers

Barbara Falcigno read the list of nominees for GOCA 2016 officers. Joe Corbett recommended a separate vote be taken for each nominee. Greg Intoccia and Lee Lofthus received 17 votes and other nominee received 19. The following were elected as 2016 GOCA officers.

Greg Intoccia, President

Matt Quinn, Executive Vice President

Lee Lofthus, 1st Vice President

Matt Zaborsky, 2nd Vice President

Stacy Levine, Recording Secretary

Jackie Benn, Corresponding Secretary

Robert Hambrecht, Treasurer

ADJOURNMENT

With no further business, a motion was made and seconded to adjourn the meeting.

All were in favor, and the meeting was adjourned at 9:05 p.m.

Respectfully submitted
Judy Broseker, Recording Secretary

In attendance:

GOCA Executive Board

Greg Intoccia, President - Ashley Hollow; Matt Quinn, 1st Vice President - Cherrywood; Judy Broseker, Recording Secretary - Brookeville Knolls; Jackie Benn, Corresponding Secretary – Fair Hill Farm; Kathy Curtis, Treasurer – Lake Hollowell; Barbara Falcigno, Immediate Past President - Olney Oaks

GOCA Delegates and Alternates

Roberto Conte (Ashley Hollow), Danny Benn (Fair Hill Farm), Jonathan Arias (Hallowell), Matt Zaborsky (Norbeck Meadows), Dave Miller (Norbeck Meadows), Lee Lofthus (Oatland Farm), Jim Smith (Oatland Farm), Diana Littlefield (Olney Acres), Sherry Felice (Olney Mill), Jay Feinberg (Olney Oaks), Stacy Levine (Reserve at Fair Hill), Alden English (SEROCA), Sharon Dooley (Village of James Creek), Ruth Laughner (Williamsburg Village), Joe Corbett (Williamsburg Village)

Public

Robert Hambrecht (Cohn Reznich), Terri Hogan (Greater Olney News), Alex Metrey (BSA troop 1441), Rick Metrey (Scout dad, Troop 1441), Tracy Rana (The Goddard School), Karen Rollins (Berkshire Hathaway), Marc Rosendorf (Olney Chamber of Commerce), Ira Ungar (Delegate Bonnie Cullison's office), Daphne Kurdzintel, Steven Kurdzintel, Carolyn Bonifant