

City of Rockville Report – Rockville Economic Development, Inc.
Board of Directors Meeting
April 24, 2025

March 24, 2025 Mayor and Council Meeting:

FY 2026 Budget Worksession #2 – Operating Expenditures, Grants and Fund Balance

The second Mayor and Council budget worksession on operating expenditures, grants, and fund balance was held. The Proposed FY2026 Operating Budget totals \$173 million which is a 4.5 % increase over the current year. The general fund includes new funding for several initiatives that align with the Mayor and Council's guiding principles in the areas of public safety, housing, economic development, effective and efficient service delivery, and stewardship of the environment and infrastructure. During this worksession, staff presented on operating expenditures, community service and enrichment grant allocations, the Rockville Economic Development, Inc. funding allocation, and proposed commitments of General Fund reserves exceeding the target. Staff also provided a summary of proposed funding allocations and obtained Mayor and Council direction on any requested adjustments to the funding allocations. The Mayor and Council shared comments, asked questions, and provided direction. Please see the following link for the staff report for additional details. <https://www.rockvillemd.gov/AgendaCenter/ViewFile/Agenda/03242025-7445>

FY 2026 Budget Public Hearing #2

The Mayor and Council held the second FY2026 budget public hearing. Residents, local non-profits representatives, and other stakeholders made budget requests and provided input on City programs and services for the FY2026 Rockville Budget. The public record remained open until April 7.

Public Hearing and Introduction and Possible Adoption of an Ordinance to Approve Zoning Text Amendment (ZTA), To Implement Certain Zoning Recommendations of the Town Center Master Plan, Including Floating Zones

This topic was discussed under two separate agenda items. One for the public hearing and the second for the introduction and possible adoption of the ZTA. The Mayor and Council held the public hearing, introduced, and approved the ZTA, which provides for three "floating zones" that may be applied for in the Town Center Planning Area. The floating zones would implement in part the zoning recommendations from the Town Center Master Plan, adopted in January and correspond to the three character areas identified in the Town Center Plan: MD 355 Corridor, Core and Edge. These three core areas are recommended for additional height from what is currently allowed in the code. For example, the MD 355 Corridor area would have a maximum height of 235 feet, with the potential for a bonus height of an additional 100 feet if MPDUs in excess of the current requirements are provided. In addition, the ZTA eliminates off-street parking and ground floor retail space requirements for projects that develop under the floating zone.

Adoption of the Electric Vehicle Readiness Plan

The Mayor and Council reviewed the edits they requested to the revised Electric Vehicle Readiness Plan, provided comments, and adopted the resolution that approved the Plan. The Comprehensive Plan and the Climate Action Plan recommend developing Rockville's first Electric Vehicle Readiness Plan to expand Electric Vehicle charging infrastructure equitably across the city. The plan also works in conjunction with Rockville's Pedestrian Master Plan, Bikeway Master Plan and Vision Zero Plan to support a sustainable transportation network. Staff is proceeding with the implementation of the Electric Vehicle Readiness Plan.

April 7, 2025 Mayor and Council Meeting

FY 2026 Budget Worksession #3 - Operating Expenditures, CIP, Grants, Debt Review, and Final Balancing

At its third FY2026 Budget worksession, the Mayor and Council reviewed the Proposed Operating Budget and Capital Improvements Program. The worksession began with a follow up to Worksession #2 and provided time for the Mayor and Council to finish the discussion on operating expenditures (Mayor and Council, Office of the City Attorney, City Manager's Office) and the Community Services and Enrichment Grants. In addition, staff provided an overview of the city's Capital Improvements Program (CIP), and covered the FY 2026 CIP budget, planned debt, and highlights of capital projects by program area. The Proposed FY 26 CIP includes \$33.8 in new funding combined with carry over funding of \$94.7 million, and supports 65 CIP projects for a total of \$128 million. As part of this final worksession, recommended changes between the proposed and adopted budget were discussed and the Mayor and Council provided final direction to staff ahead of budget adoption. The FY2026 Proposed Operating Budget and Capital Improvements Program is scheduled for adoption on May 5, 2025. Please see the staff report for additional details at the following link.

<https://www.rockvillemd.gov/AgendaCenter/ViewFile/Agenda/03242025-7445>

Mayor and Council Briefing on Project Plan Amendment Application to Amend the Planned Development for Rockville Center, Inc. to Permit a Residential Conversion of 13,011 Square Feet of Previously Approved Street-Level Commercial Retail Space into 13 Dwelling Units at 198 East Montgomery Avenue

The applicant, Comstock 33 Monroe, LC provided a briefing to the Mayor and Council on their Project Plan. The Applicant proposes to convert 13,011 square feet of existing vacant street-level commercial space into 13 residential dwelling units, known as the BLVD Lofts. The dwelling units will be designed as two-level lofts and will include (1) 1-bedroom unit, (7) 2-bedroom units, and (5) 3-bedroom units. Most of the proposed dwelling units will be located along East Middle Lane with several others located on Helen Heneghan Way and Monroe Street. According to the Applicant, the 6,500 square feet of existing commercial space along East Montgomery Avenue will remain. The 17 parking spaces required for the proposed residential units will be provided within the existing on-site non-reserved structured parking garage. The application will require Planning Commission and public comment before Planning Commission recommendations are transmitted to the Mayor and Council.

Upcoming Mayor and Council Meeting:

May 5, 2025 Meeting:

- Adoption of the FY2026 Operating Budget and Capital Improvements Program
- 255 Rockville Pike Project Plan Briefing (Conversion from Commercial to Multifamily Residential)
- Zoning Ordinance Rewrite – Worksession #3 – New Zones, Including Town Center; Revisions to Existing Zone Standards; Height Transitions; and Comprehensive Map Amendment (Part 2)