

Office of the Superintendent of Schools
MONTGOMERY COUNTY PUBLIC SCHOOLS
Rockville, Maryland

March 7, 2023

MEMORANDUM

To: Members of the Board of Education

From: Monifa B. McKnight, Superintendent of Schools

Subject: Lease—N. Stonestreet Avenue Warehouse

Staff in the Department of Facilities Management have negotiated a lease with North Stonestreet, LLC for warehouse space at 301 North Stonestreet Avenue in Rockville. The newer warehouse facility will provide a more effective consolidation of certain Montgomery County Public Schools (MCPS) Department of Materials Management (DMM) operations, which are currently located in multiple outdated buildings at 580 North Stonestreet Avenue. The lease commencement is proposed for March 1, 2023, and rent commencement is proposed for July 1, 2023.

Listed below are the basic terms and conditions of the lease at 301 North Stonestreet Avenue:

- Rentable Square Footage: Approximately 49,956 square feet
- Lot Size: Approximately 3.18 acres
- Lease Commencement Date: March 1, 2023
- Rent Commencement Date: July 1, 2023 (Four Month Rent Abatement)
- Lease Term: 15 years to June 30, 2038
- Renewal Options: Three 5-year renewal options
- Base Rent on July 1, 2023: \$15.75 per square foot (\$65,567.25 monthly)
- Landlord Maintenance: Building roof and foundation
- Tenant Maintenance: Interior building and parking lot
- Construction Allowance: \$175,000 to MCPS as Tenant
- Annual Escalation: 2.75% starting July 1, 2024

The county executive for Montgomery County supports the decision by MCPS to lease a new warehouse space for DMM; however, since MCPS will be the entity to execute the lease, funds for the lease should reside in the MCPS budget.

I recommend the following resolution for Board of Education approval.

WHEREAS, Staff in the Department of Facilities Management have negotiated a lease to provide consolidated warehouse space for certain operations of the Department of Materials Management; and

WHEREAS, A modern warehouse space will allow the Department of Materials Management to consolidate operations to provide more efficient and effective service delivery for Montgomery County Public Schools; and

WHEREAS, Montgomery County Public Schools and the owner propose to enter into a lease for commercial property at 301 North Stonestreet Avenue in Rockville that reflects the negotiated lease terms, including the rent abatement and construction allowance for the new space; and

WHEREAS, While even though the county executive supports the new location for the Department of Materials Management operations, Montgomery County Public Schools will be the tenant and, therefore, funds for the lease should be included in the Real Estate Management Fund; and

WHEREAS, The lease for 301 North Stonestreet Avenue in Rockville would expire on June 30, 2038, and includes three 5-year renewal options that could extend the lease through June 30, 2053; now therefore be it

Resolved, That the president of the Board of Education and the superintendent of schools be authorized to negotiate and execute a lease for commercial warehouse space at 301 North Stonestreet Avenue, Rockville, Maryland; and be it further

Resolved, That the superintendent of schools be authorized to take additional actions, as necessary, to effectuate the transactions set forth above.

MBM:MBH:DEE:SPA:lmr

Real Property Data Search ()
Search Result for MONTGOMERY COUNTY

View Map

View GroundRent Redemption

View GroundRent Registration

Special Tax Recapture: None

Account Number:

District - 04 Account Identifier - 01958858

Owner Information

Owner Name:

NORTH STONESTREET LLC

Use:

INDUSTRIAL

Mailing Address:

C/O THE GRANITE PALACE
358 BROADWAY STE 403
SARATOGA SPRINGS NY 12866

Principal Residence:

NO

Deed Reference:

/50597/ 00081

Location & Structure Information

Premises Address:

301 N STONESTREET AVE
ROCKVILLE 20850-0000

Legal Description:

H L ENGLANDS 2ND ADD
TO ROCKVILLE

Map:

Grid:

Parcel:

Neighborhood:

Subdivision:

Section:

Block:

Lot:

Assessment Year:

Plat No:

12780

GR43

0000

0000

30004.16

0265

E

23

2024

Plat Ref:

Town: ROCKVILLE

Primary Structure Built

Above Grade Living Area

Finished Basement Area

Property Land Area

County Use

1991

50,150 SF

138,520 SF

203

Stories

Basement

Type

Exterior

Quality

Full/Half Bath

Garage

Last Notice of Major Improvements

LIGHT MANUFACTURING

/

C4

Value Information

Base Value

Value

Phase-In Assessments

As of

As of

As of

01/01/2024

07/01/2024

07/01/2025

Land:

3,479,600

3,827,300

Improvements

3,620,400

5,362,700

Total:

7,100,000

9,190,000

7,796,667

Preferential Land:

0

0

8,493,333

Transfer Information

Seller: 301 NORTH STONE STREET LLC

Date: 06/30/2015

Price: \$7,250,000

Type: ARMS LENGTH IMPROVED

Deed1: /50597/ 00081

Deed2:

Seller: POTOMAC CAPITAL INVESTMENT

Date: 10/25/2001

Price: \$3,525,000

Type: ARMS LENGTH IMPROVED

Deed1: /19879/ 00751

Deed2:

Seller:

Date:

Price:

Type:

Deed1:

Deed2:

Exemption Information

Partial Exempt Assessments:

Class

07/01/2024

07/01/2025

County:

000

0.00

State:

000

0.00

Municipal:

000

0.00|0.00

0.00|0.00

Special Tax Recapture: None

Homestead Application Information

Homestead Application Status: No Application

Homeowners' Tax Credit Application Information

Homeowners' Tax Credit Application Status: No Application

Date:

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