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NCCoE Project Update – February 2015

The National Cybersecurity Center of Excellence (NCCoE) at the National Institute of Standards and Technology addresses businesses' most pressing cybersecurity problems with practical, standards-based solutions using commercially available technologies. The NCCoE collaborates with industry, academic and government experts to build modular, open, end-to-end reference designs that are broadly applicable and repeatable.

In February 2013, Governor O'Malley, U.S. Senator Barbara Mikulski, Montgomery County Executive Ike Leggett and National Institute of Standards and Technology (NIST) Director Patrick Gallagher signed a Memorandum of Understanding to establish the NCCoE. Nearly a year later in February 2014, these same participants met in the State House in Annapolis to sign a Partnership Intermediary Agreement (PIA) that served to formalize this relationship.

The first significant action of this agreement was for the Maryland Department of Business and Economic Development (DBED) and Montgomery County Department of Economic Development (DED), to identify a facility and resources that could provide a location for the NCCoE. The facility identified was 9700 Great Seneca Highway in Rockville, which had been previously used by Montgomery County as the William Hanna Innovation Center (WHIC), one of Montgomery County's five business incubator facilities. It was determined by State and County leadership that Montgomery County and Maryland would share in the costs of renovating the facility to accommodate the NCCoE because of the significance that this project would have in advancing the region's standing in cybersecurity.

The Maryland Economic Development Corporation (MEDCO) owns the facility, which was developed in 1996 with funding provided by a MEDCO bond issuance, DBED and DED, the State of Maryland and DED requested that MEDCO renovate this facility for use as the NCCoE.

The first step was to engage MEDCO to work with NIST, DBED and DED to develop costs estimates for renovating the facility. The original cost was estimated to be \$9M with \$4.5M to be provided by Maryland and \$4.5M to be provided by Montgomery County. After obtaining cost estimates and preliminary architectural drawings the budgeted project costs were adjusted to \$12.5M, with \$5.25M to be provided by the County, \$5.25M to be provided by the State of Maryland and \$2M from NIST.

The Maryland FY2015 Capital Budget included \$2M as the first installment towards the renovations of the facility and Montgomery County entered into an agreement with MEDCO to cover finance costs for the facility totaling \$4.5M. It was anticipated that an additional \$2M would be requested in the Maryland FY2016 Capital Budget to cover the remainder of the State's obligation to move the project forward.

Since the Maryland 2015 appropriation there has been a great deal of progress on the facility and the NCCoE. As of June 30 2014, all previous residents of the facility relocated to a combination of commercial and County facilities. Since July 2014, MEDCO has used the initial \$2M Maryland FY2015 Capital Budget Appropriation to: (a) contract for preliminary interior demolition of the facility, (b) engage a design and engineering team to incorporate the programmatic requirements of NIST into the space provided by the facility to achieve complete construction drawings, (c) negotiate a license agreement for the facility between NIST (finalized in January 2015), (d) undertake other predevelopment efforts to prepare the site for construction and coordinate all other contractual aspects supporting the renovation of the facility. Construction/renovation is projected to begin in February 2015 with an estimated completion time of 10 months.

The remaining \$2M from Maryland is required to eliminate any need for bridge financing and fulfill Maryland's initial commitment to the NCCoE.