SITE PLAN
PRE APPLICATION MEETING APPLICATION
PROJECT DESCRIPTION AND SCOPE OF WORK NARRATIVE

SHELTER DEVELOPMENT, LLC
(Applicant)
Brightview Rockville Town Center
Part of 275 North Washington Street
North of Beall Avenue
(Project)
CITY OF ROCKVILLE
PLANNING COMMISSION

Date: June 6, 2013

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1) Request:

In accordance with Article 7 of the City of Rockville Zoning Ordinance, the applicant (Shelter Development, LLC) submits this Pre Application Meeting Application to seek to begin the entitlement process to allow the development of an approximately 195 unit, service enriched, rental community for independent living and for assisted living. About 117 of the units will be for independent living, including those devoted to Moderately Priced Dwelling Units.[1] About 78 units would be for assisted living. There will be no skilled nursing. The property is zoned "MXCD." The site is about 2.15 acres, or about 93,717 SF.

[1] Throughout this explanation, the references to numbers or percentages are to be assumed to be approximate. To avoid needless repetition, the term "approximate" or similar words are not repeated.

2) Project/Site Information:

Description	Description
Location:	Part of 275 North Washington Street, north of Beall Avenue, Rockville, Maryland 20850
Applicant:	Shelter Development LLC
Land Use Designations:	Housing for senior adults and persons with disabilities and restaurant, café, and general retail open to the public on part of the first floor
Zoning District:	MXCD = Mixed-Use Corridor District Zone
Planning Area:	Rockville Town Center
Parcel Area:	2.15 acres, or about 93,717 SF
Building Height:	No taller than 75 feet
Parking:	About 104 spaces

Surrounding Land Use and Zoning			
Location	Zoning	Planned Land Use	Existing Use
North	MXCD	Mixed-Use Corridor District Zone	Office and Commercial
South	PD KS	Multi-Family and Retail	Office Commercial
East	MXCD	Mixed-Use Corridor District Zone	Office and Commercial
West	MXCD	Mixed-Use Corridor District Zone	Office and Commercial

3) Property Description:

The Project is about 2.15 acres, or about 93,717 SF. The legal description is Lot 25 of the subdivision known as "Lots 24 and 25, Block D, City Center," which subdivision record plat is to be recorded in the Montgomery County Land Records. The Property is part of the former Lot 7 City Center, Plat No. 8694, recorded in the Montgomery County Land Records.

On its north side, the Project will have frontage along the future Dawson Avenue that will run east to west from North Washington Street to Hungerford Drive. On its east

side, it will have frontage along the future Maryland Avenue extended. On its south side, it abuts the KSI/Cornerstone multi-family project, Lot 23, Block A, City Center. On its southeasterly side, it abuts Lot 12, City Center, owned by JBG/Hungerford Retail II, LLC. On its west side, it abuts Lot 24, of the Subdivision known as "Lots 24 and 25, Block D, City Center."

The Project will be constructed on part of the land of the former Giant Food grocery store site.

4) Project Description

Again, the Applicant is proposing the development of an approximately 195 unit, service enriched, rental community for independent living and for assisted living. About 117 of the units will be for independent living, including those devoted to Moderately Priced Dwelling Units. About 78 units would be for assisted living. There will be no skilled nursing.

The building will afford the public access to some of the Brightview amenities as part of the Project's contribution to establishing the Maryland Avenue retail spine as identified in the Master Plan. One example of the planned public access is a restaurant that will serve both the Brightview independent living residents and the public. Another example is a café/newspaper/art studio venue (collectively the "café") that will similarly serve both the Brightview independent living residents and the public. The restaurant and café are planned to flank the corner of Dawson Avenue and Maryland Avenue. Flexible space along Maryland Avenue and Dawson Avenue would also be available for public use. Such use could accommodate a day spa and/or fitness center with a focus on seniors. Community organizations, such as Rockville Vis Arts and Rockville Science Center, would be welcomed to use other first floor space conveniently located along the first floor foyers.

The Applicant is exploring with the West End Citizens Association a linear outdoor area/plaza along Maryland Avenue. It would be open to the public and the Brightview residents. It would accommodate outdoor dining and seating for a variety of purposes and would expand the streetscape width. Such a linear outdoor area/plaza would be a link with the expected, to be established, public open space to the southeast of the Project.

Vehicular access will be provided to and from the Project's westerly side. Vehicles will enter from North Washington Street and run through the site, in a one-way direction, and exit onto Dawson Avenue. Residents will access the underground parking from the North Washington Street driveway apron. On the surface, residents, friends and family will use the covered pull off/drop off area near the middle of the building's west courtyard. Service vehicles will access the building's southwest corner from North Washington Street. The use of the common North Washington Street driveway access minimizes breaks in the sidewalk and thus the disruption to pedestrians. The North

Washington Street driveway access will be shared by the Bank of America project on Lot 24, the KSI/Cornerstone project and the Shelter Brightview Rockville Town Center project.

The Project will be located within a single building structure. The building will be seven stories. The building's shape, building materials and design generally are still under consideration.

The Project is still in the process of determining how to meet the existing approved forest conservation plan or, if necessary, how to modify it and/or include a fee in lieu for a portion of the compliance requirement.

The Project will be exempt from the school facilities test required by the City's Adequate Public Facilities Standards.

The Project would meet or exceed the applicable development standards. The Project would comply with the City's guidelines as well.

Item	Description	Details	Citation
1)	Height	75	25.13.05.b.; 25.13.05.b.2.(b);
2)	Open Area	15%	25.13.05.b.
3)	Required Public Use Space Within the Open Area	None required. Exempt from required public use space per Section 25.17.01.e., "[exempt] . . . projects including housing for senior adults and persons with disabilities."	25.13.05.b.
4)	Minimum Width at Front lot line in feet	10	25.13.05.b.
5)	Setbacks:		
6)	Public Right of Way abutting	None	25.13.05.b.
7)	Side Non-residential land abutting	None/10 feet minimum if provided	25.13.05.b.
8)	Rear Non-residential land abutting	None/10 feet minimum if provided	25.13.05.b.
9)	Build To Line	At least 70% of the building facade 25.13.05.a.; should be located at the front property line or the	25.13.05.a.; 25.13.07.b.1. Master Plan

Item	Description	Details	Citation
		build-to-line where established by the Plan. Page 92 of the Plan reads, Site Layout SL-5: Building facades on Maryland Avenue Between Courthouse Square and Dawson Avenue . . . must occupy 100% of the street frontage. This street frontage requirement may be reduced to 80% if the development creates plazas or courtyards, and allows alley access to parking in the rear with pedestrian walkways.	page 92
10)	Building Facades	Range of heights 35-50 feet at the street. Additional height up to 75 feet where recommended by the Plan, or as approved by the Planning Commission.	25.13.05.b.2.(b)
11)	Building Facade Length exceeding 250 feet	Vary facade height by at least 10 feet	25.13.05.b.2.(b)
12)	Layback slope	N/A	25.13.05.b.2.(d)
13)	MPDU in compliance with Chapter 13.5 Please see the more detailed discussion below.	See the discussion.	25.13.05.c.4.
14)	Public Use Space in compliance with Section 25.17.01	None required. Exempt from required public use space per Section 25.17.01.e., "[exempt] . . . projects including housing for senior adults and persons with disabilities."	25.13.05.c.5.
15)	Floor Area Limitation for retail commercial uses over 65,000 SF	N/A	25.13.05.c.6.

Item	Description	Details	Citation
16)	Additional Design Guidelines	To be followed	25.13.06
17)	Special Design Regulations for Individual Mixed-Use Zones	Noted.	25.13.07.b.
18)	Building Location at front property line	See above.	See above. 25.13.05.a.; 25.13.07.b.1. Master Plan page 92
19)	Uses By Floor: Ground floor must contain retail or service uses dealing directly with the public along those streets designated in the Plan as major pedestrian spines.	Noted.	25.13.07.b.2.
20)	Uses By Floor: Ceiling height of 15 feet, normally. The approving Authority may consider a lower ceiling height if appropriate in the particular circumstance. If the building contains only residential units, the ground floor may consist of residential units, but should be	Noted.	25.13.07.b.2.

Item	Description	Details	Citation
	designed to facilitate conversion to retail or other commercial uses.		
21)	Facades See 25.13.05.b.2(b) Where the facade exceeds 35 feet, the facade should include an expression line above the first floor level and a defined cornice line at the top of the facade wall.	Noted.	25.13.07.b.3.
22)	Fenestration. Framed individual windows generally.	Noted.	25.13.07.b.4.
23)	Sidewalks to follow 25.17.05	Noted.	25.13.07.b.5.
24)	Parking to follow Article 16. Structured parking is preferred.	Noted.	25.13.07.b.6.

5) Moderately Priced Dwelling Unit Analysis

Shelter is proposing to provide 18 one bedroom MPDU units[2] and to reduce its market rate charges for its indivisible package of resident services and facilities by: (1) replacing a fixed percentage of such charges with the City's then current MPDU rental rate for a single family one-bedroom; and (2) charging less than its then current market

[2] Throughout this explanation, the references to numbers or percentages are to be assumed to be approximate. To avoid needless repetition, the term "approximate" or similar words are not repeated.

rate charge for products and services unrelated to rent. As a consequence, Shelter will be affording units that will be affordable by a significant number of MPDU qualified Rockville citizens.

The independent living units will be constructed the same as typical apartments. Each will have a full kitchen (stove and oven), and otherwise constitute a "dwelling unit" under Rockville's MPDU Ordinance.

The Project's first floor will be used for overall operations and for the common areas, such as the dining room and lobby. The predominant type of independent living unit will be the one bedroom units. Under Sec. 13.5-5 (e) of the MPDU Ordinance, 15%, i.e., 18 units, of the 117 independent living units must be MPDU's. The 15% will be provided by one-bedroom units. They will be dispersed throughout the independent living floors.

A Brightview resident will either enter into a contract for independent living or a separate contract for assisted living. An independent living Brightview resident has no contractual right to assisted living at Brightview. Brightview's experience is that many independent living residents do eventually enter into a separate, stand alone, assisted living contract.

Unlike a continuing care retirement community or a life care community, a Brightview resident does not enter into a long term care contract with contractual rights for independent living, assisted living, and skilled nursing levels of care. A Brightview resident does not deposit a substantial "entrance fee." At Brightview, an initial fee is paid that is more in the nature of an apartment's one to two months' rental security deposit. Thus, a Brightview independent living resident's cost is primarily the monthly fee.

Shelter's MPDU program is consistent with the MPDU's legislative findings and declaration of public policy as explained below.

a) Section 13.5-1 and Section 13.5-2 Discussion of Legislative Findings and Declaration of Public Policy

i) Sec. 13.5-1. - Legislative findings.

The Mayor and Council enacted the following legislative findings relative to Moderately Priced Housing:

> The Mayor and Council of Rockville hereby finds that a severe housing problem exists within the City with respect to the supply of housing relative to the need for housing for residents with low and moderate incomes. Specifically, the Mayor and Council find:
>
> (1) The City is experiencing an increase in residents of or approaching retirement age, with consequent fixed or reduced incomes; young adults of modest means forming new households; government employees in moderate income ranges; and mercantile

and service personnel needed to serve the expanding industrial and commercial base and population growth of the City;

(2) The supply of moderately priced housing has grown at a radically slower pace than the demand for such housing;

(3) The inadequate supply of housing in the City for persons of low and moderate income results in large scale commuting from outside the City to places of employment within the City thereby overtaxing existing roads and transportation facilities, significantly contributing to air and noise pollution all adversely affecting the health, safety and welfare of and resulting in an added financial burden on the citizens of the City;

(4) Demographic analyses indicate that public policies which permit exclusively high priced housing development discriminate against young families, retired and elderly persons, single adults, female heads of households and minority households, and such policies produce the undesirable and unacceptable effects of exclusionary zoning, thus failing to implement the Rockville housing goals and objectives and the housing goal of the general plan for the City;

(5) Experience indicates that the continuing high level of demand for more luxurious housing, with a higher profit potential, discourages developers from offering a more diversified range of housing, and the production of moderately priced housing is further deterred by the high cost of land, materials and labor;

(6) Actual production experience in the City indicates that if land costs can be reduced, houses of a more modest size and fewer amenities can be built to be sold at a profit in view of the existing ready market for such housing;

(7) Given the proper incentive, the private sector is equipped and possesses the necessary resources and expertise required to provide the type of moderately priced housing needed in the City;

(8) Rapid regional growth and a strong housing demand have combined to make land and construction costs very high and to have an effect on the used housing market by causing a rise in the prices of those units;

(9) In some instances, existing housing for persons of low and moderate income is of lower quality and overcrowded.

The Mayor and Council legislative findings reflect the City's affordable housing circumstances. The number of residents approaching retirement age is increasing. The supply of moderately priced housing has grown slowly.

Public policies which permit exclusively high priced housing do discriminate against elderly persons. An overly rigid interpretations of the MPDU Ordinance could result in the "undesirable and unacceptable effects of exclusionary zoning, thus failing to implement the Rockville housing goals and objectives and the housing goal of the general plan for the City."

The findings note, "Given the proper incentive, the private sector is equipped and possesses the necessary resources and expertise required to provide the type of moderately priced housing needed in the City."

Accommodating Shelter's proposed program of providing MPDU's *on site* and providing a reduced monthly fee for MPDU qualified seniors is just the sort of appropriate incentive for Shelter to provide the necessary resources and expertise to develop a quality senior housing project that affords suitable affordable housing.

Considering that Shelter's Brightview project would provide needed affordable housing for MPDU qualified seniors, it is clear that Shelter's Brightview project would be consistent with the Mayor and Council's legislative findings.

ii) Sec. 13.5-2. - Declaration of Public Policy

Similarly, the Mayor and Council enacted the following declared public policies relative to Moderately Priced Housing that would be furthered by Shelter's program:

The Mayor and Council hereby declare it to be the public policy of the City to:

(1) Implement the Rockville housing goals and objectives and the general plan goal of providing for a full range of housing choices, conveniently located in a suitable living environment, for all incomes, ages and family sizes;

(2) Provide for low and moderate income housing to meet existing and anticipated future employment needs in the City;

(3) Assure that moderately priced housing is dispersed within the City consistent with the general plan and neighborhood plans;

(4) Encourage the construction of moderately priced housing by allowing optional increases in density in order to reduce land costs and costs of optional features that may be built into such moderately priced housing;

(5) Require that all subdivisions of fifty (50) or more dwelling units include a minimum number of moderately priced units of varying sizes with regard to family needs;

(6) Ensure that private developers constructing moderately priced dwelling units under this chapter incur no loss or penalty as a result thereof, and have reasonable prospects of realizing a profit on such units by virtue of the MPDU density bonus provision of Chapter 25.

(7) Allow developers of residential units in qualified projects more flexibility to meet the broad objective of building housing that low and moderate income households can afford by letting a developer, under specified circumstances, comply with this chapter by contributing to a Moderately Priced Housing Fund.

(8) Encourage the construction of moderately priced housing by allowing certain governmental fees to be waived for a development that includes moderately priced housing.

Shelter's proposed program would meet the City's declared public policy, the most compelling of which is the City's desire to have their housing goals implemented. The declared public policy of having "A full range of housing choices, conveniently located in a suitable living environment, for all incomes, ages and family sizes" would be furthered by having affordable independent living units located in the Rockville Town Center. They would add to the dispersion of affordable housing within the City because the Rockville Town Center is one of the most recently developed and to be developed areas of the City. Affording Shelter the opportunity to provide Rockville citizens with MPDU's in Brightview, pursuant to Shelter's proposed program, will avoid Shelter incurring a loss or penalty and will allow Shelter to have a reasonable profit. Such outcome would meet the City's public policy goal #6 to " Ensure that private developers constructing moderately priced dwelling units under this chapter incur no loss or penalty as a result thereof, and have reasonable prospects of realizing a profit on such units by virtue of the MPDU density bonus provision of Chapter 25."

The precedent established by the Mayor and Council's legislative determination with regard to Ingleside at King Farm supports applying the existing MPDU statute to Brightview. For the last 8 years, the Mayor and Council's legislative determination has stood uncontested. Their determination was that the Ingleside at King Farm senior housing project may be addressed through interpreting the existing provisions of Chapter 13.5.

Further, as explained below, the Mayor and Council's legislative determination established that Chapter 13.5 may be interpreted to allow for reduced rent and reduced service fees for other products and services.

The Mayor and Council Resolution No. 6-05 for Ingleside, at page 5, reads in part as follows:

> II. Senior Living Site
>
> A. The number of units and/or nursing beds shall be established at the time of detailed application.
>
> B. If independent living units are constructed as part of a Continuing Care Retirement Community ("CCRC"), the provisions of Chapter 13.5 of the Rockville City Code ("Code") *shall be deemed satisfied by the implementation of a "Senior Affordable Housing Program," in conformance with the program outlined in Attachment 1* attached hereto and made a part hereof, the terms of which shall be incorporated in the detailed application. If for-sale or for-rent independent living units are constructed without being part of a CCRC, the provisions of Chapter 13.5 of the Code shall apply.

(*Emphasis added.*)

As evidenced by the highlighted section above, the Mayor and Council's Resolution No. 6-05 explicitly includes "Attachment 1," the details of Ingleside's MPDU program. Its program components are described under the section "Introduction and Program Summary" beginning at page 9 of the Resolution:

> This CCRC will be an elderly residential community that provides for the housing and health needs of its residents through each of three (3) levels of care: independent living, assisted living, and skilled nursing care. The following addresses how Ingleside/Westminster proposes to comply with the goals and objectives of the City's Moderately Priced Dwelling Unit Law through
>
> (a) designation of 12.5% of the residents (pairs of residents living in the same unit will equal one resident for this percentage calculation) as Program participants;
>
> (b) making a mix of units and rents available to Program participants;
>
> (c) establishment of a "Rental Assistance Fund";
>
> (d) providing rental subsidies to Program participants as needed to reduce rents to the MPDU rental limits; and
>
> (e) maintaining a constant of ten (10) Program participants that have received reduced entry fees in Phase I of the project (assuming 250 independent living units) and fourteen (14) additional Program

participants that have received reduced entry fees in Phase II (assuming 350 independent living units).

We believe this Program, as more fully detailed below, will meet an important unfulfilled need in the community, and fully satisfy the goals and objectives of the City's MPDU requirements.

As indicated in subparagraph (a) above, "pairs of residents living in the same unit will equal one resident for this percentage calculation." Ingleside's program applies the statute's 12.5% *unit* requirement to the residents themselves. The legislative determination allowing for a different implementation of the 12.5% requirement is an illustration of how the provisions of Chapter 13.5 were, and may still be, interpreted to meet the City's affordable housing objectives as articulated in the legislative findings and the declaration of public policy.

Pursuant to the MXCD Zone requirements, Shelter will reserve 15% of its independent living units as MPDU's. There likely will be only one person living in each such unit, but there may be as many as two. Shelter's unit percentage obviously is greater than the 12.5 % required in the Ingleside program.

As indicated in subparagraphs (c) and (d) above, Ingleside's program offers a subsidy to reduce a component of the monthly fee, calculated as a percentage, pertaining to "sticks and bricks," or rent, and establishes a rental assistance fund for the same purpose. Similar to Ingleside, Shelter would charge no more rent than Rockville's MPDU rent for a one bedroom, as promulgated by Rockville from time to time. Shelter will cull out the rental percentage of its monthly market rate charge and replace it with the City's promulgated MPDU rental rate for a one bedroom.

Shelter's program does *not* have a close or analogous component with respect to Ingleside's substantial entrance fee, described in subparagraph (e) above. The two programs are different in that regard. A Brightview resident does not enter into a long term care contract for independent living, assisted living, and skilled nursing levels of care. Shelter's contract is basically month to month, and solely for independent living. The agreement has a relatively short notice period for termination. Shelter requires only a security deposit of about 2 months rent, similar to the typical rental arrangement for an apartment that provides no other products and services. The Shelter deposit does not remotely approach the amount of Ingleside's entrance fee, even in the case where the Ingleside entrance fee is reduced or subsidized. Consequently, Shelter's units will be significantly more affordable and thus accessible to qualified MPDU individuals than entering into a long term care contract for independent living.

Other than the rent component, the Ingleside program does not provide a reduced monthly fee for the package of other products and services provided. In contrast to Ingleside, Shelter *would,* indeed, provide a reduced fee for its package of other products and services. That is a distinguishing feature. Shelter's reduced fee for the package of

other products and services contributes to the project meeting the City's very first public policy objective, "Implemen[ting] the Rockville housing goals and objectives."

In addition, it is a reasonable extrapolation of such interpretation that Shelter may charge a reduced fee for the package of other products and services. By doing so, Shelter's units would be more affordable for MPDU qualified individuals, which would better implement the City's legislative findings and declaration of public policy.

Below, we provide further explanation about: (1) the use of one bedroom units; and (2) the calculation of the reduced monthly charge for the products and services, other than the rent, which the City will set from time to time.

b) Providing 18 One Bedroom Units

The Rockville Staff informed us that they agree that Shelter may satisfy its entire requirement of providing 15% of the units as MPDU's, by providing 18 one bedroom MPDU units, i.e., 15% of the 117 units. Shelter would not be required to provide 15% of its two bedroom units as MPDU units. We include our explanation below.

Section 13.5-2 (5) reads as follows:

> Require that all subdivisions of fifty (50) or more dwelling units include a minimum number of moderately priced units of varying sizes with regard to family needs.

We will best satisfy the needs of "families" who are in need of senior independent living housing by providing eighteen (18) one-bedroom units. Based on Shelter's substantial experience with 24 senior housing projects housing about 1,600 units, one-bedroom apartments are satisfactorily sized and designed to meet the needs of one or two person households. Consequently, providing one bedroom units is consistent with the Rockville statute for meeting the "family needs" of the target families who are single person households predominantly.

Although the market rate two bedroom apartments that Shelter will offer are designed for one or two person households/families, residents move into the larger apartments simply for more space. They happen to have the discretionary income that affords them the ability to do so. The number of bedrooms, however, does not change their status as a one or two person household/family. In other words, the two bedroom units are not accommodating a "family need." In the typical case involving other developments that include children, the "family need" changes because of the household's/family's number of children.

The above interpretation is different from another reading of the statute's provision, i.e., if one interprets "varying sizes with regard to family needs" to mean that the MPDU percentage must be applied to *every* type of sub unit of housing, in every case. Our interpretation is that the statute applies to the entire universe of dwelling units, including single family detached, townhomes, and multi-family and for all persons, such

as families with children. In the case of other developments, for example, a typical multifamily, market rate apartment building, the City is more justified to insist upon a different interpretation of the meaning of "varying sizes with regard to family needs" and to require that the percentage be applied to two bedroom and even three bedroom units. In such circumstances, the characteristics of the family and the "family need" change, because of the household's/family's number of children. However, the City is not forced to impose a literal, rigid, single, one size fits all, interpretation for every "family need," however different such target "family" may be.

In the instant case, the "family" to be served is a single person family where individuals are age 62 and older. They would be living in independent living dwelling units. The alternative rigid interpretation emphasizes the term "varying sizes" without similar emphasis on the term "family needs." In the MPDU senior housing, independent living, circumstance, one should consider both the unit size and the family need equally. Such consideration argues for one bedroom units for providing affordable housing for the target family of one person households.

c) Monthly Service Fee = Monthly Rent and Other Products and Services

We have been distinguishing two general components of the charges that a Brightview resident would pay. One component relates to the "sticks and bricks" or rent. The other component relates to all of the other products and services provided.

A resident's monthly fee is comprised of both the real estate or "rental" costs associated with the unit and a service package of other products and services.

Shelter's proposed program would provide that the MPDU residents will be indistinguishable from the other residents. They will be provided with the same services and have access to the same amenities as the other residents. Their monthly charges will be less.

In order to deliver the level of service to all residents in the community, Shelter must charge for the services to: (1) pay staff; (2) purchase food and utilities; and (3) operate the community. Shelter's products and services provide nearly all daily living requirements. Accordingly, it is very typical for a resident in a Brightview community to use up to 80% of their income for the monthly fee. Moreover the 80% figure is an industry standard "rule of thumb," and it is reasonable.

Provided that Shelter is providing 18 one-bedroom units, Shelter would offer to reduce the monthly charge for other products and services by 13.8% relative to the market rate fee. Based on the percentage applied against current market rate charges for the other products and services, such reduction would be approximately $250 per month. The reduction would result in a $1,565 fee for other products and services. When such $1,565 charge is combined with the MPDU rent of $1,075, the two would yield an overall MPDU monthly fee of $2,640.

Based on a resident spending up to 80% of income for the level of service, with the reduced rate equal to $2,640, such person would earn at least about $39,600 annually. The City's maximum MPDU income amount for a single individual is $5,500 more per year in income, or $45,100. MPDU qualified households would be able to afford the MPDU units.

Please consider the following table.

Description	%	Market Rate Monthly Amount	MPDU Unit Monthly Amount (rounded)	MPDU Unit Daily (31 days) Amount (rounded)
Food, preparation and service	19%	$627	$540	$17
Housekeeping, Upkeep and Utilities	17%	$561	$485	$16
Transportation and Social/Recreational	9%	$297	$255	$8
Administration	8%	$264	$228	$7
Equipment Depreciation	2%	$66	$57	$2
Subtotal Monthly Products and Services (Per Individual)	55%	$1,815	$1,565	$50
Rent	45%	$1,485	$1,075	$35
Total Single Person Household/Family	100%	$3,300[3]	$2,640	$85

Rockville's maximum MPDU income limits for both one and two person households who may reside in one-bedroom MPDU units are $45,150 and $51,600, respectively. There are many one and two person household/families within such MPDU income range demographic who would be able to afford to pay for the one-bedroom units.

We note that the analysis ignores a person spending any of his or her assets. Excluding such consideration further supports that Shelter's offer is responsible, reasonable, and in compliance with the City's legislative findings and declaration of public policy.

[3] The estimated Monthly Fee is in current, 2013, dollars. It will be subject to change based upon market conditions and inflation at the time of opening.

For the reasons explained above, we are applying for approval of the following program components that comply with the provisions of the City's MPDU Ordinance:

1. Shelter's entire MXCD requirement of 15% of the independent living dwelling units may be provided as one bedroom units, even though Shelter will also be providing two bedroom units.

2. Shelter may reduce its market rate "indivisible package of resident services and facilities" charges by:

   2.1 Replacing 45% of its then current market rate monthly fee, which is calculated and deemed to be attributable to rent, with the then current MPDU rental rate for a one bedroom unit, as promulgated by Rockville; and

   2.2 Charging only 86% of the then current monthly charge for other products and services.

6) Site Plan Approval Analysis and Required Findings:

a) 25.07.01a.3.(a).i. The application will not adversely affect the health or safety of persons residing or working in the neighborhood of the proposed development.

The Brightview property will not adversely affect the health or safety of persons residing or working in the neighborhood of the proposed development. For example, based on the nature of the use, there will be no noxious odors or gases emitted from the site use, nor will the proposed building impede sunlight or block the free-flow of air in and around the site. The property is located within the Rockville Town Center area where there is a dearth of senior housing. The site is currently improved only by the former Giant Food grocery store building which is scheduled to be demolished. Thus, the current site will be simply asphalt and disturbed land. Its redevelopment is in the City's best interest.

Based on the transportation scoping intake analysis, the Project will generate less than thirty (30) additional peak hour vehicle trips, beyond the remaining available background trips from the Giant Food use. Thus, the applicant is only required to conduct a formal on-site analysis. The Comprehensive Transportation Review (the "CTR") is referenced in the Adequate Public Facilities Ordinance (the "APFO"). The CTR process ensures that each development application meets the City's minimum APFO transportation standards.

The Project would be staffed as follows: dining and café personnel, administrative and security personnel, marketing, activities and transportation, housekeeping, assisted living nursing, and maintenance staff. The approximate number of employees, full time and part time, per work shift would be as follows:

Times	Approximate Staffing
7AM-3PM	40
3PM-11PM	20
11PM-7AM	10

Such staffing is included in the traffic generation and parking calculations. Based on expected staffing levels and the manner in which the Applicant proposes to operate the facility, the proposed 104 on-site parking spaces should readily accommodate both resident, staff and visitor parking needs. In addition, on-site parking is being provided for the public's use for those using the publicly accessible facilities.

b) 25.07.01a.3.(a).ii. The application will not be detrimental to the public welfare or injurious to property or improvements in the neighborhood.

Based on the zoning codes and the Master Plan, the use will be compatible with adjacent properties due to the characteristics of the use, i.e., no impact on schools, site generated traffic does not exceed 30 peak hour trips, building layout and design in compliance with the development standards, and an attractive Project overall. The application will not be injurious to property or improvements in the neighborhood.

c) 25.07.01a.3.(a).iii. Will not overburden existing and programmed public facilities as set forth in Article 20 of this Chapter and as provided in the adopted Adequate Public Facilities Standards Manual.

The APFO tests the capacity of public facilities based on current and projected data available at the time of the development application. Once a development project is approved, capacity of public facilities required by that project is reserved, provided the project remains within its service commitment, as determined at the time of project approval. The Project will not overburden site area roadways and streets, public schools, or water and sewer services. As noted earlier, the Project is exempt from the APFO provisions for school capacity.

In the course of the site plan application process, the Applicant will be soliciting a determination from the Department of Public Works ("DPW") as to the capacity and the location of public water and sewer and any related details and requirements.

d) 25.07.01a.3.(a).iv. The application will not adversely affect the natural resources or environment of the City or surrounding areas.

The project's building and other improvements are appropriately scaled, designed, and sited to be compatible with the built environment. The Project would be located in the Rockville Town Center. The stormwater management concept plan has been designed under Maryland's environmental site design so that it will be in compliance with

the latest Maryland requirements which in and of themselves are intended to contribute to the preservation of the environment. The stormwater management facilities and other areas of the site are designed to reduce runoff and to facilitate the infiltration of rainwater into the site. Such rules and regulations incorporate sustainable design. The building will be new and built to modern building standards.

As noted earlier at page 5, the Project is still in the process of determining how to meet the existing approved forest conservation plan or, if necessary, how to modify it and/or include a fee in lieu for a portion of the compliance requirement.

The Project will enhance the community's quality of life in many ways, including being an attractive development.

e) 25.07.01a.3.(a).v. and vi. The application: (1) is not in conflict with the Plan; and (2) does not constitute a violation of any provision of [Chapter 25] or other applicable law.

The use does not violate or adversely affect the City's Plan or any known laws of the City of Rockville. The land use designation of the property as assigned by the Plan, is for MXCD. The land use designation is implemented by the recently adopted Zoning Ordinance that allows "Housing for Senior Adults and Persons with Disabilities" and allows retail uses.

Since the uses are permitted, it is inferred from the Ordinance that such uses are appropriate and compatible with other uses in the zone.

The City of Rockville Comprehensive Master Plan has several Goals and Policies that support the development of elderly housing. The Housing Element (page 10-4) reads as follows:

> Housing for the elderly is . . . permitted in the Town Center zones (with Use Permit approval). . . .

<u>Chapter Ten - Housing</u>

Policy #3 of Chapter Ten of the Master Plan encourages the development of housing for an "aging population":

> Encourage the construction of housing alternatives for an aging population – may need economic incentives or flexible zoning options for development variances for this to occur.

Of course, retail uses are also permitted uses in the MXCD Zone.

f) 25.07.01a.3.(a).vii. The application is not incompatible with surrounding uses or properties.

We refer you to the earlier discussions.

7) Conclusion

For all of the above reasons, the Project will meet the Site Plan requirements under Section 25.07.01a.3.(a). The Applicant looks forward to the Rockville Planning Staff's comments, questions and other correspondence.

Timothy Dugan, Esq.

Authorized Counsel for Shelter Development, LLC, the Applicant

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