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January 10, 2020

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Mr. James Wasilak
Chief of Planning
City of Rockville
111 Maryland Avenue
Rockville, MD 20850

Re: Finmarc and EYA - Application for Level Two Site Plan Approval - Potomac Woods
("Application")

Dear Mr. Wasilak:

On behalf of our client, Finmarc Management, Inc., and its development partner, EYA (collectively, the "Applicant") and pursuant to Article 7 of the City of Rockville's Zoning Ordinance ("Zoning Ordinance"), enclosed please find the Application for approval of a Level Two Site Plan for construction of a mixed-use development consisting of approximately: (i) 102 townhouses, (ii) 96 multi-family units, (iii) 215 multi-family senior housing units, and (iv) a parking garage for the existing health club building on the site ("Project").¹

1. The Property

The Property consists of approximately 13.5 acres and is identified as Part of Lot 23, Block A, Wheel of Fortune Subdivision (the "Property"). The Property is zoned Mixed Use Corridor District ("MXCD").

The Property is located on the north side of Fortune Terrace approximately 70 feet east of the intersection of Fortune Terrace and Seven Locks Road. It is currently improved with an approximately 100,000 square-foot (SF) office building and an approximately 68,000 SF health

¹ This Application addresses significant comments received during the pre-application process including, but not limited to, the following: 1) the proposed section of the roundabout at Park Potomac Avenue and Fortune Terrace has been improved, as discussed in detail below; 2) a turn-around for fire access will be added at the rear parking garage entrance located at the end of the public road, as shown on the plans included with this Application; 3) additional right-of-way ("ROW") width has been provided for all public roads, including Fortune Terrace (additional dedication to increase ROW width to approximately 80 feet).

Mr. James Wasilak
January 10, 2020
Page 2

club. The health club building will be retained in the proposed redevelopment Project and the office building will be demolished.

2. Previous Approvals

The existing improvements on the Property were constructed pursuant to Use Permit USA1978-0088, as subsequently amended.

3. The Project

As shown on the Site Plan submitted with the Application, the Project proposes development of approximately: (i) 102 townhouses, (ii) 96 multi-family units, (iii) 215 multi-family senior housing units, including 139 independent living (“IL”) units, and 76 assisted living (“AL”)/memory care units. The Project also retains the existing health club, which is a popular service amenity in the community, and provides a new parking garage to serve the health club.

Pursuant to Chapter 15.5 of the City Code, 15% percent of the non-age-restricted dwelling units and 12.5% of the senior housing (IL) units will be Moderately Priced Dwelling Units (“MPDUs”). The MPDU unit mix will include 16 townhouses, 15 multi-family units, and 16 multi-family senior housing (IL) units. The locations and types of MPDUs are shown on the Site Plan. Applicant is proposing to provide 12.5% of the senior housing (IL) units MPDUs – 2.5% less than required – as is allowed under Section 15.5-5(f)(3)(c) of the City Code. Applicant is entitled to this 2.5% reduction because, by providing AL and memory care units in addition to IL units, Applicant is “furthering the objective of providing a broad range of housing opportunities throughout the City.” The AL and memory care units will allow seniors needing greater levels of care to age in place within the City rather than transferring to more distant facilities.

Vehicular, pedestrian, and bicycle access to the Project will be via new public streets off of Fortune Terrace. Proposed road sections are included with this submission. Pursuant to comments received during the pre-application process, the Applicant has improved the roundabout condition at the intersection of Fortune Terrace and Park Potomac Avenue. The proposed road section minimizes conflicts between vehicles and better accommodates cyclists and pedestrians. Specifically, it provides more defined travel lanes and exits, along with other improvements, to help ensure safe and efficient vehicular, pedestrian, and bicycle movements in the roundabout. Changes to the road section include, but are not limited to: 1) more clearly defined travel lanes; 2) a bike lane on the side of the ROW abutting the Project; 3) a new ramp for the existing bike lane on the side of the ROW opposite the Project; 4) new ramps on both sides of the ROW for greater ADA accessibility; and 5) a new pedestrian crossing.

The Project fits within the heights and densities allowed in the MXCD Zone. The townhouses will be approximately 50 feet in height and the three multi-family condominium buildings, the

Mr. James Wasilak

January 10, 2020

Page 3

multi-family senior housing building, and the parking garage associated with the health club will be a maximum of 75 feet in height. Specifically, each of the three multi-family condominium buildings will be 6 stories, or approximately 65 feet in height. The senior housing building will be 7 stories, or approximately 75 feet in height. The parking garage will be 4 stories, or approximately 50 feet in height.

The Project embodies the principals of good urban planning by activating the main street, Fortune Terrace, with multi-family buildings and placing high-quality lower density townhouses on the remainder of the site.

As shown on the Open Area and Public Use Space Plan included in this Application, the Project exceeds the requirements for open area and public use spaces. Specifically, the Project provides 38.7% of net lot area as Open Area (148,261 SF) and 11.8% of net lot area as Public Use Space (45,135 SF). Section 25.13.05(b)(1) of the Zoning Ordinance requires 15% Open Area and 10% Public Use Space. As shown on the plans included in this submission, a central open space will be designed with attractive and inviting landscape and hardscape features. This will serve as the main open space for the Project. Other smaller open areas and public use spaces will be provided in several locations throughout the Project to ensure convenient access for residents and visitors to the Project. The open spaces proposed for the area of the Property between the senior housing and I-270 will have significant landscaping and tree plantings and/or a sound barrier (as may be required) to provide a physical and visual buffer from I-270.

The Project provides buffers and setbacks from the property lines that meet or exceed City requirements, as shown on the plans included with this Application. In particular, along the northern property line a 30-foot buffer is required between the proposed townhouses and the existing industrial use to the north. A portion of the 30-foot buffer requirement is met on the back of residential lots as shown on the landscape plan included in this submission. The on-lot buffer area is not proposed to be placed in a conservation easement. To ensure that the buffer area is maintained as shown on the plan, the homeowner's association documents for the community will provide covenants and access rights to the HOA to enforce the requirement to maintain the plantings within the buffer area. In addition, the buffer area on the Property will be augmented by the significant area on the adjacent parcel that is preserved as forest under a Forest Conservation Easement ("FCE") that is approximately 47 feet in width. Adding the FCE area to the proposed buffer area on the Property creates a dense, planted buffer between the residential units and the activity areas on the adjacent property, totaling almost 80 feet in width. In summary, the proposed buffer area along the northern property line meets the requirements of the Landscape, Screening and Lighting Manual and will provide more than adequate screening and buffering between the back of the residential units on the northern edge of the Project and the uses on the adjacent parcel.

Mr. James Wasilak
January 10, 2020
Page 4

It is anticipated that all necessary approvals and permits will be obtained by the fall of 2020, and construction will begin immediately following issuance of permits.

4. Community Outreach

Prior to submission of the Site Plan, a pre-application area meeting was held on Monday, September 17, 2018. The minutes and sign-in sheet from that meeting are included in the Application. A Post-Application Area Meeting for the Project will be scheduled at the appropriate time after filing this Application.

5. Compliance with Zoning Ordinance's Site Plan Requirements

The Project satisfies the general findings of § 25.07.01.a.3(a) of the Zoning Ordinance. First, it will not adversely affect the health or safety of persons residing or working in the neighborhood of the proposed use. The Project includes a mix of service and residential uses that will enhance the community with a variety of housing options, including needed senior housing, and retains the health club with enhanced parking facilities. The Project is designed as a walkable community to reduce the impact on traffic. New residents at the Project will also help maintain the vitality of existing retail and service uses in the vicinity.

Second, the Project will not be detrimental to the public welfare or injurious to property or improvements in the neighborhood. The Project will replace underutilized office space with a vibrant residential community, including townhouses, multi-family housing, and multi-family senior housing. Significantly, in response to community comments, the Project retains the neighborhood-serving health club and enhances its convenience and viability with a new parking garage for its members. Applicant will incorporate high-quality design in all aspects of the Project, including public open spaces and landscaping and thoughtful architecture.

Third, as set forth more fully below, the Project will not overburden existing and programmed public facilities as set forth in Article 20 of the Zoning Ordinance and as provided in the adopted adequate public facilities standards.

Fourth, the Project will not adversely affect the natural resources or environment of the City or surrounding areas. The Property is currently improved with largely impervious surface – a two-story structure and paved parking lot. The Project will reduce the existing impervious surfaces. It will also include modern storm water management features as detailed on the Storm Water Management Concept Plan included with this Application.

With regard to forest conservation, the Application meets all forest conservation requirements except significant tree replacement under City Code Section 10.5-22. Regarding significant tree replacement, Applicant is required to replace 135 trees. Applicant proposes to replace 129 trees

Mr. James Wasilak

January 10, 2020

Page 5

– only 6 fewer trees than required. It is the Applicant’s intent to satisfy the unmet portion of its forest conservation requirements by payment of fee-in-lieu to the City. The Applicant designed the Project with an urban density that is essential to creating a vibrant new mixed-use community in this area of the City. This density is also necessary to yield a significant affordable housing component in a zone that requires 15% MPDUs (greater than the typical 12.5%). The Applicant suggests that this site and the 15% requirement should be utilized to maximize the number of affordable housing units. However, this design and maximization cannot be achieved on the Property if required to provide the full amount of forest conservation on-site because the amount of developable area would be inadequate to accommodate the number of units proposed. In this regard, the applicable forest conservation requirements are more appropriate for projects developed with more suburban areas with greater existing forests and tree canopies and less potential for development. For example, Tower Oaks, EYA’s residential project that was recently approved by the City, meets all required tree conservation on-site because it is in a location that is more appropriate for a relatively lower scale of development. By contrast, given the level of development surrounding the Property, including Park Potomac, which is approved for a similar density as the Project, a reduction of the on-site forest conservation requirements is appropriate. Additional information regarding proposed forest conservation will be provided with the Final Site Plan Application.

Fifth, as explained in detail below, the Project will not be in conflict with the Comprehensive Master Plan, which was approved and adopted on November 12, 2002 (“2002 Comprehensive Plan”).

Sixth, the Project does not constitute a violation of any provision of the Zoning Ordinance or other applicable law. As described in this letter and illustrated by the plans included in the Application, the Project meets or exceeds the development standards for the MXCD zone. Further, parking, lighting, open space, public use space, and landscaping for the Project are all in accord with the City’s requirements, as illustrated by the plans included in the Application. The Project was also specifically designed to comply with the design guidelines for all mixed-use zones, as well as the design guidelines applicable to the MXCD zone. Additionally, Applicant’s civil engineer has also confirmed that the Site Plan complies with the City’s Landscaping, Screening, and Lighting Manual. As detailed above, while a portion of the required landscape buffer along the northern property line is located on the back of the lots for the residential units, the applicable provisions of the Landscape, Screening and Lighting Manual do not prohibit buffer area to be located in whole or in part on private lots.

Finally, the Project is compatible with and will complement the surrounding uses and properties. The Project is surrounded by other MXCD zoned properties. There are also MXT and R-90 zoned properties in the vicinity. The Project replaces an outdated office use with a modern mixed-use community more in line with recent and proposed mixed-use development in the

Mr. James Wasilak
January 10, 2020
Page 6

vicinity. It will serve as an extension of the Park Potomac and Potomac Woods Plaza mixed-use developments.

6. Compliance with Comprehensive Master Plan

The 2002 Comprehensive Plan places the Property in Planning Area 13 – Orchard Ridge, Potomac Woods, and Falls Ridge. The 2002 Comprehensive Plan does not appear to provide specific recommendations for the Property. It describes the Property as an office building on a privately owned parcel south of the Seven Locks Technical Center.

General policies of the 2002 Comprehensive Plan that apply to the proposed redevelopment of the Property include encouraging multi-family housing in mixed-use areas of development and encouraging the completion of housing alternatives for an aging population. The Project, a mixed-use development with senior and multi-family housing, conforms to both of these policies.

In addition, the 2002 Comprehensive Plan generally recommends “ensur[ing] a full range of housing opportunities are available for elderly residents, including rental, ownership, assisted living, and non-assisted living choices.” 2002 Comprehensive Plan, pg. 10-9. The Project includes 215 multi-family senior housing units, including 139 IL units and 76 AL/memory care units.

The 2002 Comprehensive Plan also generally acknowledges affordable housing both for seniors and for others as a “critical issue.” 2002 Comprehensive Plan, pgs. 10-7–10-9. In keeping with this recommendation, the Project proposes 15% of all non-age-restricted units as MPDUs and 12.5% of all senior housing (IL) units as MPDUs.

The Project is also consistent with the draft 2040 Comprehensive Plan. The draft 2040 Comprehensive Plan recommends “Office Retail Residential Mix” for the Property and encourages extending the “character and vision of the Park Potomac mixed-use development in the county as a major part of any redevelopment” on the Property. The Project specifically meets these recommendations by providing a mix of service and residential uses on the Property to include multi-family condominium units, townhomes, multi-family senior housing, and existing health club.

7. Adequate Public Facilities

As shown in the Traffic Impact Analysis submitted with this Application, the Project would not burden the traffic and transportation infrastructure. All areas studied in the Traffic Impact Analysis are projected to continue to operate at acceptable levels of service during the peak periods.

Mr. James Wasilak
January 10, 2020
Page 7

With regard to public school capacity, according to the Montgomery County Student Generation Rates for Housing Types (effective July 1, 2019), the Project is projected to generate approximately 31 new elementary students, approximately 15 new middle school students, and approximately 19 new high school students, or approximately 66 new students for grades K-12. The Property is located in the Richard Montgomery Cluster, and students generated by the Project would attend Richard Montgomery High School, Julius West Middle School, and Ritchie Park Elementary School. At the time of filing of this Application, Richard Montgomery High School,² Julius West Middle School, and Ritchie Park Elementary School are projected to have adequate school capacity in the relevant test years to accommodate students generated, according to the City of Rockville FY2020 School Test. As of the filing of this Application, the Preliminary FY21 School Test, published by the Montgomery County Planning Department, indicates that school capacity will remain adequate.

The Project will be served by existing public water and sewer facilities, which are adequate. It will also be served by adequate public safety and fire and rescue facilities. The nearest fire station is approximately 2.6 miles away. The nearest police station is approximately 2.4 miles away.

8. Green Building Regulations

The structures in the Project will comply with all applicable requirements of the City's Green Building Law (Article 14 of the City Code).

In summary, the Project is in compliance with all applicable requirements of the City Code and will address important City goals by providing high-quality single-family housing, multi-family housing and senior housing, enhancing the existing successful health club use, and increasing the City's tax base.

² Richard Montgomery is open conditionally due to the reassignment of students from Richard Montgomery and Quince Orchard to the new Crown High School in September 2024.

Mr. James Wasilak
January 10, 2020
Page 8

We look forward to working with you on this matter. If you have any questions or concerns, or need any additional information, please do not hesitate to contact us.

Very truly yours,

LINOWES AND BLOCHER LLP



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