

Justification Statement in Support of Schematic Development Plan Application for Kentlands Square

I. INTRODUCTION

The property that is the subject of this Schematic Development Plan Application (the “SDP” or “Application”) is approximately 2.42 acres of land (the “SDP Area”) within a larger existing shopping center site owned by Saul Holdings Limited Partnership (the “Applicant” or “Saul”) that totals approximately 33.8 acres across two separate parcels (known as the “Kentlands Square Property” or “Kentlands Square”). The SDP Area is located within one of these two parcels, specifically, the ±22.29-acre parcel that is improved with several existing retail buildings (totaling approximately 237,000 square feet) and a surface parking lot (“Parcel K”). These existing buildings are occupied by Giant, At Home, Cava grill, and a variety of other retail tenants. In response to interim development opportunities, this Application proposes to develop the SDP Area with three additional infill buildings totaling up to 21,700 square feet of commercial uses, including an improved connecting streetscape along the private streets adjacent to the SDP Area that intersect with Main Street. These three additional buildings will be located on the existing surface parking lot. This additional development will create a new streetscape and commercial street frontage to the northwest of the Chipotle Mexican Grill at Main Street. Moreover, this SDP is consistent with Schematic Development Plan Application No. 7712-2017 that was approved by the Mayor and Council on July 16, 2018, and authorized Saul to construct three (3) infill buildings located on the adjacent Parcel L to the east (the “Recent SDP”). A copy of the Mayor and Council’s Resolution (Resolution No. R-32-18) approving the Recent SDP is attached as Exhibit “1”. For reference, the Recent SDP authorized construction of the Starbucks and Shake Shack restaurants. No changes to any existing commercial buildings are proposed by this Application.

The SDP Area is subject to the sketch plan approval for a larger tract of land of approximately 352 acres in accordance with Ordinance No. O-3-89 (the “Kentlands Sketch Plan”). Following approval of the Kentland Sketch Plan, the Mayor and Council approved Schematic Development Plan SDP-3 on March 2, 1992, which included the SDP Area and allowed 344,977 square feet of retail and 27,574 square feet of garden center. The Planning Commission subsequently approved Final Site Plan K-977 for Kentland Square on December 9, 1992, with this Final Site Plan having been amended on several occasions since 1992 to allow for build-out of the Property. As explained in greater detail below, the Kentlands Sketch Plan (and the associated SDP-3 and Final Site Plan K-977, as amended) contains development rights to support the development proposed by this Application. The Applicant emphasizes that this Application is separate and apart from Sketch Plan Application SK-7503-2017, which was approved by the Mayor and Council on July 17, 2017 (“Saul Sketch Plan”). The Saul Sketch Plan represents only the first phase of the Applicant’s long-term redevelopment strategy for the entire Kentlands Square Property in accordance with the City’s Kentlands Boulevard Commercial District Special Study (the “Commercial District Master Plan”). By comparison, the SDP Area that is the subject of this Application is planned as an interim development program that is independent of Saul’s long-term redevelopment strategy for implementing the Commercial District Master Plan. Consistent with the Recent SDP, this Application is being submitted to address near-term market conditions for additional commercial building sites that are not currently provided for at Kentlands Square. The Applicant notes that the existing retail center continues to experience low vacancy rates

because of changing market demands and the impacts of COVID-19, and that this SDP will respond to consumer demand for complementary commercial uses at the SDP Area. The Recent SDP was reviewed and approved under the City's 1997 Master Plan (the "1997 Master Plan"), which recommended continued application of the MXD Zone for Kentlands Square "to allow for the future redevelopment of the blocks of parking within the shopping center and surrounding commercial development." *See 1997 Master Plan, Neighborhood Four Land Use Plan at p. 22.* Since this Application is intended to leverage near-term redevelopment opportunities at the Property that has vested rights under previous Final Site Plan approvals, this SDP must similarly be reviewed under the 1997 Master Plan. The Mayor and Council, Planning Commission and Staff used this same rationale to make findings in connection with the Recent SDP. A copy of Staff's December 29, 2017 Memo on Master Plans, Site Plans and Relationships is attached as Exhibit "2". In line with the 1997 Master Plan recommendation for the Kentlands Square, the Commercial District Master Plan was proposed as a "plan for incremental change." *See Commercial District Master Plan, p. 1.6.* The inclusion of a vision for incremental change in two separate master planning efforts separated by a decade in time reinforces its fundamental importance. Moreover, the interim development proposed by this Application will not preclude a future sketch plan for long-term redevelopment of this section of Kentlands Square in accordance with the Commercial District Master Plan.

Saul is now submitting this Application to implement additional building sites authorized under the vested development approvals implementing the Kentlands Sketch Plan that will enhance streetscape experience and vitality of the commercial uses on Parcel K. This Application is entirely consistent with the development approved by the Recent SDP, which is successfully being implemented as evidenced by Saul's delivery of the Starbucks and soon to follow Shake Shack. The additional building sites proposed by this Application is critical to Saul's ability to manage and improve operations at Kentlands Square on an interim basis by adding uses and connectivity improvements that complement and enhance the existing development.

II. PROPERTY DESCRIPTION AND HISTORY

The SDP Area, which totals approximately 2.42 acres, is a part of the larger Parcel K (totaling approximately 22.29 acres). Parcel K is a subdivided lot of record, Parcel K, Block Q, Kentlands, as shown on the Record Plat recorded among the Land Records of Montgomery County, Maryland at Plat No. 20505, on September 19, 1997. Parcel K is located in the larger Kentlands Square Property that totals approximately 33.8 acres over two parcels. The adjacent Parcel L is currently improved as a portion of the existing shopping center, including Lowes Home Improvement, Chipotle Mexican Grill, Cold Stone Creamery, Mattress Firm and ancillary surface parking facilities. As noted above, Parcel K, inclusive of the SDP Area, is improved with existing buildings occupied by Giant, At Home, Cava grill, and a variety of other retail uses. The SDP Area is bounded by Main Street to the south. To the east and west, it is bounded by private drive aisles and surface parking spaces. Kentlands Boulevard and a variety of office, retail, and restaurant uses are located to the south and to the west of the SDP Area. The Giant, At Home and various retail stores are located to the north of the SDP Area.

The Kentlands Square Property is located within a larger tract of land of approximately 352 acres that was annexed into the City of Gaithersburg (the "City") in 1966 pursuant to Annexation Agreement No. X-088 (the "Annexation Agreement"). On February 6, 1989, the City approved

Zoning Map Amendment Application Z-262 which rezoned all of the property subject to the Annexation Agreement from the R-A (Low Density Residential) Zone to the MXD (Mixed Use Development) Zone. In connection with its approval of this Zoning Map Amendment, the City approved the Kentlands Sketch Plan. The Kentlands Sketch Plan authorized up to 1,611 dwelling units and a maximum of 2,200,000 square feet of non-residential development. The Kentlands Sketch Plan was amended as Z-262(A) on April 1, 1991 pursuant to Ordinance O-8-91, which increased the residential density to allow up to 2,400 residential dwelling units and reduced the maximum permitted nonresidential to 1.9 million square feet.

As noted above, the City approved the Recent SDP in 2018 in order to allow the development of three additional building sites with 16,000 square feet of commercial uses and connecting streetscape on the adjacent Parcel L. This Application is intended to capture unique market opportunities and deliver similar commercial uses in full compliance with the Kentlands Sketch Plan and controlling, vested SDP-3 and Final Site Plan K-977, as amended.

III. PROJECT DESCRIPTION

Saul proposes the redevelopment of a portion of the existing surface parking lot on Parcel K with three building sites comprising up to 21,700 square feet of commercial uses at the SDP Area (the "Project"). Sites "F" and "G" are proposed to be up to 9,100 square feet each, and Site "H" is proposed to be up to 3,500 square feet, with the cumulative total not to exceed 21,700 square feet. Sites "F" and "G" would be occupied by one or more tenants, and Site "H" would be occupied by a restaurant with a drive-through.

The Applicant proposes nonresidential uses to include the following: office, restaurant, retail, personal service businesses, banks, childcare, and integrated light manufacturing for Sites "F" and "G". In addition, in its planning for this proposed development, Saul has recognized that commercial uses with drive-thru service are a current industry standard that is only growing in market share (especially in light of market trends resulting from COVID-19) and would be a complementary use that is currently under-represented from the mix of commercial tenants in Kentlands Square. As noted above, the SDP illustrates a restaurant with drive-through on Site "H" as a preferred location based on the coordination of anticipated circulation patterns and access by all modes (vehicle, pedestrian and bicycle). Further, Site "H" is designed in a manner that is consistent with City Staff's "Best Practices: Drive-Through Lanes," a copy of which is attached as Exhibit "3". The Applicant is seeking the flexibility to identify specific uses and building footprints for Sites "F" and "G" at the time of Final Site Plan application(s) based upon market responsiveness.

The Applicant is proposing to apply the same design guidelines approved with the Recent SDP to this Application to ensure that there is appropriate, contextual criteria for the buildings and signage that will be implemented at Sites "F," "G," and "H". Upon completion of the three building sites proposed, the streetscape along the existing private drives adjacent to the Sites will connect the SDP Area to Kentlands Boulevard, Main Street, and the building sites approved as part of the Recent SDP. The streetscape improvements will incorporate hardscape materials that are consistent with the existing sidewalk pavers and crosswalks at Chipotle Mexican Grill and Starbucks located to the southwest of the SDP Area. The design guidelines will also provide flexibility to allow for opportunities for outdoor seating and street furniture, the largest of which

will sit between Sites “F” and “G” providing opportunities for café seating, public space, enhanced landscaping, and potentially stormwater management facilities.

Parcel K and Parcel L (i.e., the adjacent property with Lowe’s, Chipotle Mexican Grill and Starbucks) are currently improved with a total of 1,794 surface parking spaces, including the existing spaces in the SDP Area. In connection with the Recent SDP, the parking requirements were calculated across both Parcel L and Parcel K. As reflected on the data table included with the SDP, a total of 1,431 parking spaces are proposed as part of the Application. The reduction in parking supply is largely a result of the need to infill existing surface parking spaces with the commercial buildings, pedestrian hardscape improvements, landscape plantings and stormwater management features proposed by this Application. After accounting for the 21,700 square feet of new commercial uses proposed by the Application, a minimum of 1,631 parking spaces would be required under the Zoning Ordinance.¹ As a result, there would be a deficit of 200 parking spaces under the parking requirements schedule of the Zoning Ordinance. As described in greater detail below, the Applicant is requesting a positive recommendation from the Planning Commission and approval from the Council that 1,431 parking spaces is appropriate and sufficient to meet parking demands at Kentlands Square as part of this Application. In connection with the requested SDP approval, the Applicant respectfully requests that the Council resolution expressly recognize that subsequent Final Site Plan applications implementing the Application be approved by the Planning Commission with parking waivers necessary to satisfy the conditions of the SDP.

Section 24-160D.8(a) of the Zoning Ordinance states that “[t]he council, at the time of *schematic development plan review*, shall determine the appropriate approximate number of spaces,” and that “[a]t the time of final site plan approval, the commission shall determine the final number of spaces, based upon considerations of safety, convenience, pedestrian and vehicular circulation, and added landscaping within parking lot areas ... [and] the *planning commission may reduce the number of spaces required for any use in Article XI, section 24-219(b) of this Code where such reduction will meet the purposes of the MXD Zone.*” (emphasis provided). As a result, Saul respectfully requests that the Council determine that the appropriate approximate number of spaces for this Application total 1,431 parking spaces for the entirety of Kentlands Square such that the Planning Commission is able to grant a waiver of 200 parking spaces at the time of future Final Site Plan applications implementing this SDP. The requested waiver is justified under the criteria established in Section 24-222A.

Pursuant to Section 24-222A of the Zoning Ordinance, the Planning Commission “may waive any requirement of this article, in whole or in part, which is not necessary to accomplish the objectives of this article,” and such a “waiver may be granted ... upon a finding by the planning commission that such a waiver would not be detrimental to the public health, safety and general

¹ The existing garden centers are required to provide 1 parking space per 1,000 square feet of gross floor area pursuant to the prior approvals for the Kentlands Square Property, while all other commercial uses on the Kentlands Square Property (including up to 21,700 square feet proposed by this Application) are generally subject to a parking ratio of 1 space per 225 square feet of gross floor area. However, as part of this Application, Saul is proposing to utilize an evaluation of observed parking demand during the peak usage of the Property to demonstrate that there will be sufficient parking to support of all the uses at Kentlands Square.

welfare.” As highlighted below, the requested waiver of 200 parking spaces (approximately 12.2% of the total code required spaces for the Property) will enhance the public health, safety, and general welfare at Kentlands Square and the greater surrounding community by allowing for the replacement of excess surface parking spaces with: (a) pedestrian streetscape improvements that promote safe and efficient multimodal circulation options through the Property, (b) additional landscape areas, public space and stormwater management facilities, and (c) street-activating commercial uses that enhance the City’s commercial tax base.

More specifically, Section 24-222A(a)(8) of the Zoning Ordinance states, “the planning commission may consider the following criteria ... [t]he unit mix or type of use has unique characteristics and the applicant can demonstrate that parking can be met by other means.” As described in Kentlands Square Parking Analysis prepared by Wells + Associates (the “Parking Analysis”), the unit mix and type of uses at Kentlands Square have unique characteristics that generate substantially less demand for parking spaces than the parking requirement schedule in Section 24-219 of the Zoning Ordinance. A copy of the Parking Analysis is attached as Exhibit “4”. The Parking Analysis demonstrates that the proposed parking supply of 1,431 parking spaces would provide 331 surplus spaces on a weekday and 226 surplus spaces on a Saturday during the peak shopping season in December based upon an evaluation of observed parking demand and estimated future peak season peak parking demand. Additionally, the surface parking lots closest to the SDP Area (identified as Lots 3 and 4 in Exhibit “4”) are projected to have 266 surplus spaces on a weekday and 203 surplus spaces on a Saturday during the peak shopping season in December. Therefore, the 1,431 parking spaces proposed for the Property are far more than the number of parking spaces required to meet the parking demands at Kentlands Square.

Consistent with Section 24-160D.8(a) of the Zoning Ordinance, Saul’s requested waiver of 200 parking spaces will enhance and promote safety, convenience, pedestrian and vehicular circulation, and also allow for added landscaping, public spaces and stormwater management facilities within the parking lot areas at Kentlands Square. Based upon the foregoing, the Applicant requests that the Planning Commission make a positive recommendation and that the Council establish that 1,431 parking spaces is the appropriate approximate number of parking spaces because the Parking Analysis demonstrates that parking at the Property can be satisfied by other means than strict application of Section 24-219 of the Zoning Ordinance. In summary, the Applicant requests Council approval of this Application with a minimum of 1,431 parking spaces with a condition expressly recognizing that the Planning Commission should approve a waiver of 200 parking spaces at the time of subsequent Final Site Plan applications.

IV. REQUIRED FINDINGS

Pursuant to Section 24-160.D.10 of the Zoning Ordinance, a schematic development plan may only be approved when the City Council finds that:

- 1. The plan is substantially in accord with the approved sketch plan:***

The Project proposes up to 21,700 square feet of development across three building sites that can be developed in phases, all as described above. The density proposed is within the range of permitted densities established in the Kentlands Sketch Plan, which was approved as part of

Zoning Map Amendment Z-262, and formally identified as Ordinance O-3-89. At the time of approval, the Kentlands Sketch Plan allowed up to 1,611 dwelling units and a maximum of 2,200,000 square feet of non-residential development. Subsequently, the City approved an amendment to the Kentlands Sketch Plan (Z-262(A)) pursuant to Ordinance O-8-91, which increased the allowable residential density to up to 2,400 residential dwelling units throughout the larger 352 acre tract of land covered by the Kentlands Sketch Plan². The list of proposed commercial uses for the Sites would include office, restaurant, retail, personal service businesses, banks, childcare, and integrated light manufacturing, which is also in substantial compliance with the Kentlands Sketch Plan. In summary, the Application is entirely consistent with the approved Kentlands Sketch Plan (Exhibit “1”, p. 7).

2. *The plan meets or accomplishes the purposes, objectives, and minimum standards and requirements of the MXD Zone:*

Section 24-160D.1 of the Zoning Ordinance sets forth the objective of the MXD Zone as follows:

It is the objective of this zone to establish procedures and standards for the implementation of master plan land use recommendations for comprehensively planned, multi-use projects. It is also intended that this zone provide a more flexible approach to the comprehensive design and development of multi-use projects than the procedures and regulations applicable under the various conventional zoning categories. In so doing, it is intended that this zoning category be utilized to implement existing public plans and pertinent city policies in a manner and to a degree more closely compatible with said city plans and policies than may be possible under other zoning categories. The specific purposes of this zone are:

- (a) *To establish standards and procedures through which the land use objectives and guidelines of approved and adopted master plans can serve as the basis for evaluating an individual development proposal, as well as ensuring that development proposed will implement the adopted master plan and other relevant planning and development policies and guidelines for the area considered for MXD zoning.*

As demonstrated by this Application and the exhibits submitted, this Project is consistent with the land use objectives and guidelines of the 1997 Master Plan. The 1997 Master Plan recommended future redevelopment of the blocks of parking within the shopping center and surrounding commercial development at the Kentlands Square Property, which is accomplished by this Application.

²The Sketch Plan also allowed for a conversion of approved non-residential use to residential dwelling units at a rate of 1,000 square feet per dwelling unit, up to a maximum of 2,400 dwelling units. Thus, a maximum of 200,000 square feet of development could be converted from non-residential uses to dwelling units (e.g., 1,000 square feet x 200 units), reducing the overall non-residential development to 1,288,000 square feet. City records indicate that approximately 1,068,572 square feet of non-residential uses (up to 1,089,522 square feet with the development proposed by this Application) exist under the Sketch Plan, which is well below the development cap of non-residential uses allowed.

In addition, the Commercial District Master Plan, which was adopted since the time of the controlling 1997 Master Plan, recommends “improving the public realm by creating and maintaining a network of walkable streets ... [and] attractive, accessible public spaces ...” as well as promoting “a critical mass and broad mix of mutually supportive uses” to enhance “conditions for ... pedestrians, and ... the efficient use of ... parking resources.” See *Commercial District Master Plan*, p. 4.4. The addition of these building sites to the SDP Area will enhance the public realm and pedestrian experience with streetscape elements and activating commercial uses.

This Application is consistent with surrounding shopping center and the Recent SDP in that it seeks to add three additional commercial building sites with approximately 21,700 square feet in the place of existing surface parking facilities on the adjacent Parcel K. Significantly, the Recent SDP recognized that the addition of commercial building sites and streetscape elements would complement “the existing automobile-oriented commercial uses and site design of Kentlands Square and includes further improvements to the pedestrian realm and connectivity to surrounding areas” and serve as “an extension of the existing automobile-oriented commercial uses found in the Kentlands Square Shopping Center and ... remain compatible with the surrounding land uses.” (Exhibit “1”, p, 8).

The Applicant notes that, while the Commercial District Master Plan aims ultimately toward long-term redevelopment of the Kentlands Boulevard Commercial District, it does recognize that commercial properties such as the Kentlands Square Property will continue to operate as currently developed with interim improvements on the way toward achieving the Commercial District Master Plan’s long-term vision. To this end, the Commercial District Master Plan represents a “[p]lan for incremental change [in order to] [e]ncourage development that supports the long-term vision for the area while fulfilling short term needs.” See *Commercial District Master Plan*, p. 4.4. Thus, this Application proposes development that is consistent with both the Commercial District Master Plan’s long-term vision for the Kentlands Commercial District as well as the interim redevelopment envisioned by the Kentland’s Sketch Plan Z-262(A) (Ordinance O-8-91). Moreover, the 1997 Master Plan’s Land Use Element for Neighborhood Four recommended redevelopment of the blocks of parking within the shopping center.

(b) *To encourage orderly, staged development of large-scale comprehensively planned, multi-use developments by providing procedures for various zoning and plan approvals, including development phasing.*

This interim infill redevelopment is the next stage of the orderly development of the Kentlands Square Property, which was the subject of a previous sketch plan approval that included comprehensive planning and development phasing. Saul notes that this interim redevelopment plan will not preclude long-term redevelopment opportunities similar to those encompassed in the Saul Sketch Plan for an entirely separate portion of Applicant’s Kentlands Square Property that is located to the north of Main Street. Significantly, the City made a finding that the Recent SDP satisfied this objective and that development proposal is substantially similar to this Application. Note that Building Sites F,G, H can be built together or independent of each other. Site Layout and circulation to be

determined at final site plan per phase.

To encourage design flexibility and coordination of architectural style building and signage.

The architectural and signage criteria is contained in the design guidelines that the City approved as part of the Recent SDP. The Applicant is proposing that these same design guidelines be applied to this Application. The intent of the design guidelines is to allow for integration of compatible buildings and signage to enhance the proposed streetscape improvements and promote the pedestrian experience at the SDP Area. All three building sites will incorporate architecture and signage that is harmonious with the surrounding community. The implementation of quality design and architecture in place of excess surface parking will enliven the public realm and functionality of the SDP Area.

- (c) *To ensure the integration and internal and external compatibility of applicable residential and nonresidential uses by providing a suitable residential environment that is enhanced and complemented by uses such as commercial, recreational, open space, employment and institutional uses and amenities within a multi-use development. A multi-use development is defined as a single parcel or a group of contiguous parcels of land zoned MXD which, among the various parcels comprising that contiguous area, include residential, commercial, recreational, open space, employment and institutional uses and amenities.*

The Project proposes to incorporate additional commercial uses and connecting streetscape in place of surface parking facilities at Kentlands Square, which is a commercial area located within a larger mixed-use community that includes residential, commercial, and other nonresidential uses. The SDP Area is part of the successful commercial district for the greater Kentlands, which was developed over 25 years ago. The Application will allow for the addition of complementary commercial uses and an improved connecting streetscape in the SDP Area that do not presently exist at Kentlands Square. This Application proposes three buildings fronting on Main Street in an effort to enhance the public realm and functionality of the commercial center by accommodating pedestrian circulation and street-activating commercial uses. In summary, the Project will further contribute to the established commercial district of the greater Kentlands.

- (d) *To assure compatibility of the proposed land uses with internal and surrounding uses by incorporating higher standards of land planning and site design than could be accomplished under conventional zoning categories and to provide a superior quality of development exceeding that which could be achieved under conventional zoning regulations and procedures.*

The Application proposes commercial development that is consistent with the applicable sketch plan (Kentlands Sketch Plan, Z-262(A)), and thus the Project is compatible with the surrounding uses. The design guidelines will foster a high standard of building design and will provide an excellent quality of development. The replacement of surplus surface parking at the SDP Area with commercial building sites and associated streetscape improvements will further contribute to the vitality of Kentlands Square.

- (e) *To encourage the efficient use of land by: locating employment and retail uses convenient to residential areas; reducing reliance upon automobile use and encourage pedestrian and other non-vehicular circulation systems; retaining and providing useable open space and active recreation areas close to employment and residential populations; and providing for the development of comprehensive non-vehicular circulation networks, separated from vehicular roadways, which constitute a system of linkages among residential areas, open spaces, recreational areas, commercial and employment areas, and public facilities.*

The SDP Area is part of the Kentlands Sketch Plan that established an efficient use of land as part of those prior approvals and the rezoning to the MXD Zone. This Application proposes to continue the efficient use of the SDP Area by co-locating commercial uses and enhancing the streetscape and pedestrian experience. The SDP Area is one component of a successful existing shopping center that is adjacent to a mix of residential and commercial uses, and this Application will allow for continued efficiencies and balance within the mix of uses in the greater Kentlands. Accordingly, the development proposed by this Application will encourage the efficient use of land by locating commercial uses in proximity to residential, retail and employment uses, and create linkages for pedestrians to and from the SDP Area.

- (f) *To provide superior natural environment by the preservation of trees, natural topographic and geologic features, wetlands, watercourses and open spaces.*

There are no wetlands, 100-year floodplains, streams, stream valley buffers, or other environmental features on the SDP Area. The Application's replacement of surface parking facilities with the proposed building sites will result in an improved natural environment through enhanced stormwater management features that incorporate environmental site design practices as well as additional street trees and other enhanced landscape areas.

- (g) *To allow development only in a phased or staged fashion to ensure the adequacy of the provision of public facilities and the concurrent implementation of community amenities.*

This SDP Area is a small component of the property governed by the Kentlands Sketch Plan and other initial approvals that ensured that adequate public facilities existed during the initial development of the greater Kentlands. This Application is still subject to the City's Adequate Public Facilities Ordinance ("APFO"), however, because it generates more than 30 new weekday peak-hour trips, and, as explained in greater detail below, the Project complies with the City's APFO standards.

Adequacy of Transportation Facilities: The Traffic Impact Study prepared by Wells & Associates dated August 11, 2021 (the "Traffic Study") is included with this Application. The Traffic Study analyzed six intersections (including two roundabouts) for weekday AM peak hour, weekday PM peak hour, and Saturday peak hour conditions. The analysis looked at current conditions, future conditions without the SDP development, and future conditions with the SDP development at each of the studied intersections. The studied

intersections were analyzed with respect to acceptable Critical Lane Volume (“CLV”) standards, and the roundabouts were analyzed with respect to acceptable volume-to-capacity ratios. In summary, the Traffic Study determined that no traffic mitigation measures are required on account of the small amount of traffic that would be generated by this Application. The Traffic Study also concluded that the Application’s development of a sidewalk along Main Street will further enhance the connected network of pedestrian, bicycle, and transit facilities that exist in and around the shopping center. In summary, the Application satisfies the City’s APFO requirements for adequacy of transportation facilities.

Adequacy of School Capacity: Since the Project does not propose any residential uses, this Application is exempt from City’s APFO test for school capacity as set forth in Section 24-246 of the Zoning Ordinance.

Water and Sewer Service: The SDP Area is currently served by Category W-1 and S-1 of the Washington Suburban Sanitary Commission’s services; thus, the Application complies with the City’s APFO test for water and sewer service as set forth in Section 24-247 of the Zoning Ordinance.

Fire and Emergency Service: Pursuant to Section 24-248 of the Zoning Ordinance, any development project must be served by at least two fire stations within a ten-minute response time in order to comply with the City’s APFO test for fire and emergency services. The SDP Area is located within a ten-minute response time of four fire stations: (1) Station 8 (Gaithersburg/Washington Grove); (2) Station 22 (Gemantown/Kingsview); (3) Station 31 (Rockville); and (4) Station 32 (Travilah). As a result, the Project will be served by adequate fire and emergency services.

Section 24-160D.2 of the Zoning Ordinance sets forth the minimum location and development requirements of the MXD Zone as follows:

- (a) ***Master plan.*** No land shall be classified in the Mixed Use Development Zone unless the land is within an area for which there is an approved and adopted master plan which recommends mixed use development for the land which is the subject of the application, or unless the proposed development otherwise satisfies the purposes and objectives of the MXD Zone. Approval of the MXD Zone for land which is not recommended for this zone in an approved master plan shall require the affirmative vote of four (4) members of the city council.
- (b) ***Minimum area.*** No land shall be classified in the Mixed Use Development Zone unless it contains a minimum of ten (10) acres. Parcels or tracts less than the minimum acreage may be permitted if they are contiguous to an existing MXD zoned area and may be harmoniously integrated into the MXD area, consistent with the objectives and purposes of this zone. Such parcels are not required to contain multiple uses but should contribute to a multi-use development and are subject to the provisions of 24-160D.9(a)(1).

- (c) *Location. Such land shall be located adjacent to and readily accessible from existing or planned highways that are in an approved construction program and are adequate to service the proposed development. It is intended that adequate access be available to such sites so that traffic does not have an adverse impact on the surrounding area or cause internal circulation or safety problems.*
- (d) *Public water and sewer. No development shall be permitted unless served by public water and sewer.*
- (e) *Signage. Signage shall be coordinated between adjoining uses and be thematic in approach, in accord with the purposes of this zone and overall character of the surrounding area.*
- (f) *Frontage on public streets. Anything to the contrary notwithstanding in any regulation in this Code, lots in this zone shall not be required to have direct access to a public street provided that such condition will promote the creation of affordable housing, or will be designed in such a way as to foster the purposes and objectives of this zone, provided that satisfactory access to a public street is provided over private rights-of-way.*

Section 24-160D.2(a)-(c) are not applicable to the Application since the SDP Area is zoned MXD, and public water and sewer are available at the SDP Area. The other requirements embodied in Section 24-160D.2 were satisfied through the approved overall site design for Kentlands Square, which is proposed to be supplemented by this Project as discussed below. Signage will be attractively designed and implemented in accordance with the purposes of the MXD Zone and the overall character of the greater Kentlands area (illustrated in detail through the design guidelines submitted as part of this Application). Access to the Project is provided by a network of public roads that connect to the Kentlands Square's network of private drives. There is vehicular access from Kentlands Boulevard to the SDP Area through three full-movement, unsignalized intersections and two roundabouts. Primary access to the Project is proposed along Main Street and the private central drive that was constructed for the commercial building sites on the south side of Main Street.

Section 24-160D.5 of the Zoning Ordinance sets forth the compatibility standards of the MXD Zone as follows:

- (a) *All uses shall conform to the purposes of the Mixed Use Development Zone and shall be compatible with all uses, existing or proposed, in the vicinity of the area covered by the proposed planned development. In order to assist in accomplishing such compatibility, the following requirements shall apply:*
 - (1) *All right-of-way requirements, setbacks, height limits, open space or buffer areas recommended in an area master plan or special conditions or requirements stated therein to protect properties adjacent to the MXD zoned areas shall be incorporated into all plans subject to approval under the zone..*

- (2) *Where setback, height limits, open space or buffer areas are not recommended in an area master plan or special conditions or requirements stated therein to protect properties adjacent to the MXD zoned areas, the following requirements shall be incorporated into all plans subject to approval under this zone.*
- a. *No buildings other than single-family detached dwellings shall be constructed within one hundred (100) feet of adjoining property not zoned MXD or in a residential category that is developed with one-family detached homes unless the city planning commission finds that topographical features permit a lesser setback. In all other situations, setbacks from adjoining properties may be less than one hundred (100) feet, with the setback approved by the city planning commission.*
 - b. *No building proposed for commercial/employment/industrial use shall be constructed less than one hundred (100) feet from any adjoining property not zoned MXD recommended for residential zoning and land use on the applicable master plan. The setbacks shall be determined as part of the final site plan approval.*

This Application will enhance the existing shopping center comprising Kentlands Square, which is governed by the Kentlands Sketch Plan and 1997 Master Plan. The Project is consistent with the Recent SDP, which was found to be compatible with the surrounding community. Further, the Commercial District Master Plan recognizes the need for “fulfilling short-term needs” in the greater Kentlands. *See Commercial District Master Plan, p. 4.4.* In this respect, the Application represents an important interim redevelopment of the SDP Area that will replace a portion of existing surface parking facilities with three commercial building sites and associated streetscape elements that will improve the public realm and pedestrian experience, and is compatible with the greater Kentlands.

Section 24-160D.6 of the Zoning Ordinance establishes the minimum green area, landscaping and amenity requirements for the MXD Zone as follows:

- (a) *The amount of green area, including designated parks, public and private open space, active and passive recreational areas, required for the residential portion of a mixed use development shall be not less than forty (40) percent of the total area shown for residential use. ... for the commercial/employment/industrial portion of a mixed use development shall be not less than twenty-five (25) percent of the total area devoted to commercial/employment/industrial uses, except that comparable amenities and/or facilities may be provided in lieu of green area if the city council determines that such amenities or facilities are sufficient to accomplish the purposes of the zone, and would be more beneficial to the proposed development than strict adherence to the specific green area requirement.*

The SDP Area's existing commercial development satisfies the MXD Zone's minimum green area requirement of 25% pursuant to the Kentlands Sketch Plan and associated prior approvals for the greater Kentlands. Additionally, Saul's replacement of existing surface parking facilities with commercial building sites will include landscaping and walkways that increase the green area provided on the SDP Area.

- (b) *All recreation areas, facilities and amenities, and all open space and landscaped areas shall be reflected on the final site plans for approval by the city planning commission.*

All facilities and amenities, and all open space and landscaped areas are shown on the SDP. These items will also be reflected on the final site plan(s) for approval.

3. *The plan is in accord with the area master plan and any accompanying special condition or requirements contained in said master plan for the area under consideration:*

As discussed above, the Project is consistent with both Sketch Plan No. Z-262(A) and the vested schematic development plan and final site plan applicants approved in accordance with the 1997 Master Plan. The 1997 Master Plan specifically recommended allowing for future redevelopment of the blocks of parking within the shopping center and surrounding commercial development at the Property. To this end, the Application will allow for the addition of three commercial building sites with uses that complement the existing shopping center and the greater Kentlands. The three building sites and streetscape proposed will enhance the public realm and pedestrian experience through the creation of streetscape elements and activating commercial uses. In addition to fulfilling the 1997 Master Plan's recommendations for the SDP Area, the Application is consistent with the Commercial District Master Plan's vision (adopted in 2008) for "improving the public realm by creating and maintaining a network of walkable streets ... [and] attractive, accessible public spaces ..." as well as promoting "a critical mass and broad mix of mutually supportive uses" to enhance "conditions for ... pedestrians, and ... the efficient use of ... parking resources." See *Commercial District Master Plan*, p. 4.4.

4. *The plan will be internally and externally compatible and harmonious with existing and planned land uses in the MXD zone areas and adjacent areas:*

The SDP is compatible and harmonious with the adjacent area and uses, which consist of residential and commercial developments. The SDP Area is easily accessible by a number of established residential communities, including the Kentlands, Lakelands, Quince Orchard Park, West Riding, the Orchards, Diamond Farm and many others. The Project's addition of commercial uses with streetscape enhancements will promote a quality public realm with better pedestrian accessibility than under existing conditions. Residents, employees and others will be able to access the Project by multiple modes, including vehicle, bus, bicycle, and walking. Kentlands Square is an operating shopping center, and these proposed building sites will allow for complementary uses to be implemented at the SDP Area. Thus, these building sites will not detract from the existing commercial uses at the Kentlands Square but will contribute to the continued

success of the existing uses. Significantly, this interim redevelopment at the SDP Area is flexible and market responsive such that it will not foreclose the Commercial District Master Plan's long-term redevelopment vision for the entirety of the Kentlands Square Property. Accordingly, the addition of three commercial building sites and streetscape to the SDP Area is internally and externally compatible and harmonious with the surrounding areas and uses as it will allow for uses that complement the existing shopping center.

5. *Existing or planned public facilities are adequate to service the proposed development contained in the plan:*

As stated above, transportation facilities, water and sewer service, and fire and emergency services are all adequate to accommodate up to 21,700 square feet of additional commercial uses at the SDP Area. The Traffic Study reviewed the development of 21,700 square feet of additional commercial uses at the SDP Area, and determined that the Application satisfied the City's APFO policy for purposes of adequacy of transportation facilities. Since the Project is limited to commercial development, the City's APFO test for adequacy of schools is not applicable. As a result, existing and planned public facilities are adequate to service the proposed development contained in the Application.

6. *The development staging or phasing program is adequate in relation to the provision of public facilities and private amenities to service the proposed development:*

As stated previously, the entire development included in the SDP will be served by adequate public facilities and private amenities. It is presently anticipated that the Application will be implemented in one phase, but the Applicant intends to maintain the flexibility to implement the Application in manner that responds to market demand.

7. *The plan, if approved, would be in the public interest:*

The replacement of surplus surface parking facilities with the compatible development of three commercial building sites and improved streetscape adjacent to an existing mix of residential, retail, and employment uses is in the public interest. As outlined above, the Applicant's requested parking waiver of 88 spaces satisfies Section 24-160D.8(a) of the Zoning Ordinance and will not be detrimental to the public health, safety, and general welfare. The Application will improve the appearance of the SDP Area through the addition of streetscape elements that provide for a more pedestrian friendly experience and functionality for the entire Kentlands Square. The SDP Area is adjacent to a well-established transportation network, which allows for safe and efficient access to and from the SDP Area. The Project will connect to this transportation network and provide greater accessibility to and from the SDP Area. To this end, the Application proposes sidewalks along northern side of Main Street and on two central drives adjacent to the SDP Area that connect Kentlands Square to Kentlands Boulevard (and the Kentlands Marketplace development on the opposite side of Kentlands Boulevard), thereby improving overall pedestrian and bicycle access throughout the area. The addition of these commercial building sites will not detract from the commercial center, but rather

will allow for complementary uses to be implemented. Accordingly, the Application presents a market driven interim redevelopment at the SDP Area that is in the public interest.

V. CONCLUSION

In summary, the Application allows for development of the three commercial building sites so that Saul can respond to market conditions with the delivery of complementary uses at the SDP Area that will support and enhance the existing commercial uses at the shopping center. The Applicant's inclusion of design guidelines will ensure that a holistic approach is employed in the design of buildings and signage for these three commercial building sites. The Project will also allow for an interim development that is consistent with the Recent SDP approved for the adjacent Parcel L, Kentlands Sketch Plan, and the 1997 Master Plan for the SDP Area, while leaving sufficient opportunity for long-term development at the Kentlands Square Property as envisioned by the Commercial District Master Plan.

For the reasons stated above, the Application will (1) be substantially in accord with the approved Kentlands Sketch Plan of record (Z-262(A)); (2) meet or accomplish the purposes, objectives, and minimum standards and requirements of the MXD Zone; (3) be in accord with the 1997 Master Plan's recommendations for the SDP Area; (4) be internally and externally compatible and harmonious with existing and planned land uses in the MXD zone areas and adjacent areas; (5) be supported by adequate public facilities to service the Project; (6) be implemented through an adequate development staging or phasing program in relation to public facilities and private amenities; and (7) be in the public interest. Saul, therefore, respectfully requests approval of this Application.