

Justification Statement in Support of MXD Rezoning and Sketch Plan Applications for Lakeforest

I. INTRODUCTION

The property that is the subject of this combined MXD (Mixed Use Development) Rezoning and Sketch Plan Application (the “Application” or “Sketch Plan”) is a ±102-acre tract of land comprised of eight (8) parcels, presently improved with a partially occupied Lakeforest Mall, ±1,049,000 square-foot indoor (covered) shopping mall with approximately 7,000 surface parking spaces and stormwater management ponds (interchangeably referred to herein as the “Property” or “Lakeforest Mall” or “Mall”).¹ While this Justification Statement in Support of MXD Rezoning and Sketch Plan Applications for Lakeforest Mall (the “SOJ”) often references the Mall in an effort to describe existing conditions, the focus of this Application is to remove the Mall through this exciting opportunity to comprehensively create a place with a mix of uses while balancing the public and private benefits to achieve the goals of the Master Plan.

The Property, owned by Lakeforest Development, LLC (the “Applicant” or “Lakeforest Development”), is located within the municipal limits of the City of Gaithersburg (the “City”) and is framed by Montgomery Village Avenue (MD 124) to the north, Lost Knife Road to the east, Odendhal Avenue to the south, and Russell Avenue to the west. As encouraged by the Lakeforest Mall Master Plan, adopted by the City Mayor and Council on August 16, 2021 (the “Master Plan”), the Applicant is pursuing rezoning of the Property from the City’s existing C-2 (General Commercial) Zone to the MXD Zone, which will allow the Property to be transformed from the underutilized and dated Lakeforest Mall to a more urban mixed use community with “coordinated, well-integrated horizontal and vertical mix of uses” that will serve as “a catalyst for revitalization in the surrounding area.” (Master Plan, pp. 45-46). As illustrated by the Sketch Plan, this Application will, among other public benefits, establish an urban street grid, an interconnected network of useable open spaces and green areas, provide for important pedestrian and bicycle linkages internally and externally, and ensure the development of a holistic mix of residential, commercial, and amenities that will substantially and significantly add to the tax base of the City, County, State, and region.

The Master Plan recognizes that the Property is uniquely situated for mixed-use redevelopment given that “the areas of the City to the east of I-270 offer the greatest future redevelopment opportunities, with Lakeforest Mall in particular offering an opportunity to accommodate various development scenarios, given its size.” (Master Plan, p. 31). Lakeforest Development spent considerable time and resources to assemble and acquire the entire Property in March of 2022. Prior to this assemblage by Lakeforest Development, the Mall (constructed in 1978) had fractured ownership comprised of separate owners for the 4 major anchors and the fee simple

¹ Also located on the Property is a Transit Center operated by the Montgomery County Department of Transportation, an operation located along (and with direct access to) Lost Knife Road and the parking lot that is utilized for some limited commuter parking by MCDOT customers, however, the documented purpose is to operate as a rider transfer station for various Ride-On bus routes (collectively, the “Transit Center”).

land upon which the anchors were located as well as a fifth owner of the remainder of the Property and the Mall (including the two-story internal retail core of the Mall which connected the anchors, the surface parking and the stormwater ponds).

This SOJ establishes in detail how the proposed market-driven Project (as defined and described in detail below) will result in an exceptional planned mixed-use redevelopment at the Property that is predicated on “[a] broader, more flexible range of uses, at higher densities” as envisioned by the Master Plan and otherwise satisfies all of the burdens of persuasion and meets all of the requirements and regulations necessary for the approval of the rezoning of the Property from the C-2 Zone to the MXD Zone, consistent with the Master Plan. The Application, along with the accompanying Sketch Plan, represents the first step in the MXD Zone process and will establish a framework for bringing the Master Plan into fruition to the benefit of the City and its residents and businesses and to the region generally.

As envisioned through the adoption of the Master Plan, the redevelopment of Lakeforest Mall will be an extraordinary improvement of not just the City but also the region, made possible only through the assemblage of the entire Mall Property by the Applicant. The intents, guidelines and mandates of the approved Master Plan can now be realized fully, thus creating a unique development outcome for Gaithersburg; one where a pedestrian oriented, mixed-use project is not added to the periphery of existing development or highway infrastructure, but instead fills a hole within such fabric, “stitching” together existing neighborhoods and street networks. While the ultimate mix of uses and amounts will be largely determined by the marketplace, the framework for this Project’s uniqueness is being created through this rezoning Application and accompanying Sketch Plan. The seamless integration with the City to the north, south, east, and west of the Mall Property will eliminate what is now a large hole that disconnects the City and perpetuates a suburban character of asphalt parking lots, obsolete stormwater management systems, and single uses. By filling this hole with a vibrant, mixed use, pedestrian and transit-oriented neighborhood center, the entire surrounding area with its range of uses and densities will be activated and enhanced, supporting an 18-hour urbanized community well beyond the borders of the Property itself. Through creative planning, thoughtful architecture, and a market-driven diversity of uses and densities that will horizontally and vertically blend employment, residential, entertainment, shopping, active and passive recreation and civic spaces, the Project will dramatically and positively alter the existing suburban trajectory of the Property and surrounds. The outcome will invigorate, improve and stitch together the immediate community and substantially enhance the City’s tax base and quality of life.

II. PROPERTY DESCRIPTION, HISTORY AND SURROUNDING CONTEXT

Since 1978, the Property has been improved with the Mall, the utility and success of which has been steadily declining over the last several years (as has also been the case for other enclosed shopping Malls across the nation). The Property is comprised of eight (8) parcels, four (4) of which coincide with the large anchor retail uses (J.C. Penny, Macy’s, Sears, and Lord & Taylor), one (1) of which is the remaining core of the Mall improvements linking the anchors on two floors, and three (3) of which are stormwater management ponds/facilities, serving runoff from the Property and beyond. Various Final Site Plan applications were approved under the old C-2 Zone for the Mall over the past several decades.

While the Mall functioned as a successful mix of commercial uses for many years, since the turn of the century it has been steadily in decline as presently constituted. As with the national trend, changes in consumer retail preferences and desired experiences, and reluctance to invest in physical changes to the Mall intended for long-term preservation of the covered mall concept have led to the Mall becoming increasingly underutilized, vacant, and on the verge (absent considerable investment intended for re-tenanting the improvements) of being completely obsolete. While the Property is still encumbered with a recorded Reciprocal Easement Agreement (“REA”), with requirements and limitations on the use and operation of the existing Mall in addition to the redevelopment of the property still in play, the Sketch Plan contemplates termination of the REA to allow for the Master Plan vision to come to fruition (as described in greater detail in Section VI relating to phasing).

The surrounding context and vicinity of the Property is improved with a broad range of residential and commercial uses. The Cider Mill apartment community, consisting of over 800,000 square feet spread among 804 dwelling units, is located east of the Property across Lost Knife Road, along with the ±93,000 square foot Montgomery Village Plaza retail center and ±105,000 square foot retail Off-Price Center. The continuing care retirement community known as Asbury Methodist Village is located immediately to the south across Odendhal Avenue and includes 849 apartments, 285 group quarters, and ±134,000 square feet of medical and ancillary uses. A variety of retail and office uses are located across Russell Avenue to the west, including Gaithersburg Square retail center currently improved with over 185,000 square feet of retail, which is also adjacent to the ±149,000 square foot Burlington store and ±121,000 square foot Sam’s club. Further to the west is the Montgomery County Agricultural Fairgrounds. Matan Companies mixed-use commercial project (the former Leidos campus) is located to the northwest and received SDP approval for up to 450,000 square feet of employment/office/other institutional uses and 11,100 square feet of retail uses. Several institutional uses, including the Gaithersburg Library and Gaithersburg-Washington Grove Fire Station, are located to the north of the Property across Montgomery Village Avenue. Additionally, the former Holiday Inn hotel is located to the northwest and a number of garden style multi-family condominium buildings are located to the northeast of the Property. As described in greater detail below, the Sketch Plan is intended to “contribute to and enhance, rather than take from, the surrounding commercial areas,” and will also be externally compatible with the surrounding environment by creating “a visually inviting environment not only for the Mall’s future residents and workers, but also for the surrounding communities and developments.” (Master Plan, pp. 48 and 67).

III. PROJECT DESCRIPTION AND VISION

As illustrated in the Rezoning and Sketch Plan Application submitted, Lakeforest Development is proposing to raze all the Lakeforest Mall improvements to allow for multi-stage, comprehensive redevelopment of the Property with up to 1,600 dwelling units, up to 1,220,000 square feet of commercial uses, which is comprised of up to 750,000 square feet of Employment uses (hereinafter defined to include professional office, financial institutions and banks, medical office, life sciences, research and development, and integrated light manufacturing uses²), up to

² Integrated light manufacturing uses may include the various uses defined by Section 24-1 of the City’s Zoning Ordinance, including, but not limited to, breweries, distilleries, chocolatier/specialty gourmets, pottery/artisanal, medical supplies and devices, molecular

250,000 square feet of large format retail uses, and up to 220,000 square feet of neighborhood scaled retail and entertainment/amusement uses (collectively, up to 470,000 square feet of retail uses, hereinafter defined to include hard and soft goods, grocery and drug stores, restaurants, entertainment and fitness, and personal services) (the “Project”). While the sum of the maximum “up-to” commercial square footage caps proposed for each Block total more than 1.22 million square feet, the densities identified across different Blocks are only intended to create flexibility for various uses to be established at the time of Schematic Development Plan (SDP) and Final Site Plan and are not representative of the total commercial density proposed to be constructed at the Property. The Applicant is proposing a mix of residential uses in the Project, including multi-family dwelling units (rental and for sale), townhouse units, and Gap housing that complies with the housing typology mix set out in the Special Conditions. More specifically, the Sketch Plan includes the following types of “Gap housing” pursuant to the Master Plan definition thereof³: stacked condominium units in the form of 2 over 2 units and 1.5 story over 1.5 story units; triplex, quadplex units (and variations thereof that meet the definition of Gap housing).

The Sketch Plan not only supports, but furthers the general intent expressed within the Master Plan to promote meaningful open spaces by including the street network, with parallel/adjacent green network system as a component part of the “civic/open space” system. Rather than merely assigning “open space” to physical set asides, each with a specific program such as, tot-lot, dog park, plaza, square, or walking trail (amongst other types); the Sketch Plan incorporates the street network to augment these physical spaces as recommended by the Master Plan. This subtle yet powerful approach enables the new development to take on the character trait common to older, great towns and cities; one that is embodied by the incorporation of thoroughfares and rights-of-way into the “civic and public realm” of the community.

Street networks (including parking) typically represent the largest percentage of unbuilt land in most urban areas around the world, and in almost all contemporary cases they serve as buffers, impediments, and even barriers to the civic life of the surrounding community. The Property will use the street network to augment the parks, squares, plazas, and esplanades that will connect to and adjoin it. Doing so will expand the opportunities for pedestrians and cyclists beyond what can be provided by depending solely on specific types of spaces. The system created will permit a majority of the streets in the Project to serve as trails and pathways, that change in character and detail depending on their location and context within the Sketch Plan. The Sketch Plan will promote and enhance opportunities for one to leave their home, walk down, or cycle along a tree lined street that passes a small park or tot-lot, which leads to a larger neighborhood park serving the greater neighborhood. Here, the transition from the lower density residential portion of the neighborhood to higher density residential and mixed use occurs, providing residents the opportunity to mix and mingle in outdoor spaces that are now so desirable post COVID. The spaces include the street’s right of way, which is augmented by a

engineering/nanotechnology, and similar uses such as light manufacturing related to life sciences.

³ Gap housing is defined by the Master Plan as “[r]esidential units that are intended to bridge the architectural and price point gap between higher-priced single family (detached and townhouse) units and rental-focused multifamily units. Typologies include but are not limited to stacked townhouses, quadplexes, and triplexes, as well as duplexes and bungalow courts under a certain size.” (Master Plan, p. 22).

linear expansion of the corridor's width to incorporate the required sidewalk with additional space for cycling, walking, tree planting, art installation, and where mixed use is present, outdoor seating and dining opportunities. The system continues through more active blocks in the Project, transitioning yet again to shared space, and even pedestrian only trails and pathways. The Sketch Plan connects the home of a resident to the active main street and pond frontages at the Project's "downtown" via a continuously enhanced pedestrian and cycling experience. The variety of urban experience that will be achievable within a 5-to-10-minute walk will make the Property unique within Gaithersburg and a rarity in the suburban metropolitan DC region.

The Applicant notes that there is an important distinction between Master Plan recommendations and "Special Conditions." Section 24-160.D.10 of the Zoning Ordinance requires that a sketch plan application be approved only upon a finding that such application "is *consistent* with any special conditions or requirements contained in said master plan." (emphasis provided). However, Section 24-160.D.10 of the Zoning Ordinance and the controlling caselaw require that a sketch plan application conform (or be in accord) with "recommendations in the applicable master plan." While a sketch plan application must be consistent with "Special Conditions" such that these elements are mandates, the Court of Special Appeals has found that "it is commonly understood, in Maryland and elsewhere, that Master Plans are guides in the zoning process." *Floyd v. Cnty. Council of Prince George's Cnty.*, 55 Md. App. 246, 258 (1983). In this respect, a sketch plan application must be in general agreement with master plan recommendations but need not strictly adhere to every specific element from the applicable master plan. *See Archers Glen Partners, Inc. v. Garner*, 176 Md. App. 292, 315 (2007). The Sketch Plan strictly adheres to all "Special Conditions," and is also in general agreement with the various Master Plan recommendations. A restatement of the selected, prominent Master Plan vision recommendations (Chapter 5) and how the Application is in accord with each recommendation follows.

Recommendation: That a Lakeforest redevelopment should be mixed use and that mixed use means much more than retail and residential.

- Mixed use development has historically been thought of as residential over top of traditional retail (soft goods stores and restaurants). This model may have been successful in the past, but with the changing nature of retail and the City's current oversupply, a Lakeforest Mall redevelopment should look beyond those traditional uses to include others, such as research and development, integrated light manufacturing, makerspaces, and civic uses. (Master Plan, p. 45).

Response: The Sketch Plan includes a diverse range of commercial uses, including a focus on Employment uses in growth sectors such as bioscience. The Sketch Plan would replace approximately 1,049,000 square feet of underutilized retail uses with a more market responsive mix of Employment and Retail uses. While the Application contemplates up to 470,000 square feet of retail (comprised of up to 250,000 square feet large format retail uses, 220,000 square feet of neighborhood scaled retail, restaurant and entertainment/amusement uses, as further defined on the Sketch Plan), the Sketch Plan proposes up to 750,000 square feet of Employment uses. Notwithstanding that the mix of commercial uses will be further refined at Schematic Development Plan application(s); the Sketch Plan proposes a balanced of mix of nonresidential uses that will spur "job creation of various wage levels and advancement potential." (Master Plan, p. 68).

In addition to a diverse range of Employment uses, the Application also includes several important civic uses, including a commitment on the part of Lakeforest Development to work closely with the Montgomery County Department of Transportation (“MCDOT”) on relocation of the Transit Center to the County’s preferred new location on Russell Avenue. The Application also accommodates the intent of active civic uses on Block B in the form of a series of open plazas between entertainment focused buildings that will border the existing stormwater management pond. The shared use street on Block B will complement the adjacent entertainment and restaurant uses as the street can be closed to vehicular travel to enhance opportunities for interactive engagement in this mixed-use community. The plazas will be primarily hardscaped with seating areas for outdoor dining and tree plantings. The Applicant envisions an outdoor stage being implemented on this Block to host future concerts, and other cultural, social and community events. As described in greater detail below, a private shared use street will bisect the plazas and serve for drop off and pick up access for the retail and entertainment uses. In order to accommodate the envisioned civic uses on this Block and further the Master Plan vision to “provide space for various cultural, educational and social support programs ... [that] help bring people together to learn from one another and enable individuals to build skills and improve their quality of life,” the shared use street will incorporate the same hardscape materials found in the adjoining plazas such that the shared use street can be closed to vehicular travel to accommodate concerts, farmers markets, and other cultural events (e.g., a future taste of Lakeforest where all of the restaurants in the Project can showcase their menus in a street carnival setting). (Master Plan, p. 56).

Recommendation: A variety of commercial, employment, civic and residential uses, including ***diverse housing types*** needed to support future growth, should be included and designed so that neighboring uses complement one another, and all uses together contribute to a harmonious community. (Master Plan, p. 46)

Response: As illustrated on the Sketch Plan, the Application includes a balanced mix of commercial and residential uses. In terms of commercial uses, the Sketch Plan provides sufficient flexibility for “jobs diversity [that] will contribute to a more sustainable community and should create an environment where workers can afford to live where they work and avoid creating another bedroom community,” which is in keeping with the Master Plan. (Master Plan, p. 68). Consistent with the Master Plan vision to discourage “traditional suburban, inefficient designs that impede walkable connectivity and the ability to increase density,” the Sketch Plan incorporates Retail, including an entertainment focus that is aimed at creating “a unique shopping/entertainment/dining opportunities contributing to the sense of place.” (Master Plan, p. 67). The elimination of underutilized surface parking and outdated commercial uses in the form of the Mall will allow for creation of a mixed-use neighborhood center that will encourage the future redevelopment of surrounding properties in a compatible manner. As a result, the Sketch Plan includes a pedestrian-friendly environment that will be activated by commercial uses at the ground-floor and will complement the diverse range of housing types contemplated, that will extend through and outward to the Property’s edges so that the new development faces fully outward onto the surrounding community. In this respect, the Sketch Plan leverages on the existing residential housing stock in the vicinity of the Property by proposing “more creative housing with a broader range of affordability” through a mix of townhouses, Gap housing, and multi-family dwelling units that will enhance the surrounding community. As delineated on the Sketch Plan, the Gap housing will consist of a mix of two-over-two and other stacked

condominium units, triplex and quadplex units and other forms of housing that meet the Gap housing definition.

Recommendation: That it is important for Lakeforest to become a destination with its own “sense of place” that draws people of all ages, including families, and offers unique experiences, amenities and opportunities. (Master Plan, p. 46)

Response: The Sketch Plan is intended to lay the foundation for a multi-phase redevelopment of this underutilized Property that will create a high-quality transit-oriented development that is pedestrian focused with an 18-hour activated environment in which City residents will live, work, and play. While there are a number of examples of successful mixed-use developments in the City, the Sketch Plan represents a transformative project that will include a dynamic mix of uses and amenities that goes beyond the more traditional construct of multi-family over retail uses. The Project also includes a focus on Employment uses to ensure that there is an appropriate and market-responsive mix of commercial uses. Moreover, the retail profile emphasizes entertainment and active retail uses geared towards enhancing the Property’s destination status. While many other mixed-use developments are not ‘complete’, lacking certain uses, the Sketch Plan includes a ‘complete neighborhood,’ which will not only be a destination, but a neighborhood that establishes its own identity while serving as a catalyst to complete and integrate with the existing neighborhood. More specifically, the Sketch Plan includes two (2) focal civic green spaces in Block A and Block O, which will serve as gateways that anchor and connect the Property to the surrounding community. Similarly, the proposed re-location of the Transit Center to Block F presents another unique asset for the Project that is not present in other MXD zone projects in the City. These important green space and civic uses will help to create the sense of place in this mixed-use community, which will differentiate the Project from others in the City and region.

Recommendation: That connectivity with the surrounding area is important.

- A Lakeforest redevelopment can best benefit the surrounding area if it is *easily accessible by multiple transportation modes*. (Master Plan, p. 47)

Response: As noted above, the Sketch Plan proposes to accommodate MCDOT’s desire to re-locate the Transit Center to Block F, which directly acknowledges the future operation of Bus Rapid Transit along Frederick Avenue. Block F provides direct access to Russell Avenue, which will allow for better circulation patterns for all transportation modes entering and exiting the Property. The Applicant took considerable time and care developing the internal street grid proposed by the Sketch Plan, with the aid of input from City staff. The redevelopment of Lakeforest Mall employs a street and block system based on an interconnected network of pedestrian and cycle friendly thoroughfares to accomplish more of an “urban” like grid. The entirety of the proposed network is a response to the external (off-site) points of connection leading into and out of the Property.

The most important aspect of the Sketch Plan relates to the prioritization of non-automotive use within and immediately adjacent to the property. By committing to a pedestrian supportive community pattern, all elements of development, such as street design, parking, and block structure, necessarily take on different design aesthetics and use prioritization. Streets become

shared facilities, equally catering to cyclists and pedestrians by minimizing curb radii, reducing lane widths, widening sidewalks, and providing for on street parking. The Sketch Plan will incorporate the City's Road Code standards, with some waivers contemplated to better achieve the Master Plan vision, by further defining the hierarchy and character of each street. The proposed network will offer pedestrian access for all residents and visitors to the entirety of the new neighborhood and will include thru block passages where appropriate to connect open spaces and destinations more directly. The proposed network will also offer full cycle accessibility, appropriately designed based on the street hierarchy.

At the scale of the larger vicinity of the surrounding area, the Sketch Plan facilitates improved connectivity for the surrounding Gaithersburg Road system by enabling cross connections both north to south and east to west, the latter by extending Lakeforest Boulevard to Contour Road. Additional improvements to the highway-oriented thoroughfares of Montgomery Village Avenue, Lost Knife Road, Odendhal Avenue and Russell Avenue are proposed. A specific goal of the land plan is for all outward, adjacent blocks within the Project to face out to the existing neighborhood, thus stitching the neighborhoods together, as opposed to solely focusing on the internal blocks of the new neighborhood.

Recommendation: That walkability and the inclusion of recreational, open and green spaces is a priority. (Master Plan, p. 47)

Response: The Sketch Plan includes substantial recreational, open and green spaces in a pedestrian-oriented urban grid. The inclusion of both hardscaped and green open spaces in a variety of locations and sizes will allow for a diverse range of recreational opportunities that help to create a sense of place for residents and visitors. There will be a mix of passive and active open spaces that are context-sensitive to the adjacent uses. As discussed above, the Project includes a pedestrian promenade along Blocks, B, E, and J, which will allow for safe and efficient movements through the commercial core to the less-dense residential blocks in the southern portion of the Property. The network of varying green spaces, in addition to the public roads, will intermix with the larger blocks, such as Blocks C and D with the opportunity for private streets, walks and bike routes to work with the specific uses to be identified at SDP. A variety of scale whether by Block, height, or mass is important to give each space its own sense, while knitting into the whole mixed-use community.

Similarly, the shaping of the open space in Block A is critical as an asset to the new neighborhood while maintaining a relationship with the existing neighborhood. Block A is a signature corner that provides a window to the green space as people drive by the Property. It will also be interconnected via trails and walks to provide recreation and gathering opportunities around the existing pond. Blocks A and B take advantage of the existing ponds to reinforce the place at the northwest corner of the neighborhood with a mix and variety of green spaces interlinked from north to south and east to west. The corner of Block O is a gateway linking the new and old. Using the angles created by the curve of Odendhal Avenue, two attached parks are planned which will serve as the third node and southern anchor of the open space system. One is proposed as a small intimate space, and the other is proposed to be a larger space that would serve as the neighborhood's "park". The park would be attached to the block to the south with residential homes directly abutting. The program would have both active and passive

recreational opportunities, determined by the tree plantings and lawn arrangement. A dog park is an option for this space.

Street One serves as the “Main Street” of the new neighborhood. As it progresses south, the lively and fully activated commercial ground floors fronting onto wide sidewalks, street benches, and tree plantings, will give way to ground floors with Employment and residential uses. Between, and fronting these buildings on either side will be linear extension of the Plaza incorporating a multipurpose promenade, consisting of three parts, dedicated cycle lanes, pedestrian walking zones, and planted green space. The multipurpose promenade will traverse several open space types as it makes its way through the new neighborhood. Its function and design will remain consistent along its route. The eastern side of the street is programmed for Employment uses. The buildings would sit amidst an interconnected set of open spaces, with both hardscaped and softscape areas, allowing for outdoor seating, and public art.

Recommendation: That there be a focus on job creation generally and having a variety of jobs that offer new opportunities and upward mobility. (Master Plan, p. 47)

Response: The Sketch Plan focuses on job creation by allowing for up to 750,000 square feet of Employment uses. Significantly, the Sketch Plan includes the flexibility to accommodate a wide spectrum of employers, with a multitude of locations and settings for small scale professional office uses as well as opportunities for a concentrated mix of larger-scale employers. By way of example, Block D is defined on the Sketch Plan in a manner such that it could accommodate a large corporate campus, or a cluster of Employment uses that are synergistic. The opportunities for smaller scale professional and medical office on Blocks B, C, D, E, and F allow for a number of locations that can support the creation of jobs in an urban, amenity-rich mixed-use environment. This emphasis on a mix of Employment uses at a variety of location in the Sketch Plan furthers the Master Plan vision for “jobs diversity [that] will contribute to a more sustainable community and should create an environment where workers can afford to live where they work and avoid creating another bedroom community.” (Master Plan, p. 68).

The supplemental materials to the Application include a Strategic Market Analysis for Mixed-Use Redevelopment and Fiscal Impact Analysis, both studies having been prepared by RCLCO Real Estate Consulting. While these studies will be updated at the time of future Schematic Development Plan application(s) to reflect the mix of commercial uses proposed at this next stage, they are included with this Sketch Plan for reference and are illustrative of the Project’s framework to achieve the Master Plan vision by leveraging “growth sectors such as biotech, health, and professional services,” and providing “employment opportunities at a variety of pay scales.” (Master Plan, p. 67).

Recommendation: That there be flexibility in the master plan to account for unforeseen challenges. (Master Plan, p. 47)

Response: The Sketch Plan acknowledges the need for flexibility given the nature of this long-term, multi-phase redevelopment. While the Applicant will be pursuing full development approvals under the MXD Zone over the next several years, it anticipates that the Property may continue to include interim commercial uses as allowed under the vested C-2 Zone development approvals. Similarly, the Sketch Plan contains well-defined, but flexible blocks to account for

changes in market demands in the coming years. By way of example, Blocks E and F leave open the flexibility for a range of commercial uses with vertically integrated multi-family dwellings. Similarly, Block B focuses on entertainment and restaurant oriented experiential uses, but leaves open the flexibility for Employment uses to be located at the northwest corner of the Block, with adjacency to the Employment focused Block D. Moreover, Blocks C and D have the flexibility for further subdivision at the time of Schematic Development Plan application, which preserves the flexibility to accommodate various users as future programming for the Property becomes clearer. In summary, the Sketch Plan includes sufficient flexibility to account for unexpected changes in the future.

Recommendations: Connectivity, both internally and externally, that accommodates a variety of transportation options in a safe manner is a design priority. Connectivity should also be accomplished through other design elements such as architecture, signage, massing, and streetscapes that create a visually inviting environment not only for the Mall's future residents and workers, but also for the surrounding communities and developments. (Master Plan, p. 48)

Response: The Sketch Plan's inclusion of a pedestrian-friendly street grid will accommodate safe and efficient circulation patterns to and through the Property. The Sketch Plan's inclusion of space for the Transit Center in Block F will enhance connectivity both internally and externally. The Applicant intends to develop detailed design guidelines for review at the time of its first Schematic Development Plan application, which will address architecture, signage, massing, and streetscape improvements to ensure that the ultimate mix of uses is internally and externally harmonious.

The proposed pedestrian promenade crosses Street One at the intersection with Street Three and runs southward along an attached green. The green will be designed as a linear park, and "front yard", for the residential units that will face directly onto it. The landscape will be planted with lawn and trees. The pedestrian promenade continues southward to the intersection of Street One and Odendhal Avenue, at which point the open space network turns eastward to follow the main residential thoroughfare of the neighborhood, which is Street Five. As described above, two attached parks are planned which will serve as the third node and southern anchor of the open space system. One is proposed as a small intimate space, and the other is proposed to be a larger space that would serve as the neighborhood's "park". The park would be attached to the block to the south with residential homes directly abutting. The program would have both active and passive recreational opportunities, determined by the tree plantings and lawn arrangement. A dog park is planned for this space.

The current street sections along Russell Avenue, Odendhal Avenue, and Lost Knife Road, are high speed in design and without on-street parking. To soften the impact of the anti-pedestrian street designs that border the Property, a planted setback with a shared use path is proposed. Moreover, in working with MCDOT and the City, there is an opportunity to re-design Russell Avenue to include bicycle and pedestrian improvements, which will also serve to connect the Property with the surrounding area. This is in coordination with the Sketch Plan and the ongoing discussions with the Transit Center along Russell Avenue. The landscape will take advantage of the topography to create a beautiful, landscaped edge, framing an urban backdrop of residential buildings. Throughout the commercial core of the new mixed-use neighborhood,

service lanes will remove large loading/unloading and garbage pick-up activity from the pedestrian realm. At the time of Schematic Development Plan, the Applicant envisions that streets will be defined to accommodate ridesharing, EV charging stations and curbside food pick up spaces to reduce congestion and clutter.

Recommendation: There is an interconnected network of community spaces, useable open spaces, and green areas that offer experiential, recreational, and social gathering opportunities and are available to the surrounding areas. (Master Plan, p. 48)

Response: The Sketch Plan envisions a hierarchy of public open space types that take programming and physical design cues from surrounding development. The shared design attribute is the interaction of each space with the adjoining Street rights-of-way. Block A is a signature corner that provides a window to the green space as people drive by the Property. It will also be interconnected via trails and walks to provide recreation and gathering opportunities around the existing pond. Additionally, a series of open plazas between buildings will border the existing stormwater management pond on Block B, the adjoining pond area is ideal for passive recreation with trails, landscaping, possibly a small arboretum or garden area to encourage, walking, gathering and outdoor activity. The plazas will be mostly hardscaped, containing splash fountains, seating areas for outdoor dining, and trees planted within tree grates. A formal esplanade will border the pond allowing people to stroll its length and access a widened sidewalk encircling the stormwater management pond and where feasible the perimeter of the second larger stormwater management pond abutting Russell Avenue and Montgomery Village Avenue. A private shared use street will bisect the plazas and serve for drop off and pick up access for the retail and entertainment uses. The shared use street will be designed as a woonerf, using the same hardscape materials found in the adjoining plazas. On the south side of Street Two, the Sketch Plan preserves the opportunity for an additional plaza to serve as a gathering space for the contemplated Lakeforest Transit Center. The Plaza will face out onto Russell Avenue, tying together the esplanade and sidewalk/trail systems around the stormwater management ponds, and the plazas, with a site for public art.

At the intersection of Street One and Street Three, a secondary node of open spaces and uses are planned as part of Block J. The intersection serves as the gateway to the residential core of the new mixed-use neighborhood. This Block is centrally located and a key component of the ‘green network’ proposed by the Sketch Plan. Block J is designed to serve as the belt buckle tying together the enhanced open spaces alongside the street corridors approaching from both the south and north of the Block. Block J is the mid-point along this continuous linear “park system” providing a gateway location for those leaving the residential neighborhood heading toward the Main Street and commercial center, and those leaving the Main Street commercial hub, heading into the residential neighborhood.

Recommendation: Flexibility is important to allow for social, technological, economic, and unforeseen changes over time, while staying true to the overall Master Plan vision. (Master Plan, p. 48)

Response: While the Application includes a defined vision for each block, the Sketch Plan proposes flexibility that is necessary to respond to unforeseen market conditions and changes over the contemplated long-term redevelopment for the Property. In this respect, the

Sketch Plan includes additional flexibility relative to densities and commercial uses across several blocks in the commercial core. Notwithstanding this requested flexibility, the Sketch Plan is consistent with the Master Plan vision to deliver a mix of commercial uses that embraces “a broader spectrum of commercial sectors” and “leverage[s] growth sectors such as biotech” (Master Plan, p. 67). To this end, the Sketch Plan proposes up to 750,000 square feet of Employment uses, with an opportunity for a number of different combinations of employers and industries. The replacement of 1,049,000 square feet of underutilized and dated retail with a maximum of 250,000 square feet of large format retail uses and up to 220,000 square feet of neighborhood scaled retail, restaurants and entertainment/amusement uses is in keeping with the Master Plan vision to transform the Property. (Master Plan, p. 67). Each Block will have its own identity with a variety of uses, that are unique to the neighborhood while becoming a destination of its own. The Blocks are knitted together to create the overall sense of place. Block B, situated along the waterfront of stormwater pond 1, will primarily be a series of shops, restaurants, maker spaces, with some employment at a lower density to focus on the pedestrian and the ‘experience’ such as outdoor dining. Block B will be great space to gather, weaved to interconnect to the greenway networks and the adjacent Blocks, and also outwardly embracing the as-built environment outside of the Property. Block C which is primarily residential and commercial shows shops along the north south main street across from Block B, with a parking deck and residential units above. This provides the stacked, or vertical mix of uses in relation to the more horizontal mix on Block B. The nearby Blocks, D, E and F have their own identity and mix, interrelated to the blocks adjacent and across the street.

Recommendation: Rezone the Lakeforest Mall parcels from C-2 to MXD. Given the mixed use concept, MXD is the most appropriate zone. MXD can accommodate both the types and densities of uses needed to accommodate future growth and is best positioned to achieve the above stated vision framework. (Master Plan, p. 48)

Response: As delineated in greater detail in Section VII below, the Sketch Plan satisfies all of the requirements and purposes of the MXD Zone. Moreover, rezoning the Property to the MXD Zone is integral to achieving the Master Plan vision as it provides the appropriate mix of uses, densities, and building heights for the proposed Project.

Block Descriptions

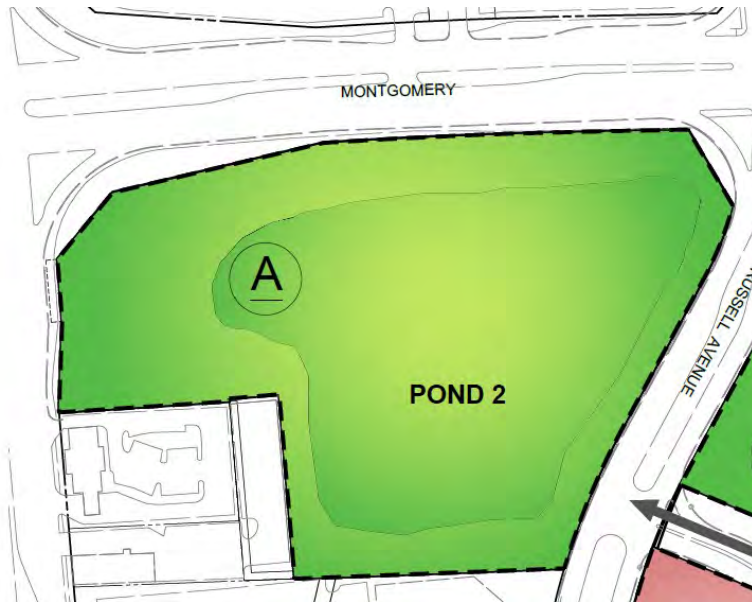
It is the intent of the Application to gain entitlements for each Block in the form of development “bubbles”, establishing the types and maximum amounts of mixed-uses that could be developed for each Block, along with maximum building heights for the range of uses. This would allow for considerable flexibility in determining the final mix and amount of uses to be established with the more compete and engineered SDP and Final Site Plans for each Block, also factoring in market conditions and Project economics and financing considerations reflecting the SDP design and densities. The Applicant believes that a Project of this magnitude and size requires that the entitlement process proceed in the manner, which is further detailed and described below. The Sketch Plan is illustrated below, with each Block described and shown on the following pages.

Appropriately sized and varied in size pockets of green space will be integrated into the Block layout. The final programming of each green space, public and private, will be determined at SDP. The options will include examples such as a dog park, playground, or pocket park. Each

green area/park which vary in size will be programmed. Some simple for relaxation or gathering, while others will be active for neighborhood recreation or civic focused. Additionally, some green areas are envisioned to be secret corners hidden away. Gardens, plazas, seating areas, art installations, tot lots, trails, interpretive signage, and the like are all opportunities to comprehensively program a series of places that help give this neighborhood its sense of place.

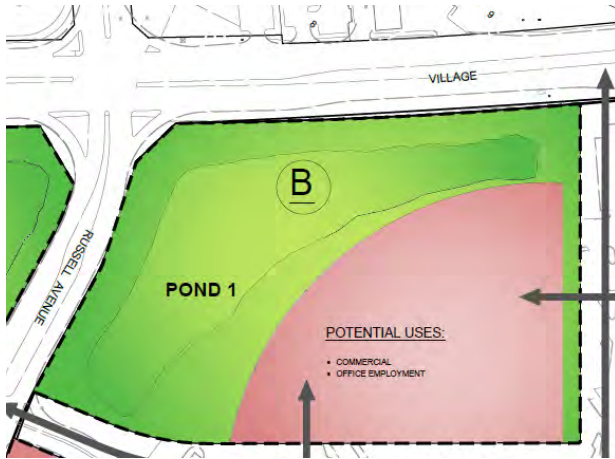


A. Block A



Block A is located at the corner of Montgomery Village Avenue and Frederick Avenue, which is a prominent corner of the Property housing an important environmental resource that will remain green. The existing pond (stormwater management pond 2) is to remain along with the existing forest on the Property. This corner will be interlinked with the green network established throughout the 102-acre Property. Trails within the area, excluding the stormwater management area and forest, will connect to the sidewalks and pedestrian connections along the existing roads. Recreation amenities/uses will be explored at the Schematic Development Plan stage in coordination with forest conservation and stormwater management. New tree planting and landscape amenities will be incorporated to establish this Block as a key asset to the green and recreation components of the community. As appropriate, most of the block will be placed in forest and/or stormwater conservation easements to protect this area. This area is ideal for passive recreation with trails, landscaping, possibly a small arboretum or garden area to encourage walking, gathering and outdoor activity. Block A is appropriately situated for seating areas that create or help reinforce this area as a destination for the neighborhood. At SDP, the Applicant will explore the location of public art and possibly a key sign, or landmark at this important corner.

B. Block B



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
<p>Up to 50,000 square feet of entertainment, restaurant, retail, and personal service uses.</p> <p>Up to 50,000 square feet of Employment uses</p>	<p>Up to 4 stories</p>	<p>Greenway open space integrated with and around the stormwater management pond</p> <p>Primary civic gathering space for community events (e.g., concerts, cultural, farmers market, etc.)</p>

The Application proposes to focus various stand-alone and multi-tenant restaurant, entertainment, and retail buildings totaling up to 50,000 square feet on Block B in a manner that creates a pedestrian-friendly environment supportive of various commercial uses. As proposed, Block B complies with Master Plan special condition that “[s]tand-alone (single retail tenant) or solely retail (multi-tenant, but all retail) facilities are limited to a maximum of 5 acres total, including surface parking lots, across the entirety of the redevelopment.” (Master Plan, p. 71). While the portion of Block B within which stand-alone or multi-tenant (solely-retail) buildings will be located comprises five acres or less, the Applicant is preserving the flexibility to add a solely retail building in other locations as determined at the time of Schematic Development Plan. Block B is designed to activate and engage the stormwater pond that is located to the north

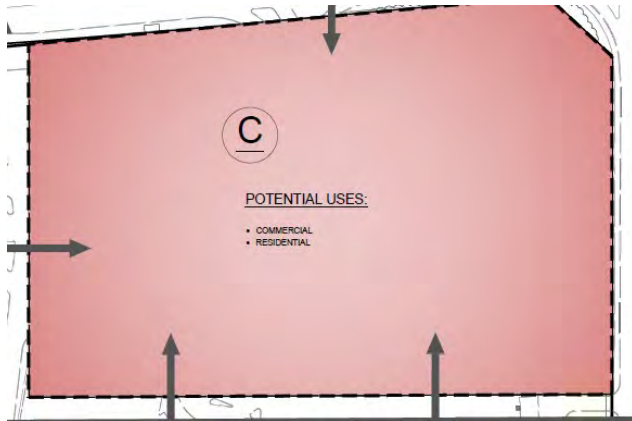
of the intersection of Russell Avenue and Montgomery Village Avenue. The proposed retail uses leverage the existing stormwater pond to create a recreational/entertainment district with green space. To this end, the Application is consistent with the Master Plan vision to improve the stormwater ponds “with appropriate landscaping enhancements and made accessible through the addition of paths, so future residents and visitors can fully enjoy them,” which ensures that the stormwater ponds are “viewed as an integrated part of the greater redevelopment and not as separate, disconnected assets.” (Master Plan, p. 53).

The retail uses proposed on this Block are envisioned to include a mix of neighborhood goods & services, restaurants, and entertainment uses. These uses with immediate access to various green space, recreational amenities, and nearby multi-family and Employment uses will help to create “a coordinated, well-integrated horizontal and vertical mix of uses” that is served by an “interconnected network of community spaces, useable open spaces, and green areas that offer experiential, recreational, and social gathering opportunities and are available to the surrounding areas.” (Master Plan, p. 46 and 48).

While Block B prioritizes restaurant and entertainment uses, this Block allows enough space for an Employment use at the intersection of Street One and Two. The Applicant is preserving the flexibility for a 4-story building with 50,000 square feet of Employment uses at this prominent intersection. This flexibility will allow for the Employment uses to be market-responsive with a multitude of different locations and settings reserved for office (professional or medical), lab and research development uses throughout the Property. At this particular location, the Sketch Plan contemplate smaller scale professional and medical office uses, research and development, lab, or bank/financial institution. The Applicant acknowledges that parking and other design details will need to be further coordinated at the time of Schematic Development Plan and Final Site Plan applications if an Employment use is located on this Block. Final square footage of commercial uses will be determined at the time of future Schematic Development Plan application(s).

Block B is proposed to have immediate connectivity to multiple green areas, including a linear greenway varying in size along the adjacent north/south street.. The goal is to connect Block A to Block B to Block C and so on via a green network of trails, bikeways, various sized parks and plazas adjacent to and interacting with the road grid and the building form for each Block. MCDOT and City Staff’s preferred location of the Lakeforest Transit Center proposed for Block F is to the south. Block B is proposed to include limited parking with uses dependent on street parking and parking garages in Blocks C, E and F. A pedestrian friendly shared use street will provide drop off and front door access to the commercial uses on this Block. The Applicant intends to create this shared use street as a private road (with a public access easement) that includes minimum of 50 feet of right-of-way width. In addition to accommodating pick-up and drop-off and rideshare to meet market demands, the shared use street would have the flexibility to be closed to vehicular traffic to accommodate festivals, farmer’s markets and other civic gatherings in this entertainment node.

C. Block C



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
<p>Up to 350,000 square feet of commercial uses with the following breakdown:</p> <ul style="list-style-type: none"> • Up to 250,000 square feet of large format retail; • Up to 100,000 square feet of commercial uses (such as neighborhood goods and services, grocery store, personal service, banks and financial institutions, restaurants, and small scale professional and medical office uses) • In place of a portion or all of the large format retail uses, up to 250,000 square feet of Employment uses <p>Up to 600 multi-family dwelling units</p>	<p>Up to 7 stories</p>	<p>Green areas, open spaces and internal connectivity will be defined at SDP with building designs and locations</p>

The Application requests approval for a mix of uses with up to 7 stories of building height with up to 600 multi-family dwelling units and up to 350,000 square feet of commercial uses on Block C. This Block, along with the adjacent Blocks B, D and E, will define the commercial core

of the Property as the mixed-use downtown area of the Lakeforest Mall. The various buildings and structured parking comprising Block C will be broken down and “connected through the use of planned walkways and shared open spaces” as envisioned by the Master Plan and defined at SDP. (Master Plan, p. 69). As noted above, Blocks A and B contemplate forest conservation and enhanced environmental features that will also deliver more useable green area as part of the Project. This is relevant to the layout and concept for Block C, which assumes elimination of a tree save area encumbering approximately 2.7 acres of land in the northeast portion of Block C along Montgomery Village Avenue running to its intersection with Lost Knife Road.⁴ This tree save area is of low retention value as compared to the contemplated forest conservation and green areas contemplated by the Sketch Plan. In this respect, the Applicant will coordinate with City staff at the time of Schematic Development Plan application(s) to allow for development along this important frontage, replacing the tree save area with higher value forest conservation, and green and open areas in other locations of the Property that will provide greater environmental benefits and enhanced public use and access.

The green space, public and private for Block C, will be a variety of spaces, sized to work with the uses stacked or at street level. The street and building edge will interact to provide outdoor seating, gathering, and possibly dining with the uses identified at the time of SDP. These are public spaces shared with quasi-private dining areas. Since uses will be stacked vertically, there is an opportunity to place green and recreation uses on the roofs. These will be appropriately sized for the number of units to share the private spaces. The diverse range of green spaces will help to balance the recreation needs of the community. These rooftop uses, or greens may also apply to Blocks, D, E and F depending on the final uses.

The Applicant is presently contemplating that this Block may include two (2) stacked larger retail floorplates integrated into vertical mixed-use development with multi-family dwellings adjacent to and above. As a result, the Sketch Plan proposes a larger amount of retail uses on this Block as compared to all other Blocks. While the Master Plan recommends that “retail be limited and include more neighborhood goods & services and restaurants, rather than General Merchandise, Apparel, Furnishings, & Other (GAFO),” future Schematic Development Plan and Final Site Plan applications with any larger retail floor plates on Block C will be designed in a manner that is consistent with the Master Plan recognition that it does not discourage the “uses themselves ... only *traditional suburban, inefficient designs that impede walkable connectivity and the ability to increase* density.” (emphasis provided) (Master Plan, p. 67).

While this Block includes the potential for up to $\pm 70\%$ of the total commercial square footage to be comprised of large format retail, the Sketch Plan is still harmonious with the Master Plan vision for the following reasons. First, the Sketch Plan incorporates a critical mass of the Master Plan favored Employment uses and experiential retail and entertainment uses across several adjacent Blocks. To this end, the proposed mix of retail uses on Block C do not limit or otherwise constrain a market responsive mix of Employment uses and “unique shopping/entertainment/dining opportunities.” (Master Plan, p. 67). In this respect, the mix of uses proposed for Block C will not “impede ... the ability to increase density” to expand employment opportunities through redevelopment of the Property. Second, the implementation

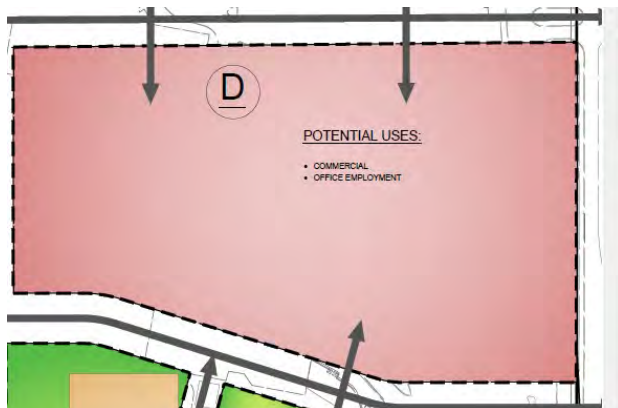
⁴ The tree save plan is documented through a declaration of covenants dated March 31, 1998, recorded in the Land Records in Liber 15702 in Folio 679.

of large format retail uses will not have any of the undesirable design characteristics referenced by the Master Plan since these uses will be served by structured parking and interconnected shared use paths that promote walkable connectivity, with such a urban design being desirable and attractive to all types of employers. Last, as described below, the Sketch Plan builds in the flexibility for the Applicant to substitute Employment uses for large format retail, depending on market conditions, at the time of Schematic Development Plan. For all these reasons, the mix of uses on Block C, when viewed holistically with the entire Sketch Plan, is in substantial accord with the Master Plan.

This non-traditional, urban design will bring an innovative approach to creating a base of retail activity sufficient to deliver and sustain street-activating and market responsive uses to the City. Consistent with the Master Plan vision, the mix of uses will be served by “shared, structured parking ... freeing up land for other uses.” (Master Plan, p. 69). Significantly, there is a unique opportunity to vertically stack large format retail on top of retail and then stack residential on top to create a place that is new to the City and surrounding area. (Master Plan, p. 69). The balance of the Block C would be reserved for main street commercial uses (e.g., neighborhood goods and services, professional offices, etc.) and a potential grocery store.

Given the need to be market responsive and consistent with the Master Plan vision that “flexibility is important to allow for social, technological, economic, and unforeseen changes over time,” the Sketch Plan proposes that a portion of the square footage allocated to large format retail can be allocated to Employment uses if market conditions and building design support such a mix of uses at the time of Schematic Development Plan. In this scenario, it is possible that a portion of the multi-family dwelling units proposed for this Block would be allocated to the adjacent Block D. Final amounts of dwelling units and square feet of commercial uses will be determined at the time of future Schematic Development Plan application(s).

D. Block D



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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<p>Up to 750,000 square feet of Employment uses</p> <p>Up to 30,000 square feet of main street commercial uses, including neighborhood goods and services, entertainment, banks/financial institutions, personal service, restaurants, grocery store, and small scale professional and medical office uses</p> <p>If Employment uses are provided in Block C that preclude multi-family residential altogether or reduce allowable residential uses by half, up to 300 multi-family dwelling units may be sited on Block D.</p>	<p>Up to 7 stories</p>	<p>Green areas, open spaces and internal connectivity will be defined at SDP with building designs and locations</p>
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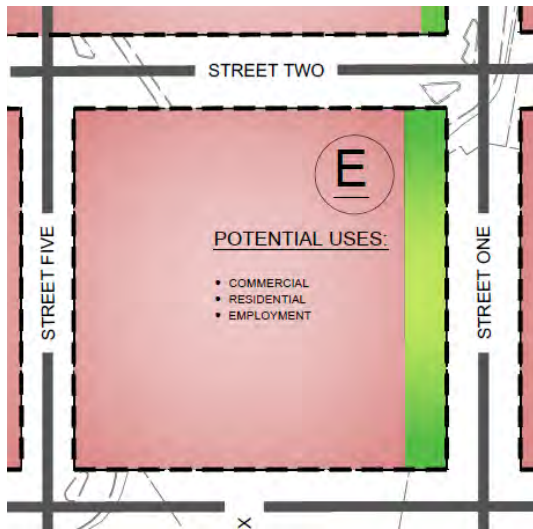
Block D is designated for up to 750,000 square feet of Employment uses with a maximum building height of 7 stories. Block D is framed by Lost Knife Road to the east, and extended Contour Road to the south. Similar to Block C, the mix of retail and employment uses will be served by “shared, structured parking ... freeing up land for other uses.” (Master Plan, p. 69). In keeping with the Master Plan vision, Block D “look[s] beyond those traditional uses to include others, such as research and development, integrated light manufacturing, makerspaces, and civic uses.” (Master Plan, p. 45). As noted above in vision statement, Block D is framed in a manner that creates opportunities for makerspace uses that are ancillary to integrated life manufacturing. Block D is envisioned as allowing for up to 750,000 square feet of professional or medical office, lab, research and development, and/or integrated light manufacturing uses. Block D helps to further the Master Plan vision that “there be a focus on job creation generally and having a variety of jobs that offer new opportunities and upward mobility.” (Master Plan, p. 47). In this respect, the Employment uses in Block D (along with the adjacent Blocks including Employment uses) will further the Master Plan recommendation that “job creation of various wage levels and advancement potential should be a primary goal, reflecting a diverse commercial component and not solely minimum wage related sectors.” (Master Plan, p. 68).

While the focus of this Block is on Employment uses, the Application contemplates that approximately 30,000 square feet of main street commercial uses (e.g., neighborhood goods services, restaurants, or professional offices, etc.) could be developed at the intersection of Street One and Two. In addition to this potential active main street commercial use at the intersection

of Street One and Two, the Sketch Plan contemplates that integrated light manufacturing uses could frame Lost Knife Road and Street Two. The Application envisions that this integrated light manufacturing building would have the potential to contain incubator spaces that further contribute to creating a sense of place at the Property. Feedback from the market thus far has strongly indicated a preference for Employment uses within a contained, “campus” like setting within the overall mixed-use Project so that future employees can enjoy proximate retail and entertainment uses without being directly commingled. The proposed buildings on Block D will have proximity and access to several public green spaces to the south and west, with a large central green space located immediately to the southwest on Block J and a promenade to the west along Block E. As described below, Block J is designed to serve as the belt buckle tying together the enhanced open spaces alongside the street corridors approaching from both the south and north of the Block. This more “urban” condition ties into the Lakeforest Main Street and commercial center, which is compatible with the mix of Employment uses proposed for Block D.

Last, dependent on the ultimate mix of uses developed on Block C and market conditions, Block D may include up to 300 multi-family dwelling units. In this scenario, a portion of the proposed Employment uses planned for Block D would shift to Block C and preclude a portion of the multi-family residential units. Final amounts of square feet of commercial uses will be determined at the time of future Schematic Development Plan application(s).

E. Block E



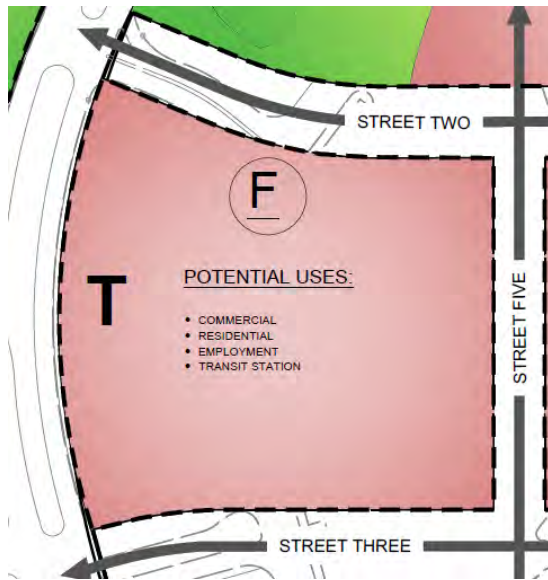
<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
Up to 300 multi-family dwelling units Up to 30 Gap housing units Up to 100,000 square feet of commercial uses, including neighborhood goods and services, entertainment/amusement center, banks/financial institutions, personal service, restaurants, grocery store, and Employment uses	Up to 7 stories	Green areas, open spaces and internal connectivity will be defined at SDP with building designs and locations

Block E is envisioned to complement the adjacent Blocks D and F, which will include a mix of commercial uses and the contemplated re-located Transit Center on Block F. In order to preserve flexibility for market-responsive commercial uses on this Block and future coordination with MCDOT relative to design and implementation of the Transit Center, the Applicant is seeking flexibility for a mix of uses to be implemented across Block E. To this end, the Sketch Plan contemplates that Block E could include up to 300 multi-family dwelling units, up to 30 Gap housing units, up to 100,000 square feet of commercial uses (e.g., neighborhood goods and services, entertainment/amusement center, banks/financial institutions, personal service, restaurants, grocery store, and Employment uses). In this respect, Block E provides an opportunity for main street commercial uses in the form of neighborhood goods and services, professional offices, and related uses, as well as for a larger Employment component. Final amounts of dwelling units and square feet of commercial uses will be determined at the time of future Schematic Development Plan application(s).

Block E creates a complementary transition between the denser commercial and Employment focused Blocks to the north and east. Block E is framed by a promenade that fronts on Street One and that will create an enhanced, activated connection between the residential-focused Blocks and mixed-use commercial core. The promenade is envisioned to include hardscape pedestrian improvements with landscape elements, and it will function for both passive and active uses. The promenade is consistent with the Master Plan vision to create “a well-integrated green space network throughout the site connected through sidewalks, paths, and trails,” and “[i]nclude an enhanced, attractive, and welcoming pedestrian realm.” (Master Plan, p. 57). The promenade will allow for safe and efficient connections to the neighborhood park on the Residential Block to the south as well as various pocket parks and the greenway in the Commercial Blocks.

Street 5 is the western edge of Block E, which is also the eastern edge of Block F. The interface of these two Blocks allows similar uses, more specifically residential uses to face each other while the street provides another pedestrian link to Block B with the residential Blocks to the south. Green space within and on top of Blocks E and F will be located according to the uses finalized at SDP. Each block will have public and private green area. Most likely the public green at the street level, with the private recreation areas located on the roof in coordination with residential units.

F. Block F



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
<p>Up to 300 multi-family dwelling units</p> <p>Up to 30 Gap housing units</p> <p>Up to 100,000 square feet of Commercial, including neighborhood goods and services, entertainment/amusement center, banks/financial institutions, personal service, restaurants, grocery store, and Employment uses</p>	<p>Up to 7 stories</p>	<p>Lakeforest Transit Center / Public Civic Use</p> <p>Green areas, open spaces and internal connectivity will be defined at SDP with building designs and locations</p>

As described above, a small portion of the Property near the intersection with Odendhal Avenue and Lost Knife Road is presently used by MCDOT for a Transit Center. The Transit Center use itself is established by an easement (covering ±3,281 square feet of land) granted by a predecessor of the Applicant (in ownership of the Property) to the County on a portion of the Property, which is not, in the opinion of MCDOT or the Master Plan, the highest and best use for a Transit Center. Given the County's expressed desire to expand the Transit Center in the future to have greater utility and function, not only for the County's Ride On bus transfers and other potential public transportation transfers (e.g., the proposed BRT system) providing linkage to the Metrorail station at Shady Grove, but also as a commuter station for pedestrians, bikers and some limited amount of commuters arriving (and some parking) by automobile, the Sketch Plan embraces the Master Plan vision for an enhanced Transit Center on Block F.

In response to the Master Plan recommendation that "any redevelopment ... explore a possible relocation [of the Transit Center] closer to MD 355 with shared parking or other P3 strategies," the Sketch Plan shows a Transit Center location along Russell Avenue as part of Block F. (Master Plan, p. 60). Re-location of the Transit Center could be served by a structured parking garage, which would also serve complementary multi-family and/or commercial uses on Block B and E. To this end, Block F's adjacency to the planned, pedestrian-oriented entertainment district in Block B and the green areas in Block A create an ideal location for the Transit Center. In order to ensure that the Sketch Plan can respond to market conditions over a long-term, multi-phase build-out, the Applicant is seeking the flexibility to locate multi-family dwellings and/or a range of commercial uses on Block F. In this respect, Block F includes up to 300 multi-family dwelling units, up to 30 Gap housing units and up to 100,000 square feet of commercial uses (e.g., neighborhood goods and services, entertainment/amusement center, banks/financial institutions, personal service, restaurants, grocery store, and Employment uses). In all future scenarios, a mix of multi-family dwellings and/or commercial uses will complement the Transit Center with a structured parking facility to allow for shared and efficient parking. Moreover, locating the Transit Center on this Block facilitates safe and efficient pedestrian movements for employees that work in the Employment focused Block D to the east. Final amounts of dwelling units and square feet of commercial uses will be determined at the time of future Schematic Development Plan application(s).

In order to accommodate an enhanced Transit Center closer to Russell Avenue, as desired by MCDOT, the Application proposes (and this option and location is likely predicated upon) elimination of the third stormwater management pond on this Block. While the Master Plan recommends retention of "the three stormwater management ponds," removal of this smaller stormwater management pond accomplishes several other Master Plan goals as it results in a better use of space and ground (Master Plan, p. 57). The Applicant acknowledges that this determination will be made at the time of Schematic Development Plan application but emphasizes it has determined (in consultation with City Staff, MDE and the Army Corp of Engineers) that this smaller stormwater management pond is not needed to capture storm drainage on the Property, and the Property's outdated stormwater facilities can be upgraded to meet current stormwater management regulations without using this pond. In summary, design of Block F allows for an enhanced Transit Center and will also result in alternative green space more in keeping with the Master Plan vision to "ensure any amenity space is usable and accessible to residents and visitors ..." (Master Plan, p. 57).

F. Residential Blocks G through P

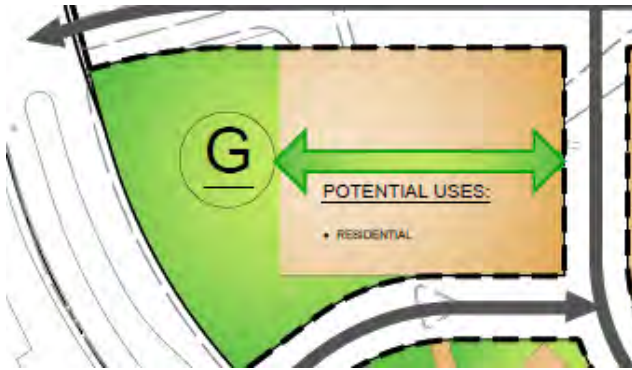
A mix of townhouse, Gap housing, and multi-family condominium units are proposed to be dispersed throughout the residential blocks (Blocks G through P) comprising the southern portion of the Property. As noted above, the Gap housing will consist of a mix of stacked townhouse condominium units (including 2 over 2 units and a unique 1.5 story over 1.5 story unit type), triplex units, and quadplex units that will further the Master Plan emphasis on creating “an environment where workers can afford to live where they work and avoid creating another bedroom community.” (Master Plan, p. 68). As recommended by the Master Plan, the Sketch Plan includes an amenity and open space plan that includes a variety of neighborhood, pocket and linear parks that will serve to “break up the denser built-up areas and enhance the pedestrian experience.” (Master Plan, p. 51). The open space and amenity facilities are intended to ensure that there will be safe and efficient connectivity between the residential blocks and the commercial core. The green network is a series of pockets and linear spaces of various sizes to facilitate the integration of pedestrian and bike circulation within and connecting to the new and existing neighborhood. The recreation program will be further detailed at Schematic Development Plan including, but not limited to, public art, civic, community greens, gathering spaces, tot lots, dog parks, gardens, pedestrian scaled promenades, trails, in addition to a pool and clubhouse. In all conditions, new housing faces out to the perimeter roads to embrace the existing neighborhood. The goal is for the Lakeforest to seamlessly fit in to the surrounding area.

As detailed on the Sketch Plan, the Applicant is proposing a mix of residential units that matches the Master Plan’s Special Conditions. The ultimate mix and number of dwelling units are proposed to be finalized at the time of Schematic Development Plan application(s). The Sketch Plan illustrates the following unit mix:

- Up to 850 multi-family rental units spread across Blocks C, D, E, and F.
- Up to 750 for-sale units with the following mix per the Master Plan Special Conditions spread across Blocks G through P:
 - Up to 150 multi-family condominium units
 - Up to 160 townhouse units
 - Up to 440 Gap housing units (a mix of 2 over 2, stacked condos, triplex units, quadplex units, and/or various units that meet the Master Plan definition)

The following chart summarizes the mix of uses and maximum densities and building heights proposed for each Block:

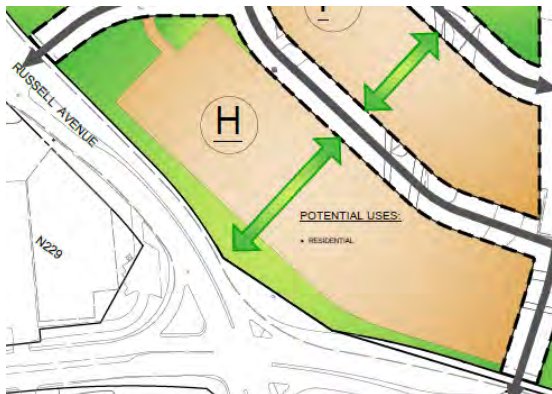
Block G



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
Up to 100 multi-family and/or townhouse and Gap housing units	Up to 5 stories	A green pedestrian, mid-block connection to link a pocket park along Russell Avenue and the road network

Block G is comprised mainly of “for sale” multi-family units with the option to include townhouses and Gap housing. A green pedestrian, mid-block connection is conceptually shown to link the pocket park and road network. The higher density unit types are located closer to the Transit Station for convenient access.

Block H



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
Up to 125 units comprised of townhouse, Gap housing and/or multi-family units	Up to 5 stories	Recreational, and gathering space. Mid-block green bike pedestrian connection. Incorporation of shared use path along Russell Avenue

This is a linear block faces the corner of Russell Avenue and Odendhal Avenue will contain an appropriate mix of townhouses, Gap housing and multi-family units, determined at the time of Schematic Development Plan. A mid-block green/pedestrian connection is proposed to link the perimeter roads via Blocks H and I to the recreation amenities in Block J. Appropriately sized pockets of green space will be integrated into the Block layout. As with all the perimeter blocks depicted in the Sketch Plan, the orientation of development will be outward facing creating a strong edge along Russell Avenue. The building edge along Russell Avenue and other perimeter streets are to face out, addressing the street and the uses in the adjoining neighborhood for greater connectivity and compatibility with external as-built environment.

Block I

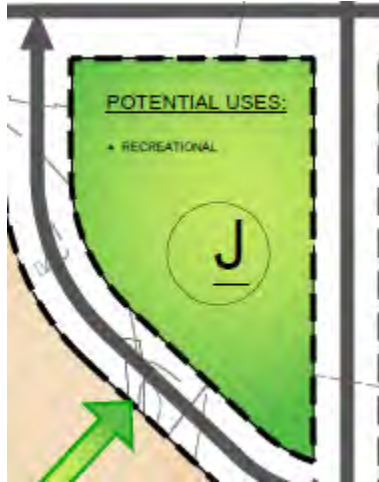


<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
Up to 100 units comprised of townhouse and/or Gap housing and/or	4 stories	Recreational, and gathering space. Mid-block bike-pedestrian connection.

Block I is located between Blocks G and H on the perimeter of the Property and one of the main recreation areas, Block J. A mid-block green/pedestrian connection is proposed to connect the Blocks to the recreation amenities in Block J. The appropriate mix of townhouses, Gap housing will be determined at Schematic Development Plan. Appropriately sized pockets of green space will be integrated into the block layout. The final programming of each green space will be determined once the residential housing plan is finalized. The options will include examples such as dog park, playground, or pocket park. Each green area/park which vary in size and be programmed. Some spaces may be simple for relaxation or gathering, with others more active for neighborhood recreation. Gardens, plazas, seating areas, art installations, interpretive signage,

and the like are all opportunities to comprehensively program a series of places that help give this neighborhood its sense of place.

Block J

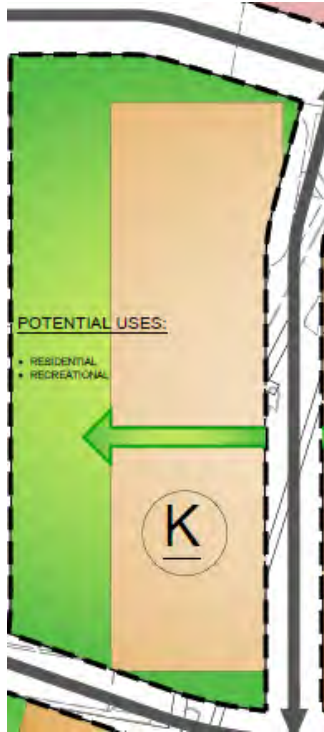


<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
No dwelling units	Up to 3 stories	Civic, Public (green gathering space) and Private uses including Clubhouse / residential recreational amenity for the future homeowners’ association use.

Block J is centrally located and a key component of the ‘green network’ proposed by the Sketch Plan. Block J is designed to serve as the belt buckle tying together the enhanced open spaces alongside the street corridors approaching from both the south and north of the Block. North of Block J, the corridor provides for wide pedestrian sidewalks, and a dedicated cycle way within a combination of hardscape and softscape materials which can accommodate outdoor seating/dining, public art, and gathering spaces, depending on the adjoining uses, beyond the required sidewalk. This more “urban” condition ties into the Lakeforest Main Street and commercial center. South of Block J, the corridor takes on the characteristics of a park, containing a wide pedestrian path and cycleway. Block J is the mid-point along this continuous linear “park system” providing a gateway location for those leaving the residential neighborhood heading toward the Main Street and commercial center, and those leaving the Main Street commercial hub, heading into the residential neighborhood. Along the east-west street corridor

the space makes the physical center of the redeveloped Lakeforest, providing a place to gather and rest. Block J also provides the opportunity for a landmark art installation. In addition to these public amenities, Block J is intended to house a clubhouse and pool for the future homeowner’s association’s use. All amenities will be finalized at Schematic Development Plan.

Block K

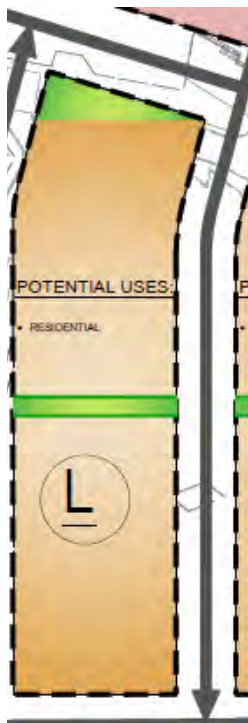


<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
Up to 100 units comprised of townhouse and/or Gap housing	Up to 4 stories	Recreational, and gathering space. Mid-block bike-pedestrian connection.

Block K is located along the main north/south road, opposite of Block J (Pool and Clubhouse). A substantial linear park is established adjacent to the north/south road as part of the green

network. Recreation uses will include a tot lot, open lawn, and/or a dog park to be finalized at Schematic Development Plan. A mid-block green/pedestrian connection is proposed to link the Blocks to the recreation amenities in Block J to the west, also connecting to Blocks L, M and N to the east. The appropriate mix of townhouses and Gap housing will be determined at Schematic Development Plan. The frontage of Blocks K, L, M and N facing out towards Block D is important to study and create a relationship of buildings at SDP. The residential units on Blocks K through N are envisioned to interact with a small pocket of green spaces. More urban plazas are contemplated for this Block in relation to the massing on Block D. The relationship between the Blocks with the street is an important detail work with architectural guidelines at SDP

Block L



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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Up to 100 units comprised of townhouse and/or Gap housing	Up to 4 stories	Recreational, Mid-block bike pedestrian connection.
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Block L is east of Block K with a mid-block green/pedestrian connection proposed to connect the Blocks to the recreation amenities in Block J interconnecting to Block K to the west and Blocks M and N to the east. The appropriate mix of townhouses, Gap housing and multi-family units will be determined at Schematic Development Plan.

Block M



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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Up to 100 units comprised of townhouse, Gap housing and/or multi-family units	Up to 4 stories	Recreational, Mid-block bike-pedestrian connection.
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Block M is east of Block L with a mid-block green/pedestrian connection proposed to link the blocks to the recreation amenities in Block J interconnecting to Block K and L to the west and Block N to the east. The appropriate mix of townhouses, Gap and multi-family units will be determined at Schematic Development Plan.

Block N

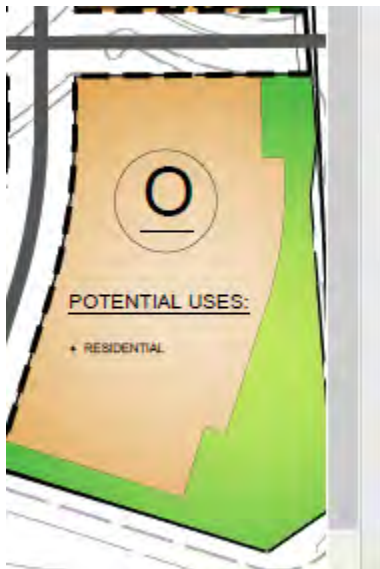


<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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Up to 100 units comprised of townhouse, Gap housing and/or multi-family units	Up to 4 stories	Recreational, Mid-block bike-pedestrian connection.
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Block N faces Lost Knife Road and anticipates the inclusion of buildings that frame the street to incorporate the new development with the old, thus blending the neighborhoods. A mid-block green/pedestrian connection proposed links the perimeter sidewalk network with the neighbor blocks to the recreation amenities. The appropriate mix of townhouses, Gap and multi-family units will be determined at Schematic Development Plan.

Block O

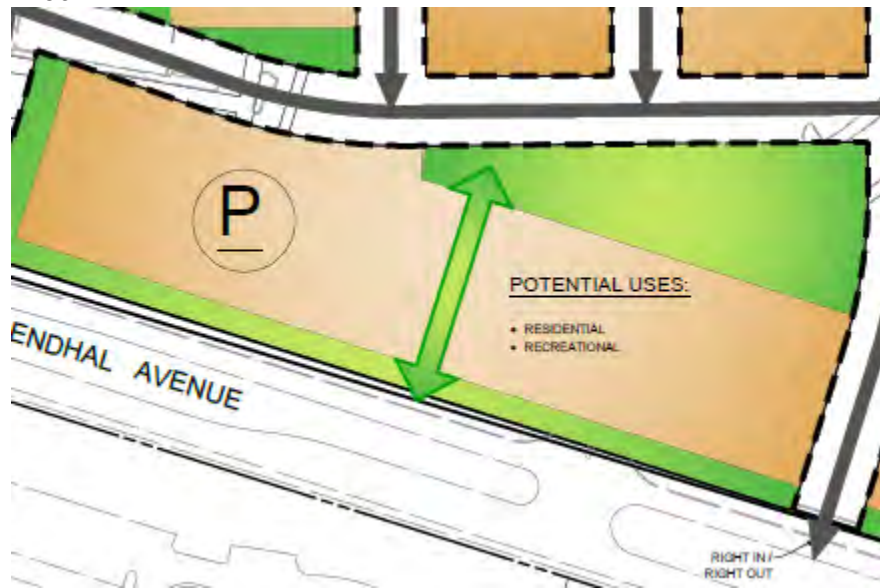


<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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Up to 100 units comprised of townhouse, Gap housing and/or multi-family units	Up to 4 stories	Recreational and linear green space, including a gateway space at the corner of Lost Knife and Odendhal
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Block O faces the corner of Odendhal Avenue and Lost Knife Road. The buildings frame the street to incorporate the new development with the adjacent as-built environment. The corner is reserved for a park/amenity use. The appropriate mix of townhouses, Gap and multi-family units will be determined at Schematic Development Plan. The corner of Odendhal Avenue and Lost Knife Road is a gateway corner, similar to Block A but at a smaller scale. This is an opportunity for a signature art installation, or landmark feature to anchor the southeast corner of the green network of spaces, while interacting with the surrounding neighborhood to knit the new with the old.

Block P



<i>Uses and “up to” square feet / dwelling units</i>	<i>Height</i>	<i>Amenities/Other</i>
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Up to 100 units comprised of townhouse, Gap housing and/or multi-family units	Up to 4 stories	Recreational, Mid-block bike-pedestrian connection.
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Block P is linear in nature with residential uses proposed to front on Odendhal Avenue. The appropriate mix of townhouses, Gap and multi-family units will be determined at Schematic Development Plan. A mid-block pedestrian connection is proposed to link the perimeter roads to a triangular shaped amenity/recreation area internal to this Block. The intent is a strong Russell/Odendhal Ave edge that does not turn its back to the surroundings.

VI. PHASING

In order to comply with existing financing and lease requirements, and ensure that Lakeforest Mall can function with interim uses under the C-2 Zone that are necessary to support the long-term build-out under the Sketch Plan (***“Phasing of the Plan’s implementation, coupled with interim uses under the current C-2 zoning, should be expected and may in fact provide a financial means to reach the ultimate visioning goals until full entitlements are gained pursuant to the MXD Zone”***), the Applicant intends to continue operating the existing improvements as allowed under its vested C-2 Zone entitlements. (Master Plan, p. 72). Upon receipt of discretionary entitlements and submission of its first record plat, the Applicant intends to terminate the REA covering the Property as it will no longer be required under the terms of existing financing and lease agreements.

The specific phasing for the build-out of the Project will be determined at SDP. It is anticipated that Lakeforest will move forward with one comprehensive Schematic Development Plan (SDP) and then subsequent Final Site Plan applications, as dictated largely by the market and other factors impacting the rate of absorption of the Project’s mixed uses. Demolition of the Mall is not anticipated to begin until final entitlements for the initial phase are approved and vesting of the Project pursuant to MXD zoning is attained. Rough grading and infrastructure relocations will be part of the Mall demolition plan. With respect to conceptual phasing for implementation of the various Sketch Plan Blocks, the Applicant anticipates in a non-binding manner that Blocks B, C, and portions of D and up to half of the for-sale residential units will be developed in the initial stages of build-out of the Project.

Some Employment uses will need a critical mass of the sense of ‘place’ in order to be embraced by the future users and occupants of certain Employment uses to move forward. Flexibility in phasing and creating Lakeforest is needed to meet market demands. The Applicant will continue

to diligently work with MCDOT on implementation of the Transit Center, and the timing for implementation of Blocks E and F will depend on MCDOT's completion of a design and securing funding for the enhanced Transit Center. As a result, the Applicant presently anticipates that Blocks E, F and portions of D will be constructed in a subsequent phase. An illustrative critical path for the remainder of the MXD Zone development process is identified below, and this schedule will be refined and updated at the time of Schematic Development Plan application:

- MXD Zone and Sketch Plan Approval: 1st half of 2023
- Filing of Schematic Development Plan application: 3rd quarter of 2023
- Approval of Schematic Development Plan application: Late 2023/ Early 2024
- Filing of Final Site Plan applications for initial phases: 1st half of 2024
- Record Plats and commencement of demolition of Lakeforest Mall (and termination of the REA): 4th quarter of 2024
- Commencement of construction of initial phases of Project: After demolition of the mall and relocation of certain underground utilities.

VII. FINDINGS REQUIRED

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

(a) The application meets or accomplishes the purposes, objectives, and minimum standards and requirements of the 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 noted above, the Property was developed with various retail uses integrated into a large mall format with ancillary large surface parking facilities in the late 1970's. The

existence of the REA and other market challenges constrained redevelopment of the Property for the last decade or so. In accordance with the City’s adoption of the Master Plan in 2021, the Sketch Plan seeks to transform the Property into “a vibrant, walkable, mixed-use development served by various transportation options that safely accommodate the needs of residents, employees, and visitors.” (Master Plan, p. 58). In response to the Master Plan vision, the Application is designed to deliver a mix of uses that “evolve[s] from being residential and retail dominant to include a broader spectrum of commercial sectors.” (Master Plan, p. 67). In this respect, the Application assumes, at full build-out, a sufficient mix of Employment and retail uses. The Sketch Plan’s mix of commercial uses demonstrates that the Project is planned to “leverage growth sectors such as biotech, health, and professional services.” (Master Plan, p. 67). Further, the Applicant has embraced the intention of providing “employment opportunities at a variety of pay scales,” with building design that can “accommodate changing uses as markets and public tastes shift.” (Master Plan, p. 67). In summary, the Sketch Plan includes a wide range of residential (including for-sale and rental, and Gap housing) and commercial uses that will allow for a long-term, multi-phase redevelopment of the Property that fulfills the Master Plan vision.

(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.

The Applicant intends to proceed with comprehensive redevelopment of the Property as delineated on the Sketch Plan. While the ultimate final site plan phasing will be determined when the Schematic Development Plan application is filed, the Applicant envisions several Blocks in the commercial core and various residential for-sale Blocks commencing as phase one of the Project. In order to deliver on critical public and private infrastructure and market responsive development that will support long-range economics for full build-out of the Sketch Plan, the Applicant presently estimates that portions of Blocks B and C will be constructed in the earliest stages of the Project. Portions of the Employment focused uses on Block D may begin concurrent with, or shortly after Block B and C deliver. However, the current feedback from the Employment market has stated a strong preference for Blocks B and C to be at occupancy prior to delivery of the Employment uses, as these prospective tenants will be drawn to a mixed-use environment where their employees can live, work, and play. Blocks E and F are likely to be parts of second or third phases of redevelopment given the need to coordinate with MCDOT on the Lakeforest Transit Center. The Applicant acknowledges that the ultimate phasing will be determined at Schematic Development Plan.

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

Conceptual elevation drawings and comprehensive Design Guidelines for the proposed buildings will be submitted at the time of future Schematic Development Plan application(s); however, the Applicant intends to utilize attractive architecture and materials that will enhance the community’s experience throughout the Property.

- (d) *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 redevelopment of the existing Lakeforest Mall and surface parking facilities with a mix of uses, including multi-family residential dwellings and commercial uses that activate the street network, will be complemented by the adjacent retail, employment and residential uses along the Frederick Avenue Corridor. The Application will provide significant amenities within the Project that define and create an attractive public realm that is both internally and externally compatible with the existing and planned adjacent uses. The Project is consistent with the definition of a multi-use development as it includes several contiguous parcels of land recommended by the Master Plan for rezoning to MXD which will include residential uses, commercial uses and open spaces. Further, the Sketch Plan will deliver a variety of retail, entertainment, and personal service uses with enhanced accessibility to the adjacent residential community, including Asbury Methodist Village and the Cider Mill Apartments. The Application will also create additional Employment uses that build upon and enhance the flex space being constructed at 700 North Frederick Avenue. The Sketch Plan leverages on the existing residential housing stock in the vicinity of the Property by proposing “more creative housing with a broader range of affordability” through a variety of rental and for-sale housing types (including Gap housing) that are underrepresented in the surrounding vicinity. (Master Plan, p. 63).

Additionally, as described above, the Sketch Plan would create an opportunity to relocate the Lakeforest Transit Center to MCDOT’s preferred location on the Property, and this civic use will provide important connections to other commercial, Employment, and recreational uses throughout the City and Montgomery County.

- (e) *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 provides a higher standard of development than that of a conventional zone by using a mix of uses, enhanced site design, high quality architectural elements, open spaces and project amenities that will contribute to the creation of a “grid pattern... [with] short, walkable blocks composed of a hierarchy of public roads using the appropriate City Road Code typologies; responding to the associated land uses.” (Master Plan, p. 62). Consistent with the Master Plan’s vision for an enhanced pedestrian realm that adds energy and vibrancy to the Property, the Sketch Plan includes “an enhanced, safe, and comfortable pedestrian experience increases foot traffic and contributes to on-

site business success.” (Master Plan, p. 54). The inclusion of a variety of open and green spaces, including promenades, neighborhood parks, and active plazas, will help to transform Lakeforest Mall into “a destination with its own ‘sense of place’ that draws people of all ages, including families, and offers unique experiences, amenities and opportunities.” (Master Plan, p. 46).

(f) *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 nonvehicular 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 nonvehicular 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 Application efficiently uses the Property by creating a pedestrian oriented street grid and bicycle connections with a mix of residential and commercial uses that are conveniently located in close proximity to the re-located Lakeforest Transit Center, planned Bus Rapid Transit, major highways, emerging Employment uses in the vicinity of the Property and established residential uses. The Sketch Plan’s proposal to eliminate large surface parking facilities and to enhance two of the stormwater management ponds, will result in creation of an “interconnected network of useable open spaces, and green areas that offer experiential, recreational, and social gathering opportunities for residents and visitors from surrounding areas.” (Master Plan, p. 48). quadplex units (and variations thereof that meet the definition of Gap housing). The Sketch Plan not only supports, but furthers the general intent expressed within the Master Plan to promote meaningful open spaces by including the street network, with parallel/adjacent green network system as a component part of the “civic/open space” system. Rather than merely assigning “open space” to physical set asides, each with a specific program such as, tot-lot, dog park, plaza, square, or walking trail (amongst other types); the Sketch Plan incorporates the street network to augment these physical spaces as recommended by the Master Plan.

The Sketch Plan will promote and enhance opportunities for one to leave their home, walk down, or cycle along a tree lined street that passes a small park or tot-lot, which leads to a larger neighborhood park serving the greater neighborhood. Here, the transition from the lower density residential portion of the neighborhood to higher density residential and mixed use occurs, providing residents the opportunity to mix and mingle in outdoor spaces that are now so desirable post COVID. The spaces include the street’s right of way, which is augmented by a linear expansion of the corridor’s width to incorporate the required sidewalk with additional space for cycling, walking, tree planting, art installation, and where mixed use is present, outdoor seating and dining opportunities. The system continues through more active blocks in the Project, transitioning yet again to shared space, and even pedestrian only trails and pathways. More specifically, the Sketch Plan leverages Block A as a signature corner that provides a window to the green space as people drive by the Property. It will also be interconnected via trails and walks to provide recreation and gathering opportunities around the existing pond. The adjacent Block B contemplates a vibrant mix of

entertainment uses which along with Block A, will take advantage of the existing ponds to reinforce the place at the northwest corner of the neighborhood with a mix and variety of green spaces interlinked from north to south and east to west. The corner of Block O is a gateway linking the new and old. All of these open spaces will be internally and externally compatible in that they will face outward and engage positively with the surrounding community and also be synergistic internally. All of these public amenities, green spaces and road infrastructure will better allow for delivery of a critical mass of Employment uses is in harmony with the Master Plan recommendation to “create an environment where workers can afford to live where they work and avoid creating another bedroom community.” (Master Plan, p. 68)

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

The Sketch Plan will provide a superior natural environment by improving upon the existing inventory of trees, natural topographic and geologic features, watercourses, and open spaces in the following ways. The Property, not quite 102 acres of paved, outdated shopping mall improvements with over 7,000 parking spaces, can only be improved since there are limited, if any ‘natural’ environmental features. There are three existing manmade stormwater management ponds on site which provide a limited purpose. The one watercourse system on the site has been piped to stormwater management pond 1. Pond 1 provides regional storm drain, flood control with the Montgomery Village Avenue dam. Per discussions with MDE and the US Army Corps of Engineers, there are no wetlands on site. The watercourse is only regulated per MDE within Pond 1. Stormwater management ponds 2 and 3 are not regulated by the State or US. The trees on site are limited and vary in health. The topography is artificial to meet the building design of the 1970s. The goal is to create a new neighborhood with added green space, new/modern SWM, numerous trees with a transit station to encourage reduction in automobile use, within an urban setting to accomplish the goals of the Master Plan. All substantial improvements to the existing condition.

As noted, the Property is primarily a parking lot, an impervious site. This Project will return the Property in many ways to an environmentally friendly urban neighborhood with added green space, added tree canopy, modern stormwater management, added landscape and a network of green spaces that interconnect. The new neighborhood will include modern stormwater management in addition to the existing stormwater management ponds to be preserved (stormwater management ponds 1 and 2), which will be further improved by the removal of the sea of asphalt parking spaces. The existing regional, surrounding, and adjacent drainage ways, most piped, will be preserved, or relocated in coordination with the surrounding community, maintaining the existing waterway systems. The Sketch Plan also includes a green network linking Block A, to be preserved, to Block B, preserving stormwater management pond 1 and then linking the various Blocks together across the Property which emanates a more natural state with a myriad of additional trees, landscape, and amenities. As noted in the Block descriptions, the creation of the neighborhood with the removal of impervious area and Mall, allows actual green areas and plantings to occur in a better network context and not isolated (functioning more as a natural system).

A Natural Resource Inventory/Forest Stand Delineation (NRI/FSD) for the Property has been reviewed and approved by City staff. In addition, the Applicant has submitted a stormwater management concept plan that complies with the current State and City stormwater management laws and regulations.

- (h) *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.*

As discussed above, the comprehensive redevelopment of Lakeforest Mall will be phased, and this Application contemplates several different phases over a long-term build-out to be established the time of Schematic Development Plan application(s). At the time the Applicant submits any future Schematic Development Plan application(s) for the Project, it will demonstrate that public facilities are sufficiently available to the Property for the proposed redevelopment of such phase(s).

Section 24-160D.3 of the Zoning Ordinance establishes the permitted uses in the MXD zone. Section 24-160D.3(b)(2) states that, unless waived by the City Council for good cause shown, the maximum percentage of retail commercial use to be shown on a Sketch Plan shall not exceed 60% of the total floor area. As illustrated by the accompanying Sketch Plan drawing and range of uses, the Applicant is proposing that the commercial uses constitute less than 60% of the total floor area as the Project will include 1,600 dwelling units, including a mix of Gap housing typologies.

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.*

The Master Plan includes various recommendations for building heights, open spaces, roadway improvements and connections to adjacent parcels, and special conditions for the Property. As explained in greater detail below, the Application complies with and accommodates all of these specific MXD Zone requirements.

- (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.*

All the adjacent rights-of-way have widths of 100 feet or more. While setbacks will be determined at the time of SDP, the Application complies with this requirement by virtue of the public street widths.

- 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.*

As noted above, all public street frontages are a minimum of 100 feet wide. Setbacks will be established at the time of future Schematic Development Plan application(s); however, the Application complies with this requirement.

- c. *No building shall be constructed to a height greater than its distance from any adjoining property not zoned MXD recommended for residential zoning and land use of the applicable master plan, unless the city planning commission finds that approval of a waiver of this requirement will not adversely affect adjacent property.*

All adjoining properties are located a minimum of 100 feet from the Property due to the widths of existing rights-of-way frontages. The maximum building height proposed by the Sketch Plan is 7 stories; thus, no building will be constructed at a height greater than its distance from any adjoining property not zoned MXD and recommended for residential zoning.

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. The minimum green area requirement, which shall include designated parks, public and private open space, active and passive recreational areas, 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.

Consistent with the Master Plan Special Condition, the Sketch Plan proposes 35% green area across the entire 102-acre Property. Since the Master Plan Special Condition states “[f]or a singular holistic redevelopment plan application for the entire Plan area, establish an overall minimum of 35% green area,” the Sketch Plan includes a proposed mix of designated parks, public and private open space, and active and passive recreational areas designed to meet the demands imposed by the projected future residential growth and higher density commercial uses at the Property.

- (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.*

The Sketch Plan identifies the general locations for most recreational areas, facilities or amenities on the Property, with the final layout and design with these and other spaces to be refined and determined at Schematic Development Plan and Final Site Plan applications. However, the Sketch Plan contemplates use of the street network to augment the parks, squares, plazas, and esplanades that will connect to and adjoin it. Doing so will expand the opportunities for pedestrians and cyclists beyond what can be provided by depending solely on specific types of spaces. The system created will permit a majority of the streets in the Project to serve as trails and pathways, that change in character and detail depending on their location and context within the Sketch Plan. The Sketch Plan will promote and enhance opportunities for one to leave their home, walk down, or cycle along a tree lined street that passes a small park or tot-lot, which leads to a larger neighborhood park serving the greater neighborhood. Here, the transition from the lower density residential portion of the neighborhood to higher density residential and mixed use occurs, providing residents the opportunity to mix and mingle in outdoor spaces that are now so desirable post COVID. The spaces include the street’s right of way, which is augmented by a linear expansion of the corridor’s width to incorporate the required sidewalk with additional space for cycling, walking, tree planting, art installation, and where mixed use is present, outdoor seating and dining opportunities. The system continues through more active blocks in the Project, transitioning yet again to shared space, and even pedestrian only trails and pathways. The Sketch Plan connects the home of a resident to the active main street and pond frontages at the Project’s “downtown” via a continuously enhanced pedestrian and cycling experience. The variety of urban experience that will be achievable within a 5-to-10-minute walk will make the Property unique within Gaithersburg and a rarity in the suburban metropolitan DC region.

(b) The application is in accord with recommendations in the applicable master plan for the area and is consistent with any special conditions or requirements contained in said master plan; and

As discussed above in Sections III and IV, the Application is in harmony with the Master Plan recommendations for the Property, which generally recommend an integrated and coordinated mix of uses, an interconnected network of useable open spaces and green areas, and a mix of housing types that foster a variety of rental and ownership opportunities across a broad spectrum of affordability. Lakeforest Development's vision for this Sketch Plan is to establish a framework for a mixed-use concept that can "accommodate both the types and densities of uses needed to accommodate future growth and is best positioned to achieve the above stated vision framework" as described in Section III of this SOJ.

(c) The application and sketch plan will be internally and externally compatible and harmonious with existing and planned land uses in the MXD zoned areas and adjacent areas.

The Application is compatible and harmonious with the adjacent area. As envisioned by the Master Plan, the Sketch Plan proposes a street grid that will be both internally and externally compatible by creating safe and efficient transportation options to and from the Property. A specific goal of the Sketch Plan is for all outward, adjacent Blocks within the Property to face out to the existing neighborhood, thus stitching the neighborhoods together versus only focusing on the internal blocks of the new neighborhood. This is accomplished by the proposed street network, block structure and pedestrian connections, which orient to face outward into the surrounding community. By doing so, the Application's proposed replacement of underutilized surface parking facilities and outdated commercial buildings with a mix of residential and commercial uses, open spaces and amenities will not only revitalize the Property, but also encourage economic redevelopment opportunities in the surrounding community. The Application supports MCDOT's preferred location for an upgraded Transit Center, which will be closer to Russell Avenue and better connect the surrounding employment, retail and residential uses through planned BRT along Frederick Avenue. The Applicant's vision for this Property is focused on delivery of a critical mass of active commercial uses and housing options that will be served by a street network with central pedestrian and bicycle connections accessible to residents within and surrounding the Property. The Project's inclusion of a balance of Employment and retail uses will promote a variety of jobs that offer new opportunities and upward mobility. In this respect, the Sketch Plan's proposal for an urban, pedestrian-friendly destination at the Property will help to deliver the Master Plan recommended "mixed-use, mixed income community" that is internally and externally compatible and harmonious with the surrounding areas.

VIII. CONCLUSION

For all the reasons stated above, the Application will (1) meet or accomplish the purposes, objectives, and minimum standards and requirements of the MXD Zone; (2) be in accord with the Master Plan recommendations for the Property; and (3) be internally and externally

compatible and harmonious with existing and planned land uses in the MXD zone areas and adjacent areas. Accordingly, the Applicant respectfully requests approval of its Sketch Plan.

Very truly yours,

**Selzer Gurvitch Rabin Wertheimer
& Polott, P.C.**

C. Robert Dalrymple

By: _____
C. Robert Dalrymple

Matthew M. Gordon

By: _____
Matthew M. Gordon