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*ADMITTED IN MD AND PA

February 7, 2022

HAND DELIVERED

Mr. Joe Cosentini, Town Manager
Town of Sykesville
7547 Main Street
Sykesville, MD 21784

Dear Joe:

This letter is in response to your letter dated January 4, 2022. The February 7, 2022 Sykesville Planning Commission ("Planning Commission") meeting will provide the best opportunity for Warfield Companies ("Applicant") to address the questions and comments outlined in your letter, but the Applicant also wanted to respond in writing. Excerpts from your letter are in bold below for reference purposes.

In the first paragraph under the "Request" section, it is stated that "the Applicant's proposed amendment to the zoning text would allow an increase in residential density while preserving the Applicant's ability to develop non-residential uses." This statement seems to conflict with the text amendment language itself that call for a maximum of residential uses of 75% which would allow for all new and existing structures on site to be converted to residential if they choose to do so except for the requested 5% minimum. I believe this statement [and] the percentages requested are in conflict and should match the Applicant's intention for the property.

The Applicant does not see any conflict between its intentions and the proposed text amendment language. The Applicant has always made it clear that it would "follow the market" at Warfield, and the market unquestionably supports the development of residential uses and density over commercial, retail, industrial, and most other non-residential uses.

That said, the proposed text amendment establishes a 5% floor (related to land area) for non-residential uses, but the Applicant has not proposed a cap. This promotes maximum flexibility to introduce commercial and retail uses if market conditions shift significantly favoring non-residential development or the Applicant identifies one or more viable users to lease or buy a meaningful block of space. Although the preceding is unlikely, the Applicant will continue to pursue users to fill the additional 49,394 SF in remaining unrehabilitated space currently targeted for non-residential uses (in addition to the 27,796 SF already in service) and in hopes of finding a good commercial prospects in the process.

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The strong market for residential and the weak market for non-residential uses are well-documented in two market studies obtained by the Applicant in the past six years, the first of which was required by and provided to the Town of Sykesville ("Town") in 2016. Furthermore, the Town's comprehensive plan, *Vision 2030: Town of Sykesville Comprehensive Plan* ("Comprehensive Plan") affirms the robust residential real estate market and relatively weak market for non-residential uses, particularly commercial and retail.

In particular, the Comprehensive Plan references a study in 2020 performed by Sage Policy Group for the Town (the "Sage Study") that notes that *"factors shaping office segment performance are most problematic"* of all of the potential uses at Warfield, particularly in light of Covid. The Sage Study further noted that *"in order to trigger successful office space development at Warfield, economic development officials may need to aggressively woo potential tenants and offer meaningful incentives. Warfield's office space will likely be absorbed serendipitously and opportunistically rather than in [a] smooth organic fashion. There will simply be too much competition for office-using tenants during the years ahead to expect anything different. Based on these considerations, complete absorption of proposed office space at Warfield's may require two decades or longer."*

The same section also refers to "certain ambiguities in the existing zoning text" and the desire to clarify these ambiguities. Would the Applicant be able to expand upon what specific ambiguities exist and which proposed changes clarify these ambiguities?

While ambiguity is difficult to completely avoid in Code language, the Applicant proposed amendments to certain provisions which seemed particularly confusing and, in some instances, redundant. The deleted language in the first paragraph of § 180-134 being an example of eliminating a perceived redundancy.

The amendments to § 180-134 (B) eliminate individually named categories of non-residential uses and replaces them with a comprehensive term "non-residential" uses to simplify the language, provide greater flexibility of other than residential uses in the "mixture" of uses and eliminating potential ambiguity that those eliminated categories of uses may be the only non-residential uses that may be established.

Applicant's proposed amendments to § 180-135 is an effort again to simplify and clarify those properties to which the PEC zone is applicable through eliminating conditional logistical language which may suggest that a site is and at the same time is not a qualifying PEC location.

Applicant's proposed amendment to § 180-136 A (2) (c) concerning senior housing intended to reclassify all types of senior housing from conditional to permitted uses as a comprehensive use category. The Applicant's reading of the current ordinance is that various forms of senior housing are already classified as non-residential but are broken into one or more categories in separate sections of the existing Code. Using a comprehensive use category will simplify the handling of these uses and eliminate any potential confusion or ambiguity created by leaving them to be addressed in multiple Code sections.

There are other of Applicant's proposed amendments, some discussed in greater detail herein, which while substantive also have the effect of clarifying ambiguities. These sections mentioned above are not intended as an exhaustive roster of any and all ambiguities which Applicant's proposed amendments may address.

The "Rationale: Project Feasibility" section mentions "experience gained from three years of marketing to non-residential users." Would the Applicant be able to share the specifics of the marketing efforts that were undertaken during their ownership and what interest they did get from these efforts? The reason for asking is that the marketing, from our understanding, seem focused exclusively on "large-scale" development. Were other options or strategies considered and can that information be shared? Specifically, were smaller potential users turned away and why? We would just like to understand the rational[e] if this occurred.

Three years understates the Applicant's length of time the Applicant has been marketing the project. June 2022 will mark four years since the Applicant closed on the property, but the Applicant's marketing efforts actually began in July 2013 when the developer leased Buildings F and W, and for other buildings and parcels in April 2014 after entering into a purchase and sale agreement with the Town. In total, the Applicant has been marketing the project for almost eight years, not to mention the efforts by the Town and Warfield Development Corporation (an entity controlled by the town) to market the property beginning 20 years ago.

The Applicant has not focused exclusively on large users. The Applicant's efforts were broad-based, and users of all types and sizes have been pursued and considered. Smaller users have not been "turned away" simply because they are small. However, if the unifying goal is to preserve Warfield's substantial historic campus, game-changing strategies are needed to encourage large-scale development and capital formation (including significant government subsidies). Piecemeal development is not a path to saving Warfield and returning the property to service in a way that is profitable or that creates meaningful economic development or expansion of the Town's tax base.

Whether leasing or buying, users must be willing to pay a price and commit to other terms (e.g., length of lease) that are in line with the market and support the cost of development. As the Applicant has consistently maintained, there must be sufficient demand in the market, and such demand must exceed supply, to drive pricing and other terms favorable to developers and investors to support the cost of development.

The lack of demand for non-residential uses is more than a matter of the Applicant's opinion. The previously referenced studies and Comprehensive Plan also note concerns about the viability of new commercial and retail development in Warfield's market area. According to the Town's Sage Study : *"Factors shaping office segment performance are most problematic. In the configuration analyzed in [the report prepared for the Town of Sykesville], Warfield would deliver nearly 300,000 square feet of rehabbed and new office space. Even during 2020's first quarter, which failed to capture much of the economic impact of COVID-19, the local office market surrounding Sykesville experienced occupancy loss of approximately 172,000 square feet and an uptick in an already*

lofty vacancy rate to above 15 percent, according to CBRE." The Sage study further states that the 35,000 SF currently planned for Parcels A and B at Warfield *"may take a decade or so to fully absorb."*

The Applicant initially engaged Cushman and Wakefield to market the Warfield project to commercial and retail users in October 2013. After limited results and changes of personnel at C&W the Applicant signed with Lee & Associates in September 2017 -- nine months before the Applicant even closed on the property. The lead broker for Lee was Dennis Boyle, a local commercial real estate agent known and recommended by numerous town, county, and state officials who reside in the Sykesville area. Before changing to Lee & Associates, the Applicant interviewed local representatives from several national firms capable of marketing commercial, retail, industrial, and institutional space. These firms included JLL, CBRE, Colliers, Newmark, and KLLNB. None of these firms would take the assignment, understanding the limited chances for success primarily due to the lack of non-residential demand in the local market. Other factors noted included the high cost of renovating the historic structures and the unsuitability of many of the structures for commercial, industrial, or retail uses.

The Applicant listed the property nationally on the CoStar platform since late 2017, even investing in a premium listing for much of 2021 to purchase top billing for commercial real estate searches in this market. Costar is the leading provider of commercial real estate information, analytics, and online marketplaces globally, including LoopNet and several other platforms that do not require a paid subscription, making them more accessible to potential users. The Warfield listing has gotten over 1.1 million views and generated over 360,000 unique prospects and 822 detail page clicks, which is impressive exposure for a project located in such a small market.

The Applicant is open to sharing additional details with the Town in an appropriate setting. We would also be happy to invite Dennis Boyle (now with McKenzie Commercial) and Brad Rees, former head of the Warfield Development Corporation, to discuss past marketing efforts with the Town. However, the Applicant's marketing efforts have been extensive and that the problem with finding non-residential users does not lie with the marketing effort but the limited market.

The section further states that "Employment growth ... has been tepid at best in Carroll County over the past couple of decades." Since this was known by the Applicant at purchase, what strategies did they have in mind during the lead up to the purchase that made them believe this issue could have been overcome? Similarly, the "high cost of historic rehabilitation relative to new construction" is mentioned which again was known at the purchase. Additional clarification as to what strategies were contemplated prior to purchase and attempted to overcome this issue once ownership was transferred would help justify the requested changes to the zoning.

It is essential to understand the many discussions, negotiations, and dynamics of the transaction from when the Town and the Applicant executed their purchase and sale agreement in 2014 and closing in 2018. Furthermore, the Town and Applicant were not the only two parties involved in the negotiations at that time. Representatives from the State of Maryland and Carroll County, in their respective

capacities as the Town's creditors, were actively engaged in discussions about the transaction as their consent was required as part of a negotiated settlement of the Town's debt in connection with Warfield, which was over \$5 million.

The county's and state's influence over discussions created a very tense environment, and their respective motivations were incongruent with those of both the Town and the Applicant. The state was interested in securing repayment of the Town's debt in order to reallocate the capital into other investments. The county was similarly interested in repayment but also threatened to take back the Warfield property if the zoning did not remain primarily commercial. In our view, the county was motivated by an unrealistic view of Warfield's feasibility as a commercial campus.

Both the Town and the Applicant were aware of employment conditions and the limited demand for non-residential development in the four years that elapsed between the execution of the purchase and sale agreement and closing. As previously noted, the Town required the Applicant to obtain a market study from a mutually acceptable market analyst. In this case, Valbridge Property Advisors ("Valbridge") as selected and delivered a market study to the Applicant and Town in June 2016.

The conclusions of the Valbridge study heavily favored residential development over non-residential, but the county summarily rejected these conclusions and all other data provided explaining the unsuitability of Warfield as a commercial center. With the county threatening to call the debt and take the property from the Town, and the Applicant facing losing what was a \$1 million investment at the time, the Town and Applicant faced some difficult choices.

In what the Applicant was assured was an act of mutual good faith, the Applicant and the Town moved forward with a concept consistent with what became the approved PEC Preliminary Plan. The Applicant committed to market the project as a commercial center for up to two years after closing. The Applicant reiterated this commitment many times prior to closing and throughout the approval process, as was our intention to request changes if we were unable to make meaningful progress finding commercial and retail users that would advance the preservation of the historic buildings and the project in general.

As with weak employment growth and limited demand for non-residential uses, both the Town and the Applicant were aware of the high cost of rehabilitation at Warfield. Discussions between the Town and Applicant about rehabilitation costs exceeding the projected finished value of the historic buildings over the years have been frequent and well-documented. So were discussions about burdensome infrastructure costs, including, without limitation, the extension of Springfield Avenue, relocation of the water main on Parcels C and H along Buttercup Road, and wetlands remediation.

Both parties understood that significant state and federal funding over and above what was available through the federal and state historic preservation tax credit programs would be necessary to make the project viable. The existence of a funding gap, which now likely exceeds \$30 million, has been a part of the discussion since 2014. The poor condition of the historic buildings, the contamination left

behind from the State's ownership and very high cost of preservation was the topic of a Warfield presentation at the Governor's cabinet meeting in Westminster in May 2017 as well as his meeting with the Applicant onsite at Warfield in October 2018. The Applicant closed on the property not having a specific path to securing the subsidies to plug this gap under a presumption of good faith that the Town would show flexibility when it came to, among other things, planning and zoning issues and securing state and federal funding. The Applicant believed that the Town would be a willing and cooperative partner in this regard, given that closing on the property resolved over \$5 million in debt on the Town's balance sheet.

Various State agencies and officials acknowledged an obligation to assist with the issues the State created and the ongoing deterioration. Two former Maryland Health facilities had in recent years been funded to address similar issues. Henryton State Hospital, which is five miles from Sykesville, was being demolished at that time at a cost to the State of almost \$7 million, in order to turn the property back into vacant parkland. Many buildings at the Rosewood State Hospital Center (15 miles away) were being demolished at a cost of over \$17 million in order to give the property to the nearby private Stephenson University. Members of the Maryland legislation delegation and state officials were trying to work with the Applicant to find similar funding to facilitate the re-use of Warfield.

The Applicant has accomplished what seemed virtually impossible four years ago. The Applicant has worked tirelessly with the Hogan Administration and state legislature to study state-owned and formerly state-owned historic campuses and create the Catalytic Revitalization Tax Credit ("Catalytic Revitalization Tax Credit" or "CRTC") Program. This tax credit, when combined with tax credits from the Federal Low-Income Housing Tax Credit ("Federal Low Income Housing Tax Credit" or "LIHTC") Program and Federal Historic Preservation Tax Credit ("Federal Historic Preservation Tax Credit" or "FHPTC") Program, and other government incentives, can finally solve the funding gap issue that the Town and Warfield Development Corporation were not able to resolve after nearly two decades of effort.

A funding gap of \$30 million has been shared by the Applicant on several occasions. The letter submitted states that \$38 million has been conditionally secured and that "a majority of the government support... is related to housing." Can more information be provided on these programs? The Town has been told by the Department of Housing and Community Development that the 4% Low-Income Housing Tax Credit (LIHTC) that the Applicant intends to use can be put toward some non-residential uses. It is also our understanding that historic tax credits are not restricted to residential uses. Additional information as to why the programs cannot be utilized for non-residential purposes on this project would assist in evaluating the request.

The Applicant has been diligent in providing information about its efforts to secure funding for the project to address the \$30 million funding gap, including arranging and participating in meetings with state officials, including the Secretary of Planning and Secretary of Housing and Community

Development. The Applicant remains eager to supply the Town with any additional information needed to understand these programs. Please let us know what kind of information is required.

To answer specific questions:

- The Applicant intends to use LIHTC credits for some of the proposed commercial space and has never indicated otherwise. However, while LIHTC credits can be used in mixed-use projects, there are relatively strict limits for commercial and retail space. First, no more than 10% of a project's eligible costs can be attributable to commercial and retail space. In addition, no more than 20% of the project's income can derive from a commercial or retail source.

The Applicant currently intends to designate Building F and the Dining Hall/Auditorium, which contain a combined 49,114 gross SF, for non-residential uses. A recent concept study of the apartments proposed for the historic buildings shows 222,193 gross SF of residential building area in existing and new structures, implying a non-residential cap of around 24,688 SF.

- Federal Historic Tax Credits can be used for non-residential projects, but these credits make the smallest contribution to filling the funding gap relative to CRTC and LIHTC credits. As previously explained to the Town, the projects tax credit stack is currently estimated as follows:

Catalytic Revitalization Tax Credit	\$15.0 million
Federal Low-Income Housing Tax Credit	\$13.5 million
Federal Historic Preservation Tax Credit	<u>\$ 6.5 million</u>
Total	\$35.0 million
Less: Transactional Costs/Discounts	<u>(\$ 5.2 million)</u>
Net Funding to Project	\$29.8 million

The additional \$3 million in funding to get the project to \$38 million are expected from other DHCD programs.

The letter references the wetlands remediation efforts for the future development of Parcels A and B "and associated town park [improvements]." In the plans I've seen for the wetlands project, I see no park improvements proposed unless the creation of the wetlands is considered the improvement. Can the Applicant clarify this statement?

In addition to actual wetlands creation, the Applicant is proposing trail improvements, bridges, and additional improvements to the existing pond to make it useable for fishing and ice skating and blend into the natural landscape. These improvements are beyond the work required to affect the remediation of wetlands in Parcels A, B, and C and are designed as improvements to the natural park.

In the "Rationale: Community Benefit" section, there are several references that should be expanded upon or clarified:

- Warfield being a pilot project and the "first step in the redevelopment of the Springfield Hospital Center campus". The Warfield site is home to several previously renovated commercial structures so it is unclear how the proposed zoning text amendment would open the opportunity for a pilot project. The remaining acreage at Springfield has not been something that has been discussed for redevelopment nor is it considered a priority by the Town.

The redevelopment of Warfield on a meaningful scale using the Catalytic Revitalization Tax Credit in combination with other tax credits, subsidies, and incentives can serve as a model for other large state-owned campuses, which may very well include what remains of Springfield Hospital Center at some point in the future. Whether this is pursued is a separate future decision by the Town.

It seemed this was important to the Town because the Comprehensive Plan clearly expresses an intent to explore northeastward expansion into the area currently owned by the State of Maryland. Under *"Plan Recommendations for Growth and Future Land Use,"* the Comprehensive Plan recommends exploring annexation options for expansion *"northeast of the Town's municipal boundary located adjacent to Warfield and the Raincliffe development."* This land *"was identified for annexation in the 2010 Master Plan as a future growth area for the Town. This area continues to be an identified growth area for Sykesville and, accordingly, should be explored for annexation."*

Warfield is, in fact, considered a pilot project by the State of Maryland and is certainly being watched closely by the state, other local jurisdictions in Maryland, and private developers particularly given what the Applicant has been able to achieve in the past three years. Warfield has been a prominent topic of discussion by the State Historic Complexes Redevelopment Steering Committee (chaired by the Secretary of Planning) and was one of three case studies (the other two being Glenn Dale in Prince George's County and Bainbridge in Cecil County) in the report issued by the steering committee entitled *Advancing the Preservation and Reuse of Maryland's Historic Complexes* dated January 28, 2020. This report can be found at <https://mht.maryland.gov/documents/PDF/home/MD-Historic-Complex-Study-Report-2020.pdf>.

- No information is given as to how this proposal will "support local merchants" and contribute to a vibrant Main Street. Is this accomplished through the addition of more people in the surrounding area? If this is the rationale, then any new residential development in the area would have a similar effect. Why is Warfield different?

There is limited opportunity for additional growth in Sykesville according to the Comprehensive Plan, which states: *"Given the natural topography for Sykesville and the built-out nature of the community, the Town does not have greenspace available to accommodate new growth."* Warfield represents the only large opportunity for growth within the town limits. Furthermore, the anti-development climate in the Freedom District will almost certainly limit growth in the greater Sykesville area in the years to come. Simply put, Warfield is unique because of its proximity to and connectedness with Main Street Sykesville, and there is not a flood of residential development planned in the Freedom District to the north and Howard County to the south.

Indeed, the addition of new residents and workers drives economic activity that will benefit local merchants. But with limited prospects for substantial job growth in the market area, the addition of rooftops will be the primary driver of economic activity.

Information supporting how the Applicant's proposal will support local merchants, i.e. economic development, has been provided to the Town. The Applicant presented the results of an economic impact study conducted by Tischler Bise to the Sykesville Town Council ("Town Council") on August 23, 2021. This study was referenced in the Applicant's petition. Under a likely development scenario enabled by the proposed zoning amendment, the study projects that Warfield will create approximately 233 new permanent and 69 temporary jobs over the next 20 years and generate roughly \$40.8 million in economic output over the same period. Much of this will be spent in the local community and support local businesses.

Tischler Bise also presented the results of an updated fiscal impact study to the Town Council. The study indicates that a revitalized Warfield will generate a net fiscal benefit of \$29 million over 20 years, or \$1.29 million per year, for the Town of Sykesville, Carroll County, and Carroll County Board of Education. These millions of dollars represent new tax revenues generated by sensible growth (not tax increases) that can be reinvested in the local community or directed to keep taxes low.

- **Attracting millions in state investment in Sykesville (not just Warfield)-what millions in state investment are being proposed for Sykesville? Is this new investment or part of ongoing partnerships the Town has with State agencies? Have agreements already been made? What projects are being proposed for these state investments?**

The Applicant has worked closely with Maryland's Department of Housing and Community Development (DHCD) on the Warfield project. Because DHCD is so committed to Warfield's success, senior officials with DHCD have offered the Town significant funding for qualifying projects of the Town's choosing under various programs as an incentive to help make Warfield viable. The Applicant is not aware of any predetermined caps and is of the understanding that funds available could be in the millions. Although the Town has

successfully worked with DHCD in the past, many of these new investments would not otherwise be available to the Town if not for the Applicant's efforts and the Warfield project.

From the Applicant's discussions with DHCD, a list of projects (including project scopes of work and budgets) was requested again from the Town (the original request was made in December 2020). Has the Town responded to DHCD? The Town expressed some resistance to accepting DHCD money that might be somehow tied to Warfield under the prior mayor. The Applicant is eager to support the Town to address this opportunity, which is now magnified due to the billions in federal stimulus flowing into Annapolis. Several officials have referred to the stimulus funding as a "once in a lifetime opportunity" that will close very quickly as funds are pledged elsewhere.

There is a comment regarding consistency with the Town's recently updated Comprehensive Plan. The Comp Plan states clearly in the pages referenced that "the Town work collaboratively with the developers of Warfield to engage in an urban design workshop to develop a new vision for the mixed-use development. The outcome of which may be used to inform future zoning." Would the Applicant like to begin the process for scheduling an urban design workshop prior to the text amendment moving forward? Having this type of workshop would certainly help rationalize a text amendment request as it would be developed in partnership with the community.

The Applicant requested that Warfield be discussed more extensively when the Town was updating its comprehensive plan. Good reasons to do so include the Town's recognition of the previously mentioned decades of "tepid at best" employment growth, the increasingly high cost of historic rehabilitation relative to new construction and the Sage Study's conclusion that office space development at Warfield would depend on serendipity and opportunistic circumstances over a period of decades to be absorbed. These are clear indications that Warfield was ripe for discussion during the comprehensive plan update. Serendipity is not planning and continuing to ignore these challenges won't make them go away.

The comprehensive plan update process would have been the appropriate time for a workshop. The Applicant engaged the process of evaluating the project independently from a use and density standpoint after being informed that the Town did not want to take a deep dive into Warfield during the comprehensive planning process. This reevaluation was informed by:

- An updated market study covering wider range of potential uses and deeper analysis (Real Property Research Group);
- An updated fiscal impact study;
- An updated economic impact study; and

- Numerous planning, architectural, and engineering studies based on the above to determine density of various uses throughout the project.

This reevaluation process resulted in the petition for an amendment to the PEC zoning text outlined in Applicant's letter dated December 13, 2021.

The Applicant looks forward to public input on future phases of the project at appropriate phases including the potential community center in the Dining Hall/Auditorium for use of all Sykesville residents and local businesses.

The "Rationale: Consistent with Disposition and Development Agreement" section is particularly confusing and seems to miss the true goals and objectives of "smart growth" policies. The letter makes it seem that adding residential alone would make the project compliant with these protocols. In fact, these planning practices are far more intricate and would require significant reimagining of the entire site in order to fully comply. This is something that could be accomplished through the urban design workshop, but I do not believe this is what the Applicant truly desires. It may be best simply to eliminate this section all together from the request.

The Applicant quoted directly from the Disposition and Development Agreement, including Exhibit B of the document which outlines "Smart Growth Neighborhood Protocols" established by the state, to avoid any confusion and limit opinion and interpretation. Hindsight speculation of whether and what different protocols might have been included in 2002 when the Town was negotiating the Disposition and Development Agreement with the state is not germane to the Applicant's proposed amendments. Further, the requirements of the Disposition and Development Agreement cannot be set aside because that agreement runs with the deed to the property.

As for the specific changes requested, the movement of most conditional uses to the permitted category is straight forward enough and most of these I have left for review by the Planning Commission. That said, the addition of "Retirement homes and senior housing facilities" which I presume to be an age-restricted housing products, to the Office, research, institutional, and light industrial category makes them eligible to count toward the required non-residential component. I'm not sure this is the desired intent of the request, but it will appear as if this would allow the non-residential component of the project to be met with a largely residential use.

The Applicant's goal in reclassifying certain conditional uses to permitted uses is to increase the appeal of Warfield sites to potential commercial users and to streamline the approval process for uses that should not be controversial. Conditional uses require approval of the Board of Zoning Appeals adding process time and uncertainty for potential business users. Whether a use is controversial is a matter

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of opinion and open for discussion. We look forward to evaluating these changes with the Planning Commission.

The Applicant's intent concerning senior housing was merely to reclassify all types of senior housing from conditional to permitted uses. The Applicant's understanding of the current ordinance is that senior housing is already classified as non-residential.

Finally, the changes to the required percentages of land uses seem off. If non-residential is listed at no less than 5% and open space is listed at no less than 25% then the residential component couldn't be more than 70%. The request is for 75%. We also understand the request to increase the density from 2 units per acre to 6.5 units per acre. This would increase the total number of allowable residential units from 182 to 592, assuming my math is correct, with 145 units already approved at Parkside. With the remaining acreage open for building being less than 30 acres, is it even physically possible to fit this number of additional units in the project taking into account grading, storm water, and other utility requirements? Basically, I'm wondering if the increase in density of this magnitude is even necessary.

Attached please find an exhibit that more clearly shows required percentage of land uses. The Applicant will review this with the Planning Commission at the February 7, 2022 meeting.

The Applicant's calculations indicates that the maximum allowable number of units under the amended zoning ordinance would be 589 units (90.57 acres x 6.5 units/acre). The Applicant is confident that up to 589 units and complementary non-residential uses in Buildings F, G, H, and I, and the dining hall/auditorium building is feasible from a planning and engineering standpoint.

As mentioned above, the Applicant conducted numerous planning, architectural, and engineering studies to test fit different uses and densities on all the parcels. A summary of these various test fits was presented to the Town Council in a web-based site plan tool in a meeting on October 25, 2021. This tool has been updated and is available for the Town to view and test various scenarios.

We suspect that this written response does not address all questions that the Planning Commission may have and hopefully those left unaddressed can be responded to during the Commission's review process and further public involvement in that process. Applicant has not undertaken the proposed PEC text amendments lightly but only after the cumulative information of the studies and evaluations mentioned herein have been collected and considered. We ask the Planning Commission for their favorable recommendation of those proposals.

Very truly yours,

A handwritten signature in black ink, appearing to read "David K. Bowersox", written over a horizontal line.

David K. Bowersox

