



MONTGOMERY COUNTY PLANNING DEPARTMENT
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB
Item #5
9/23/10

MEMORANDUM

DATE: September 13, 2010

TO: Montgomery County Planning Board

VIA: Rose Krasnow, Chief *RdK*
Development Review Division
Catherine Conlon, Supervisor *CC* 301-495-4542
Development Review Division

FROM: Patrick Butler, Planner 301-495-4561 *PB*
Development Review Division
Shahriar Etemadi, Supervisor 301-495-2168 *SE*
Transportation Planning Division

SUBJECT: Preliminary Plan No. 119961100, The Johns Hopkins Belward Research Campus
– Request for extension of the validity period for the adequate public facilities
approval.



STAFF RECOMMENDATION: Extend the validity of the adequate public facilities (APF) approval for the remaining 1,410,000 SF of approved office and R&D use subject to the following phasing schedule:

- Building permits for 200,000 SF of the remaining 1,410,000 SF of development must be issued before April 6, 2016.
- Building permits for of the next 500,000 SF of the remaining 1,410,000 SF of development must be issued before April 6, 2018.
- Building permits for of the last 710,000 SF of the remaining 1,410,000 SF of development must be issued before April 6, 2023.

The APF approval for the square footage specified in each phase above will expire on the specified dates and any square footage that has not been included in a building permit issued by that date may not be used in any subsequent phase unless a new finding for APF has been made.

BACKGROUND

The preliminary plan for the Johns Hopkins University Belward Campus was approved by the Planning Board at a regularly scheduled public hearing on November 7, 1996. The approval was for a total of 1.8 million square feet of office and R&D use on a 138 acre tract of land located in the northeast quadrant of the intersection of Muddy Branch Road and Darnestown Road (MD 28) in the Great Seneca Science Corridor Master Plan area (“Property” or “Subject Property”). The date of mailing of the Planning Board’s Corrected Opinion for that approval was March 6, 1997. Pursuant to Section 50-20(c)(3)(A) of the Montgomery County Code, Subdivision Regulations, the validity period of the adequate public facilities (APF) approval for the Subject Property was 145 months from that date of mailing, or until April 6, 2009. In September of 2008 the applicant filed a request for extension of the validity period, but before any action was taken, the County Council took action to grant all valid plans an automatic two-year extension. Thus, the APF approval for the subject plan remains valid until April 6, 2011.

To date, approximately 390,000 square feet of R&D uses have been constructed on 30 acres of the original development tract that were donated to Montgomery County and subsequently transferred and developed. The remaining 1,410,000 square feet of the Approved Density is to be constructed on the remaining 108 acres. Since that construction cannot occur within the remaining validity period, the applicant is now asking that the Board take action on its original extension request.

DISCUSSION

Criteria for Extension of the Adequate Public Facilities (APF) Validity

The APF approval for the remaining unbuilt 1,410,000 square feet of development is valid until April 6, 2011. The Applicant is requesting a 12-year extension of this validity period, until April 6, 2023.

Pursuant to Section 50-20(c)(10) of the Subdivision Regulations, the Planning Board may extend a determination of adequate public facilities once for up to 12 more years beyond the otherwise applicable validity period if the Board finds that:

- A. The preliminary subdivision plan for the development required a significant commitment of funds by the applicant, amounting to at least \$2,500,000, to comply with specified infrastructure conditions;
- B. The applicant has met or exceeded the required infrastructure conditions during the original validity period; and
- C. The applicant’s satisfaction of the required infrastructure conditions provides a significant and necessary public benefit to the County by implementing infrastructure goals of an applicable master or sector plan.

The Applicant's letter requests the maximum twelve-year extension of the APF for the Preliminary Plan (See Attachment A). In support of the request, the letter provides details concerning how the project meets the requirements of 50-20(c)(10)(A)-(C) as listed above. Staff reviewed the information and has determined, as discussed below, that the application complies with the general requirements for the Board to grant the extension request, although staff recommends that the approval be phased.

50-20(c)(10)(A)

The Applicant submitted a letter dated August 13, 2008 from the Montgomery County Department of Economic Development, verifying that approximately \$2,660,000 has been expended to date to construct improvements required under the Preliminary Plan, as amended, to the following intersections adjacent, or in close proximity to the Property: MD 28 and Muddy Branch Road; Key West Avenue and Great Seneca Highway; Key West Avenue and Shady Grove Road, and Shady Grove Road and Research Boulevard ("Infrastructure Improvements"). The letter from the Montgomery County Department of Economic Development indicates the money was spent as a part of the Belward Campus CIP 789870 (Capital Improvement Program), a project constructed by the County in 1997 in return for the Johns Hopkins University's donation of a 30-acre portion of the Belward Campus to the County (See Attachment B).

50-20(c)(10)(B)

According to a letter dated November 2, 2006, staff from the Transportation Planning Division conducted a field check and confirmed that all of the Infrastructure Improvements required as part of the Preliminary Plan, as amended, have been satisfied (See Attachment C).

50-20(c)(10)(C)

1990 Master Plan

The central objective of the Transportation and Mobility Plan of the 1990 Master Plan was to enhance vehicular mobility in the planning area. The 1990 Plan called for increases in right-of-way widths to permit adequate space for continuous turn lanes, additional buffer/landscape space, and medians, as well as the typical street, sidewalk and bike path requirements. The Plan also called for intersections at arterial roads and major highways to be widened. The increased space was to accommodate additional left-turn and right-turn lanes (as well as an adjustment area on the departure side). The Infrastructure Improvements required as part of the approval of the subject preliminary plan provided a significant and necessary public benefit to the County by implementing infrastructure goals of the 1990 Master Plan, which was the applicable Master Plan when the Infrastructure Improvements were provided. The Master Plan identified these road improvements, such as turn lanes at the intersections of major highways, as essential to improving movement and local access in the planning area.

2010 Master Plan

The enhanced mobility in the Planning Area provided by the Infrastructure Improvements is consistent with, and supports, the stated objectives of the recently approved 2010 Master Plan. In particular, the Life Sciences Center (LSC) Circulation Plan of the 2010 Master Plan,

recommends a mobility plan for the Planning Area based on a “network of major highways, arterial roads and local streets” as part of a comprehensive transportation network for all modes of travel, including transit, roads, bicycles, and pedestrians. The LSC Circulation Plan envisions a grid network of local streets that is framed by major highways, including the roads improved as part of the preliminary plan, to facilitate improved vehicular mobility into and out of the Planning Area. Therefore, the Infrastructure Improvements that were completed under the Preliminary Plan provide a significant portion of the overall framework of the road network that supports the transportation objectives of the 2010 Master Plan.

Justification for the Requested Waiver

Section 50-20(c) of the Code gives the Planning Board significant latitude in determining whether an APF extension should be granted, even when the triggering requirements are met. In this case, the triggering requirements are those under 50-20(c)(10)(A) through (C). Even if the staff finds that the triggering requirements are met, the Planning Board may choose to deny the APF extension request, or grant a shorter extension period than requested. In support of its request for the maximum 12 year extension, the applicant provided an updated traffic study and a new phasing schedule for the implementation of the remaining 1,410,000 square feet of development. Staff has considered this information, and the other circumstances affecting this development, and determined that the extension request is supportable with some modification.

The applicant no longer proposes to build the development originally approved, but rather proposes to use the extended APF validity towards partial completion of a new, as yet unapproved, preliminary plan application. The desire by both public and private sector interests to revise the 1996 preliminary plan for this property has been well documented, and resulted in changes to the land use and transportation elements of the previous master plan in the 2010 Great Seneca Science Corridor Master Plan amendment. This justifies the applicants’ decision to postpone its implementation of the original plan. Extension of the validity for the remaining unbuilt density from the original preliminary plan approval will provide an impetus for completion of the overall development contemplated for this property in the 2010 Plan which contains a number of improvements over and above that described in the 1990 Plan. Notably, the development of the subject property will have a larger buffer along Muddy Branch Road and an expanded environmental setting for the historic farmhouse. It also supports greater Corridor Cities Transitway (CCT) ridership by land use changes both on the subject property and in the other LSC Districts.

The fact that the staging plan of the 2010 Master Plan is predicated on CCT funding also provides justification for extending the validity of the subject plan. Keeping the JHU concept plans moving forward on this site will help implement the CCT by showing both public and private sector commitment to expedited investment in the land use that the CCT is designed to serve. Expedited development that can improve CCT ridership further enhances opportunities for CCT public funding. Keeping this development and the CCT moving forward improves the opportunity for the plan to move forward into Stage 2 over the next several years.

It should also be noted, however, that the adoption of a strict staging plan in the 2010 Great Seneca Science Corridor Master Plan could lead representatives of other development interests in

the Plan area to be interested in any APF expirations that would expand the potential for new development opportunities early in the staging process. Stage 1 of the Master Plan limits existing and approved commercial development to 11.1 million square feet in the LSC Districts subject to staging. During Stage 1, the Planning Board can only approve an additional 400,000 square feet of development prior to the achievement of several staging requirements including funding of the Corridor Cities Transitway (CCT) between Shady Grove and Metropolitan Grove. Previously approved but unbuilt development is not subject to the staging plan. Therefore, any pipeline APF expirations in these LSC communities would be added back to the pool of Stage 1 development for which new APF approvals could be considered. Nonetheless, staff believes that the contribution this development could make toward expeditiously moving Stage 1 forward outweighs the increasing the opportunity for other new development that might be eligible for construction in Stage 1.

The applicant submitted a traffic study that demonstrates that the current transportation conditions do not meet current policy definitions of adequacy, but staff does not find that this to be grounds for denial of the extension request. The APF test is designed to provide a near term traffic analysis of a proposed development. Both policies (such as Policy Area Mobility Review) and background conditions (such as the approval of Crown Farm development now within the City of Gaithersburg) have changed over time. The Planning Board and other stakeholders need the technical data available to understand current conditions to make an informed decision. Staff concurs with the traffic study conclusion that the Great Seneca Highway (MD 119) intersections with Muddy Branch Road and Sam Eig Highway, and the Darnestown Road (MD 28) intersection with Muddy Branch Road are projected to operate at congestion levels that exceed the standard for this area under the total future development condition (i.e., the existing plus background and 1,410,000 square feet of approved development of the Johns Hopkins University Belward Campus). These conditions, however, would also be expected to be true had the applicant built and occupied the approved development. Staff therefore finds that conditions will be substandard, but that this is merely important contextual information for this applicant and other stakeholders. The applicant notes that they have undertaken the expenditure of improvements required for this amount of development. The applicant plans to revise the preliminary plan for the site to reflect the 2010 Master Plan recommendations. The applicant recognizes that they will be responsible for future APF conditions for any development in excess of the remaining valid APF.

CONCLUSION

Staff supports the Applicant's request for an extension of the APF validity period in order to accomplish the goals of the Great Seneca Science Corridor Master Plan. As indicated above staff finds the Applicant meets the three requirements of 50-20(c)(10), and recommends that the Board grant the full APF validity period extension request. We do, however, recommend that the extension be phased according to the phasing schedule provided above. We believe this phasing will reinforce both our interest, and the applicant's interest, in expedited development that will facilitate CCT funding. Staff notes that in the event that the phasing schedule is not met, staff would not recommend further extensions and believes a new APF finding must be made.

ATTACHMENTS

Attachment A – September 30, 2008 and updated August 18, 2010 Extension Request

Attachment B – August 13, 2008, DED Letter

Attachment C – November 2, 2006, Transportation Staff Letter

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September 30, 2008

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VIA HAND DELIVERY

Ms. Cathy Conlon
Maryland-National Capital Park and Planning Commission
Development Review
8787 Georgia Avenue
Silver Spring, Maryland 20910-3760

Re: The Johns Hopkins University ("JHU") – Belward Campus (the "Property")
Preliminary Plan No. 1-96110 (the "Preliminary Plan") – Application to Extend
Adequate Public Facilities ("APF") Approval Validity Period (the "Application")

Dear Ms. Conlon:

This office represents The Johns Hopkins University ("JHU"), the owner of the referenced Property located in the northeast quadrant of the intersection of Darnestown Road and Muddy Branch Road in the Shady Grove Life Sciences Center. Pursuant to the Preliminary Plan, the Property is approved for the development of 1,410,000 square feet (SF) of Office and Research and Development uses in multiple buildings. The APF Approval Validity Period for the approved development on the Property will expire on April 6, 2009. As discussed in detail below, the purpose of this Application is to request, pursuant to Section 50-20(c)(10) of the Subdivision Regulations, an extension of the APF Approval Validity Period for the approved development for twelve years until April 6, 2021.

Background

By way of background, the Property is zoned Research and Development ("R&D") and contains approximately 108 acres. The Property is a part of a larger tract containing approximately 138 acres that JHU acquired in 1989. In 1997, JHU sold approximately 30 acres of the larger tract to Montgomery County (the "County Property"). The 138-acre tract, including the Property, is

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subject to the Preliminary Plan, which was approved by Corrected Opinion of the Planning Board dated March 6, 1997, attached as Attachment "1" (the "Preliminary Plan Opinion") for 1,800,000 square feet (SF) of office and R&D uses in multiple buildings (the "Approved Density"). To date, approximately 390,000 SF of R&D uses have been developed on the County Property leaving approximately 1,410,000 SF of the Approved Density to be constructed on the Property (the "Remaining Density"). As noted above, the APF Approval Validity Period for the Remaining Density will expire on April 6, 2009.

To date, JHU has not commenced construction of the Remaining Density on the Property. Since the sale of the County Property, JHU has worked with federal, state and local agencies, nearby property owners and other stakeholders to develop a comprehensive vision for the Property, together with the larger area, as a world-class, life-science and applied technology center with complementary research and development, office, residential, retail, and cultural uses. This ambitious undertaking is called the "Vision 2030 Plan" and proposes to develop the Property as a major component of the plan. This effort has been incorporated into the ongoing update to the Gaithersburg West Master Plan that is currently underway (the "Master Plan Update").

The planning process for the Master Plan Update has already spanned several years and is likely to require at least another year to complete. Further, based on the current direction of the planning efforts, it is anticipated that the Property will be developed in a significantly different manner than the Preliminary Plan reflects, and over a much longer timeframe. Therefore, it is clear that the ultimate vision for the Property cannot be realized within the timeframe of the current APF Approval Validity Period. Accordingly, JHU is seeking the extension of the APF Validity Period to allow JHU to participate fully as a partner with the County and Planning Board in completing the planning process, and ultimately achieving the shared goal of developing the Property as a world-class research campus.

The Extension Request

Pursuant to Section 50-20(c)(10) of the Subdivision Regulations, the Planning Board may extend a determination of adequate public facilities for up to 12 more years beyond the otherwise applicable validity period if the Board finds that:

- (A) the preliminary subdivision plan for the development required a significant commitment of funds by the applicant, amounting to at least \$2,500,000, to comply with specific infrastructure conditions;
- (B) the applicant has met or exceeded the required infrastructure conditions during the original validity period; and

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- (C) the applicant's satisfaction of the required infrastructure conditions provides a significant and necessary public benefit to the County by implementing infrastructure goals of an applicable master or sector plan.

The Application qualifies for an extension under this Section 50-20(c)(10) because: (1) approximately \$2,660,000 has been expended to date to comply with specified infrastructure improvements required under the Preliminary Plan (see Letter dated August 13, 2008 from Mr. Peter Bang, Montgomery County Department of Economic Development, to Mr. David McDonough of JHU, attached as Attachment "2" (the "Bang Letter")); (2) all of the requirements for infrastructure improvements under the conditions of the Preliminary Plan have been satisfied (see Letter dated November 2, 2006 from Mr. Richard C. Hawthorne, Chief, Transportation Planning, Montgomery County Planning Board to Mr. Bang, attached as Attachment "3" (the "Hawthorne Letter"); and (3) construction of the required infrastructure improvements provided a significant and necessary public benefit to the County by implementing infrastructure goals of the current applicable Shady Grove Study Area Master Plan, Approved and Adopted July, 1990 (the "Master Plan").

In particular, we note that the Preliminary Plan Opinion required construction of the following infrastructure improvements as a condition of approval (collectively the "Infrastructure Improvements")¹:

1. The applicant shall construct a second left-turn lane along westbound MD 28 at its intersection with Muddy Branch Road.
2. The applicant shall construct a second left-turn lane along both northbound and southbound Muddy Branch Road and along westbound Great Seneca Highway and a right-turn lane along eastbound Great Seneca Highway and along

¹ Condition 1 of the Preliminary Plan Opinion required JHU to enter into an agreement "to limit development to a maximum of 1,800,000 SF of office and R&D space and to provide the necessary roadway improvements as outlined in the October 31, 1996 Transportation Planning Division Memorandum, as amended on 11/5/96, attached to and incorporated by reference in this Opinion as Attachment 2." A copy of the November 5, 1996 Transportation Memorandum is included with the Preliminary Plan Opinion, attached as Attachment "1" to this letter. The November 5, 1996 Transportation Memorandum sets forth six road improvements that JHU was required to construct as a condition of issuance of building permits. As discussed in greater detail below, several of the road improvements required in the November 6, 1996 Transportation Memorandum were later modified by the Planning Board.

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southbound Muddy Branch Road at the intersection of Muddy Branch Road with Great Seneca Highway.

3. The applicant shall construct a second left-turn lane along eastbound Great Seneca Highway and along northbound Key West Avenue at the intersection of Key West Avenue with Great Seneca Highway.
4. The applicant shall construct a second left-turn lane along both northbound and southbound Shady Grove Road and a third through lane along westbound Key West Avenue at the intersection of Key West Avenue with Shady Grove Road.
5. Access and improvements to Key West Avenue to include a continuation of the third westbound lane along the property frontage to proposed Street "C" and a continuation of the third lane for approximately 300 feet of taper to the existing two lane cross section provided beyond that point.
6. The applicant shall construct a second left-turn lane along southbound Shady Grove Road at the intersection of Shady Grove Road with Research Boulevard.

Thereafter, by Opinion dated April 26, 2001, the Planning Board approved an amendment to the Preliminary Plan designated Preliminary Plan No. 1-96110R to delete the requirement for at-grade improvements of the intersection of Shady Grove Road and Darnestown Road (Condition 3 of the November 5, 1996 Transportation Staff Report), and require, instead, pro-rata participation by JHU in the construction of a spur road to connect Glen Mill Road and Darnestown Road through the Falls Grove development to Shady Grove Road (the "Spur Road"). A copy of the Opinion approving Preliminary Plan No. 1-96110R is attached as Attachment "4". Further, by letter to Mr. Wes Guckert of The Traffic Group from Mr. Ron Welke of Transportation Planning Staff dated October 29, 2003, a copy of which is attached as Attachment "5", Planning Staff approved the substitution of intersection improvements at Great Seneca Highway and Muddy Branch Road included in County CIP PDF No. 500005 for the improvements to Great Seneca Highway and Muddy Branch Road required in Condition 4 of the November 5, 1996 Transportation Memorandum.

As noted above, in 1997 JHU sold approximately 30 acres of the larger 138-acre tract approved in 1989 to Montgomery County (previously defined herein as the "County Property"). As part of the agreement between the County and JHU for the purchase of the County Property, the County, on behalf of JHU, agreed to fund and coordinate construction of the Infrastructure Improvements by including the Infrastructure Improvements in the CIP and reducing the purchase price of the 30 acres accordingly to offset the cost of construction of these improvements. See Bang Letter,

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Attachment "2". In this regard, based on a review by the County Department of Economic Development of costs expended by the County for the Infrastructure Improvements, as set forth in the Bang Letter and the cost documentation spread sheet attached thereto, the County has confirmed that it expended \$2,660,036.27 for the Infrastructure Improvements and reduced the purchase price of the County Property accordingly. Therefore, the requirements of Section 50-20(c)(10)(A) have been satisfied. Further, as set forth in the Hawthorne Letter, Attachment "3", all of the requirements for the Infrastructure Improvements, as modified subsequent to the approval of the Preliminary Plan, have been met as required under Section 50-20(c)(10)(B).

As a general objective, the Master Plan provides strategies to improve the transportation mobility needs generated by development planned for the planning area, including intersection improvements to major highways. See Master Plan Excerpts, pages, 85, 93-94, attached as Attachment "6". For the road network in the vicinity of the Property, the Master Plan recommends intersection improvements to Darnestown Road, Shady Grove Road, Great Seneca Highway and Key West Avenue to provide adequate transportation capacity in the Life Science Center area. See Master Plan Excerpts, pages 95-96, Attachment "6". These road improvements were incorporated in Preliminary Plan as conditions of approval. Therefore, in satisfaction of the requirements of Section 50-20(c)(10)(C), construction of the Infrastructure Improvements provided a significant and necessary public benefit to the County in furtherance of a central objective of the Master Plan to provide enhanced mobility in the immediate vicinity of the Property.

In addition to meeting the technical requirements of Section 50-20(c)(10) as set forth above, the Application furthers the intent of the extension provision to allow large-scale projects adequate time both to develop in a thoughtful and deliberate manner and to recoup the costs expended for infrastructure improvements that provide a significant public benefit. In this regard, JHU's goal of developing the Property as a key component of the Gaithersburg West Master Plan cannot be accomplished within the existing APF Approval Validity Period. The extension requested in the Application will allow JHU to continue its efforts, in cooperation with federal, state, and local agencies, to develop the Property in a manner that furthers the planning and economic development objectives of the County to foster the growth of the critically important life sciences community.

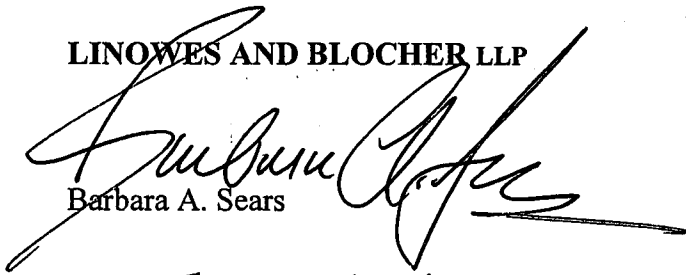
Accordingly, for the reasons stated above, we request an extension of the APF approval validity period for 12 years or until April 6, 2021. Enclosed with this letter is an Extension Application with all required supporting materials, an Adjoining and Confronting Property owners list with a set of mailing labels, and the required application fee.

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If you have any questions regarding this matter, please do not hesitate to call. Thank you for your assistance.

Very truly yours,

LINOWES AND BLOCHER LLP



Barbara A. Sears



Scott C. Wallace

Enclosures

cc: Ms. Rose Krasnow
Ms. Nancy Sturgeon
Bernard Justis, Esq.
Mr. David McDonough
Ms. Elaine Amir
Mr. Tom Osborne
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By Hand Delivery

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Re: The Johns Hopkins University Belward Campus (the "Property") -
Preliminary Plan No. 1-96110 (the "Preliminary Plan") – Application to Extend
Adequate Public Facilities Approval Validity Period (the "APF Application")

Dear Ms. Conlon:

Our firm represents The Johns Hopkins University ("JHU"), the owner of the referenced Property located in the northeast quadrant of the intersection of Darnestown Road (MD 28) and Muddy Branch Road. The Property contains approximately 108 acres and is a recorded lot, identified as "Parcel B, Block C" on Plat No. 23321. The Property is part of a larger parcel containing approximately 138 acres, for which the Preliminary Plan was approved for 1,800,000 square feet ("SF"). The Application was filed on September 30, 2008 to extend the APF validity period of the approved but unbuilt density of 1,410,000 SF ("Remaining Density") pursuant to Section 50-20(c)(10)(A)-(C) of the Subdivision Regulations.¹ The purpose of this letter is to respond to your recent request for additional information regarding the Application, as more fully detailed below.

¹ The APF validity period for the Remaining Density expired on April 6, 2009. JHU was unable to move forward with development of the Property following its acquisition in 1989 because the Property was subject to a life estate for the benefit of the prior owner. The life estate terminated in 2005. Shortly thereafter, JHU began to work with federal, state, and local agencies to develop a long-term, comprehensive plan for development of a research campus on the Property. This planning effort was incorporated in the Planning Board's update of the 1990 Shady Grove Study Area Master Plan, which included the Property (the "1990 Master Plan"). JHU actively participated in the Master Plan update process, which recently culminated in the adoption of the Great Seneca Science Corridor Master Plan in May of 2010 (the "2010 Master Plan"). A central component of the 2010 Master Plan is to allow additional development on the Property in accordance with the goals and recommendations of the Master Plan.

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As noted above, the Property contains approximately 108 acres and consists of a record lot identified as "Parcel B, Block C". The Property is a part of a larger tract containing approximately 138 acres that JHU acquired in 1989. The 138-acre tract, including the Property, is subject to the Preliminary Plan, which was approved by Corrected Opinion of the Planning Board dated March 6, 1997 for 1,800,000 SF of development in multiple buildings (the "Approved Density"). In 1997, JHU sold approximately 30 acres of the larger tract (not encumbered by the life estate) to Montgomery County (the "County Property"). The County Property was subdivided into record lots and, to date, approximately 390,000 SF have been developed on this 30 acre portion, leaving approximately 1,410,000 SF of the Approved Density to be constructed on the Property (previously defined as the "Remaining Density").

The 2010 Master Plan recommends development of approximately 4.6 million SF on the Property, which includes the Remaining Density of 1,410,000 SF. The planning and design recommendations for the Property set forth the 2010 Master Plan concentrate the bulk of the development on the Property at the proposed Corridor Cities Transitway stop, minimize the use of surface parking, provide significant open space areas along the edges of the property, and enhance the existing stream valleys on the Property. It is expected that the development as envisioned in the 2010 Master Plan for the Great Seneca Science Corridor Planning Area (the "Planning Area") will occur in accordance with the staging recommendations of the Master Plan over the next 25-35 years. In this regard, it is critical for JHU to maintain the APF validity of the Remaining Density, so that the Property may maintain a viable position to attract the important users necessary to foster the implementation of the recommendations of the 2010 Master Plan for a vibrant Life Science Center where the foundation of health care, biotechnology, and academia combine to create a dynamic and sustainable science and medical hub.

As set forth in our cover letter to you dated September 30, 2008, which was submitted with the Application (the "September 30, 2008 Letter"), the Application qualifies for an extension under Section 50-20(c)(10)(A)-(C) of the Subdivision Regulations² because: (1) approximately

² Section 50-20(c)(10)(A)-(C) of the Subdivision Regulations provides the Planning Board may extend a determination of adequate public facilities for up to 12 more years beyond the otherwise applicable validity period if the Board finds that:

- (A) the preliminary subdivision plan for the development required a significant commitment of funds by the applicant, amounting to at least \$2,500,000, to comply with specific infrastructure conditions;
- (B) the applicant has met or exceeded the required infrastructure conditions during the original validity period; and
- (C) the applicant's satisfaction of the required infrastructure conditions provides a significant and necessary public benefit to the County by implementing infrastructure goals of an applicable master or sector plan.

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\$2,660,000 has been expended to date to construct improvements required under the Preliminary Plan, as amended, to the following intersections adjacent, or in close vicinity, to the Property: MD 28 and Muddy Branch Road; Key West Avenue and Great Seneca Highway; Key West Avenue and Shady Grove Road and Shady Grove Road and Research Boulevard (collectively the "Infrastructure Improvements"); (2) all of the requirements for the Infrastructure Improvements under the Preliminary Plan, as amended, have been satisfied; and (3) construction of the Infrastructure Improvements provided a significant and necessary public benefit to the County by implementing infrastructure goals of the 1990 Master Plan, which was the applicable Master Plan when the Infrastructure Improvements were provided.

In response to your request, we have below provided additional information as to how the construction of the Infrastructure Improvements provide a public benefit in furtherance of the applicable goals of the 1990 Master Plan (Section 50-20(c)(10)(C) of the Subdivision Regulations) and to provide a Phasing Schedule for the construction of the Remaining Density. In addition, we have provided information demonstrating that approval of the Application will further the transportation infrastructure and planning goals of the 2010 Master Plan.³

The 1990 Master Plan

As discussed in the September 30, 2008 Letter, a central objective of the Transportation and Mobility Plan at pages 83-110 of the 1990 Master Plan, attached as Attachment "1", was to enhance vehicular mobility in the planning area:

The developing Shady Grove Study Area will become a workplace and residential community of significant size in the future. Mobility will be a critical factor in assuring the viability and vitality of the area to attract the high caliber of employment and residential development envisioned. Therefore, the mobility needs of area residents and workers must be anticipated and planned to provide a variety of facilities serving trips to and from the area, connecting to regional Metrorail and conveniently linking activities within the area. *The Plan includes a system of highways, access roadways, transit routes, and bikeway/pathways to form an integrated network of access throughout the area.* 1990 Master Plan, p. 83. (Emphasis added.)

Significantly, each of the Infrastructure Improvements involve the construction of through lanes and turn lanes at the intersection of roads classified as "major highways" in the 1990 Master

³ The 1990 Master Plan was the applicable Master Plan when the Preliminary Plan was approved and when the Infrastructure Improvements were constructed. However, we have provided additional information regarding the 2010 Master Plan in response to your request and in further support of the Application.

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Plan. In this regard, the Transportation and Mobility Plan, at page 94 of the 1990 Master Plan, identifies road improvements, such as turn lanes at the intersections of major highways, as essential to improving movement and local access in the planning area:

This Plan proposes several changes to the road network shown in the 1985 Gaithersburg Vicinity Master Plan. These changes include several new roadway extensions and additions, which are described in the Appendix, and intersection improvements described later in this chapter. The rights-of-way have also been expanded for the major highway and arterial categories and on specific roadways which have been identified to include separate transitways.

Major highways have been increased from a master planned right-of-way of 120 feet to 150 feet with an increase from 80 feet to 100 feet for arterials. *These increases are recommended to permit adequate space for continuous turn lanes, additional buffer/landscape space, and medians, as well as the typical street, sidewalk and bikepath requirements.* Attainment of the full recommended right-of-way in developed areas may not be feasible in all locations or cases.

This Plan recommends that the right-of-way of an arterial road or major highway be widened at intersections with arterial and/or major highways. This increased width will provide space for an additional left-turn lane and a right-turn lane on the approach side of the intersection, as well as an adjustment area on the departure side. (Emphasis added.)

Accordingly, it is clear that construction of the Infrastructure Improvements directly advanced a central objective of the 1990 Master Plan to improve mobility in the planning area by providing improvements to the intersections of major highways in the planning area.

The 2010 Master Plan

The enhanced mobility in the Planning Area provided by the Infrastructure Improvements is consistent with, and supports, the stated objectives of the recently approved 2010 Master Plan. In particular, the Life Science Center (LSC) Circulation Plan at pages 42-44 of the 2010 Master Plan, attached as Attachment "2", recommends a mobility plan for the Planning Area based on a "network of major highways, arterial roads and local streets" as part of a comprehensive transportation network for all modes of travel, including transit, roads, bicycles, and pedestrians. Further, the LSC Circulation Plan envisions a grid network of local streets that is framed by major highways including the roads improved as part of the Infrastructure Improvements (MD 28, Key West Avenue, Shady Grove Road and Great Seneca Highway) to facilitate improved vehicular mobility into and out of the Planning Area. (See 2010 Master Plan at page 42, Attachment "2".) In this manner, the Infrastructure Improvements provide a significant portion

Ms. Cathy Conlon
August 18, 2010
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of the framework upon which the road network that supports the transportation objectives of the 2010 Master Plan is based. In summary, the construction of the Infrastructure Improvements enhances circulation and mobility in the Planning Area in furtherance of the transportation infrastructure objectives of both the 1990 Master Plan and the 2010 Master Plan.

Phasing Schedule

JHU has requested a 12-year extension of the APF validity period to allow adequate time to properly develop the Property in accordance with the 2010 Master Plan recommendations while maintaining a viable competitive position to attract users that will allow the Master Plan's vision to be realized. Accordingly, we request approval of the following Phasing Schedule to implement the Remaining Density of 1,410,000 SF:

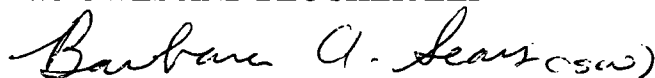
- Issuance of building permits for a total of 200,000 gross square feet of development within 5 years from date of approval of the Application.
- Issuance of building permits for a cumulative total of 500,000 gross square feet of development within 7 years from date of approval of the Application.
- Issuance of building permits for a cumulative total of 1,410,000 gross square feet of development within 12 years from date of approval of the Application.

We believe this Phasing Schedule appropriately accommodates the expected length and complexities of the development approval process for the Remaining Density in furtherance of the shared vision of JHU and Montgomery County for the Property.

If you have any questions regarding the information provide in this letter, please do not hesitate to call. Thank you for your continued assistance in this matter.

Very truly yours,

LINOWES AND BLOCHER LLP



Barbara A. Sears



Scott C. Wallace

Enclosures

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cc: Ms. Rose Krasnow
Mr. Dan Hardy
Mr. Patrick Butler
Mr. David McDonough
Mr. Tom Osborne
Mr. Wes Guckert

L&B 1380691v10



DEPARTMENT OF ECONOMIC DEVELOPMENT

Isiah Leggett
County Executive

Pradcep Ganguly, Ph.D.
Director

August 13, 2008

Mr. David McDonough
Johns Hopkins Real Estate
1101 E. 33rd Street
Suite E100
Baltimore, MD 21218

PAND

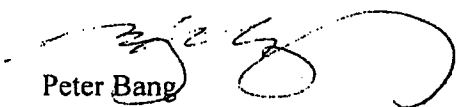
Dear Mr. McDonough:

Based on our review of cost documentation for transportation infrastructure improvements required pursuant to Preliminary Plan No. 1-96110 for the Belward Campus (the "Infrastructure Improvements"), we have determined that Montgomery County expended \$2,660,036.27 for the Infrastructure Improvements. See APF Cost Documentation summary dated July 31, 2008, attached as Attachment "1". The County's expenditures were from the Belward Campus CIP 789870 (Capital Improvement Program) placed in 1997 in return for The Johns Hopkins University's donation of 30-acre portion of the Belward Campus to the County.

All of the off-site Infrastructure Improvements required under the Preliminary Plan have been completed, as confirmed by the letter from Richard C. Hawthorne, Chief of the Transportation Planning Division of the Montgomery County Planning Board to the undersigned dated November 2, 2006, attached as Attachment "2".

If you have any questions upon review of this letter, please do not hesitate to contact me. Thank you.

Very truly yours,


Peter Bang
Division Chief of Finance, Adm., and Special Projects

Attachments/

1 Preliminary Plan No. 1-96110 Transportation APF Review Roadwork	Individual	Total
Costs from Peter Bang - May 20, 2008		
2 Belward Phase 1 (12.99 acres) and Phase 2 (13.09 acres) APF Improvements	Belward APF Costs	Belward APF Co
Costs from Peter Bang - June 9, 2008	\$444,278	\$444,278

(B-2)

A. Soft Costs:	Total Soft Costs	Soft Costs Allocable To Belward APF	
Phase I Prorata entlie, design, engineer	\$407,500	\$32,600	
Phase II Prorata entlie, design, engineer	\$420,000	\$84,000	
Misc Engineering (stakeout, top)	\$125,000	\$11,250	
Legal Contracts & Covenants	\$125,000	\$7,500	
Permits, Fees and Bonding	\$247,240	\$19,779	
Marketing	\$75,000	\$750	
Development Fee @ 3%	\$105,960	\$8,477	
Construction Fee @ 5%	\$152,988	\$12,239	
Other	\$50,000	\$4,000	
Subtotal Soft Costs:	\$1,708,688	\$15,378	
Soft Cost Contingency @ 10%		\$195,973	10%
Total Soft Costs:	\$1,879,557		
Total Soft Costs Allocable to Belward APF:		\$195,973	6640,251.25

B. Hard Costs	Total Hard Costs	Hard Costs Allocable To Belward APF	
Off-Site Roadways (deferred)	\$900,000	\$444,278 (see above)	see above
Key West Aceel/Decel plus Bike	\$152,000	\$152,000	\$152,000
Roads C and A(partial) w/utilities	\$850,000	\$850,000	\$850,000
SWM fee in Lieu Allowance	\$170,000	TBD	\$0
WSSC Deficit Payment Allowance	\$30,000	\$0	\$0
On-Site Rough Grading & Topsoil	\$800,000	\$72,000	\$72,000
Trails and Amenities	\$100,000	\$25,000	\$25,000
Reforestation and Landscaping	\$150,000	\$37,500	\$37,500
ROW acquisition Roads and Se	\$75,000	\$75,000	\$75,000
Signage and Entrance feature	\$150,000	\$7,500	\$7,500
Other & Common area maintenance	\$50,000	\$1,000	\$1,000
SUBTOTAL Hard Costs	\$3,427,000	\$1,664,278	\$1,220,000
Hard Cost Contingency @ 15%	\$514,050	\$149,785 using 9%	\$149,785
TOTAL Hard Costs	\$3,941,050		\$1,369,785
			\$2,010,036.27

3. Belward Allocation of Great Service Hwy @ Muddy Branch (and Sam Ely Hwy) - No. 500005 Costs			
Costs from Wes Guckert - July 30, 2008			
Planning, Design, Supervision	Total Road Costs	Road Costs Allocable to Belward APF in lieu of 5 turning lanes @ \$100,000 and	
Road Improvements & Utilities	\$480,000	1 rebuilt traffic signal @ \$150,000 per Sept 23, 2008 Wes Guckert Letter to Peter Bang	
Construction	\$1,700,000		
Total	\$2,600,000		\$650,000
4. Total Belward APF Costs			\$2,660,036.27
Total Belward APF Costs			\$2,660,036.27

Attachment 1



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Montgomery County Department of Park and Planning

November 2, 2006

Mr. Peter Bang, Director
Finance, Administration and Special Projects
Department of Economic Development
111 Rockville Pike, Suite 800
Rockville, Maryland 20850

RE: Off-site Roadway Improvements Related to
Belward Research Campus (Preliminary Plan No. 1-96110)

Dear Mr. Bang:

I am writing in reply to your September 18, 2006 letter, confirming that the intersection improvements at Key West Avenue (MD 28) and Shady Grove Road, and Key West Avenue (MD 28) and Great Seneca Highway (MD 119) are completed. Ki Kim of my staff had a field review and confirmed that the Planning Board's required intersection improvements at those two locations have been constructed.

We also confirm that with construction of these intersection improvements at those two locations, all off-site transportation requirements for the Belward Research Campus preliminary plan conditions have been satisfied.

If you have any questions regarding this matter, please feel free to call either Ki Kim or Shahriar Etemadi at (301) 495-4525.

Sincerely,

A handwritten signature in cursive script that reads "Richard Hawthorne".

Richard C. Hawthorne, P.E.
Chief, Transportation Planning

RCH:ft

Cc: Cathy Conlon