## LINOWESANDBLOCHERLLP

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December 21, 2001

Barbara A. Sears 301.650.7057 bas@linowes-law.com

Mr. Arthur Holmes, Chairman Montgomery County Planning Board 8787 Georgia Avenue Silver Spring, Maryland 20910

Re:

Rock Spring Park, Parcel 1 (the "Property")— Amendment to Preliminary Plan No. 1-98093A and Site Plan No. 8-89049A

Dear Mr. Holmes:

This office represents Rock Spring Park Associates ("RSPA"), a partnership between IBM Corporation ("IBM") and CHR Associates Limited Partnership ("CHR"), the owner of the Property. Consistent with the County Council's recent amendment to the Alternative Review Procedures for Expedited Non-residential Development Approval ("ARP") in the Fiscal Year 2001-2003 Annual Growth Policy ("AGP") (relevant portions of the AGP Resolution are attached), the purpose of this letter is to request an amendment to the referenced Preliminary Plan and Site Plan to provide a phasing plan for the extension of the current four (4) year validity period for the receipt of building permits for the remaining approved development on the Property. As you may recall, the Council modified the AGP effective November 1, 2001 at the request of RSPA to allow, under certain circumstances, the Planning Board to extend the ARP validity period for up to twelve (12) years from the date of Preliminary Plan approval.

By way of background, RSPA is the owner of a 44-acre recorded lot, zoned I-3, in the Rock Spring Office Park. Preliminary Plan No. 1-98093A was approved for development of a total of 1,635,100 square feet (approximately 758,800 existing and 876,300 proposed) under the ARP procedure on June 30, 1999 and has a four (4)-year validity date (until July 30, 2003) ("Preliminary Plan"). RSPA also received approval of the Site Plan (No. 8-89049A) on February 22, 1999 (the "Site Plan"). The project has been carefully designed as a multi-phased high-quality unified office project in a suburban setting. The Site Plan covers the entire project and presents a common architectural theme which utilizes shared parking garages, an interconnected vehicular and pedestrian circulation system and common amenities for the enjoyment of all tenants. The development phasing plan incorporated in the Site Plan calls for

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the sequential construction of buildings and structured parking garages. The structured parking facilities will replace large existing surface parking lots. The completed project will provide integrated Class A office space to high-end corporate tenants in a premiere down-county location that is linked to existing regional roadways and transit. This unique and attractive configuration allows large corporate tenants to not only find sufficient blocks of space to locate in Montgomery County, but also accommodates their future expansion.

To date, three of the six buildings, totaling approximately 758,800 square feet, and one of the four structured parking garages shown on the Site Plan have been constructed. Remaining to be constructed under the development approvals are three buildings totaling 876,300 square feet with structured parking garages. At the time building permits were issued for two of the existing buildings (6700 and 6710 Rockledge Drive), over \$3,600,000 was paid to satisfy APF requirements to the County. Recently, RSPA cooperated with the County and SHA by consenting to the use of this money for certain modified improvements along Old Georgetown Road and I-270. These improvements are now under construction, along with direct access from I-270 to Rock Spring Park.

However, as discussed with the County Council during the AGP review, it has become apparent that additional time beyond the current July 30, 2003 validity period will be needed to complete such a large-scale project with the same careful approach which RSPA believes best implements the goals of the overall project and interests of the public and private parties involved. Additional time is warranted to attract high-credit corporate tenants (employers) to complete the project as envisioned. The project offers the ability to provide large blocks of space, including complete buildings and expansion space to large corporate and other large users. For example, in the three existing buildings, IBM occupies all of one, NIH is the largest occupant in the second, and NIH recently leased the third building. Although no one can predict the tenants for the remaining three buildings, RSPA would hope to attract similar high-quality tenants who are important to not only the tax base, but also the social and cultural fabric of the County. No one will benefit from either rushing to complete build-out of all or some of the project or leaving the project in a partially finished state for an indefinite period of time.

Further, Rock Spring Park is in a suburban core well located to regional transportation and transit systems. Enormous public and private investments in infrastructure have been made in this area and continue to be made to support and encourage new office construction of the highest caliber. RSPA has carefully planned and similarly invested substantial resources in its project and the roadway system serving Rock Spring Park. RSPA's modification of its Preliminary Plan and Site Plan approvals to extend the validity date for this project in no way compromises, but rather, strengthens, the County's resolve to carefully plan and target growth to avoid sprawl and discourage construction in areas less suited to development. Further, new

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development on the Property is required to participate in the North Bethesda Transportation Management Organization, and RSPA has entered into a Traffic Mitigation Agreement.

With regard to the remaining development, RSPA has actively marketed the project and worked with several prospects since the approval of the Site Plan. RSPA has worked to attract several large, full building corporate users to support further development. Recently, a new building was designed for the Property and applications for building permits were filed with the County. Unfortunately, the plans of these users changed (one found an existing building that better met its needs, one changed its plans for a new headquarters building, and one chose a site in Virginia). These types of negotiations are time consuming and complex, but important to the future of the County. Finally, the current economic climate does not facilitate the expedited buildout of the remaining development, but rather supports the gradual development of the project.

Accordingly, we respectfully request an extension of the current four (4) year validity period for the project pursuant to the recently modified ARP provisions of the AGP, which provide:

TA2.3.1 The applicant must receive each building permit no later than 4 years after the Planning Board approves the preliminary plan of subdivision for that development. If the deadline is not met, the approval for the subdivision or that portion of the subdivision for which the deadline is not met expires. However, . . . if the development is located in the I-3 zone, and a previously approved subdivision plan and site plan contains more than 900,000 square feet of office space and at least 40% of that space has been constructed by November 1, 2001, the Planning Board may approve an amendment to its site plan which allows an extended validity period, but not longer than 12 years after the preliminary plan of subdivision was approved.

In the instant case, as noted above the project has Preliminary Plan and Site Plan approval for 1,635,100 SF of office development and to date approximately 758,800 SF, or 46%, of the overall approved development has been constructed. Accordingly, the project meets the requirements for an amendment to the Preliminary Plan and Site Plan to provide a phasing plan for the extension of the ARP validity period. RSPA proposes the following phasing plan for the receipt of building permits for the remaining 876,300 SF of approved additional development:

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Phase I -- Permits for 150,000 SF - 300,000 SF by July 30, 2007

Phase II – Permits for 300,001 SF - 500,000 SF by July 30, 2009

Phase III- Permits for 500,001 SF - 876,300 SF by July 30, 2011

The proposed phasing plan provides a reasonable timeframe to allow the development of this large-scale project taking into consideration the projected long-term office space needs in Montgomery County. Further, the phasing plan will allow RSPA to continue its comprehensive approach to the development of the project that is necessary to ensure its success. Finally, the extensive infrastructure currently under construction to serve the project has been carefully planned and represents a significant investment of public funds received in substantial part from project APF fees. The extension of the validity period for the project to allow for its successful completion will provide the concentration of employees at Rock Spring Park that will maximize this investment in transit and transportation. In summary, we believe that the phasing of the implementation of the project as requested will clearly promote the Smart Growth policies of the County and allow for the successful completion of an important economic development project.

Enclosed is a completed Site Plan Amendment Application and the required filing fee. If you have any questions regarding this request, please do not hesitate to contact me. Thank you for your consideration.

Very truly yours,

LINOWES AND BLOCHER LLP

Barbara A. Sears

cc:

Mr. Larry Ponsford, Ms. Robin Schmidt

Maureen Duffy, Esquire

Mr. Michael Allen

Mr. Walter Schmidt

Mr. Bruce Montgomerie

Scott C. Wallace, Esq.

Item #10



## MONTGOMERY COUNTY DEPARTMENT OF PARK AND PLANNING

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

8787 Georgia Avenue Silver Spring, Maryland 20910-3760

## MEMORANDUM

DATE:

January 18, 2002

TO:

Montgomery County Planning Board

FROM:

A. Malcolm Shaneman Development Review Division (301) 495-4587

SUBJECT:

Informational Maps for Subdivision Items on

Planning Board's Agenda for January 24, 2002.

Attached are copies of plan drawings for Items #07, #10, #11, #12, #13, #14. These subdivision items are scheduled for Planning Board consideration on January 24, 2002. The items are further identified as follows:

Agenda Item #07 - Preliminary Plan 1-94011 Smalls Nursery Revision

Agenda Item #10 - Preliminary Plan 1-98093A----Rock Spring Park Ext. w/SP

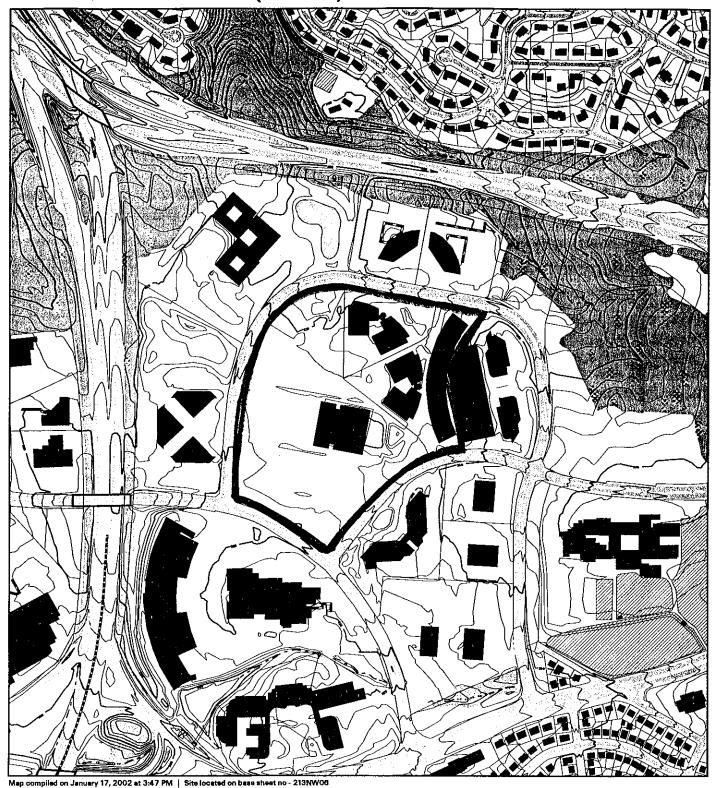
Agenda Item #11 - Preliminary Plan 1-02028 Oakton Associates

Agenda Item #12 - Preliminary Plan 1-00074 Woodbyrne Farms

Agenda Item #13 - Preliminary Plan 1-02055 Duvall Property

Agenda Item #14 - Preliminary Plan 1-02053 John E. Kelly Property

## **ROCK SPRING PARK (1-98093)**



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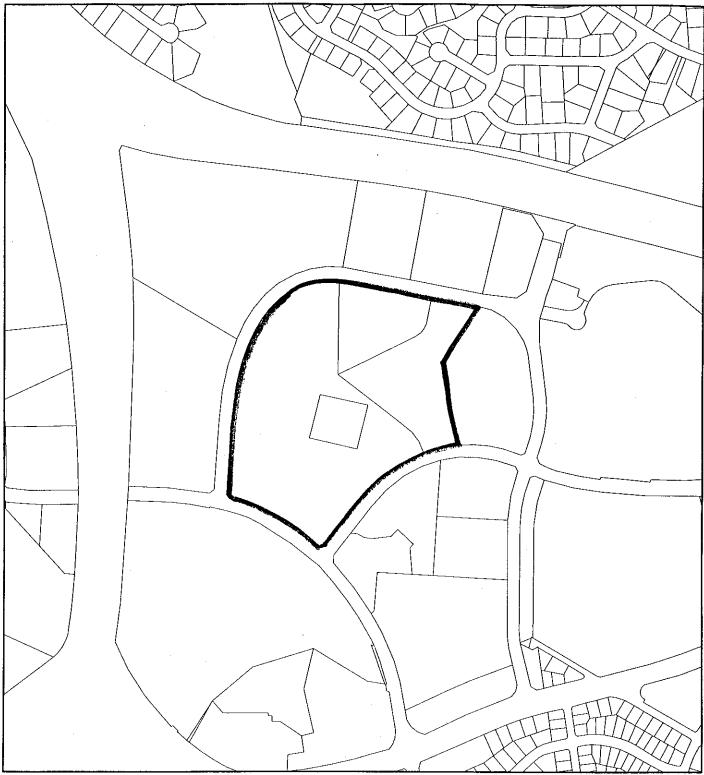
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# **ROCK SPRING PARK (1-98093)**



### Map compiled on January 17, 2002 at 3:31 PM | Site located on base sheet no - 213NW06

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