

June 4, 2025

By Electronic Mail

Artie Harris, Chair and Members of the Montgomery County Planning Board Maryland-National Capital Park & Planning Commission 2425 Reedie Drive, 14th Floor Wheaton, Maryland 20902

Re: Clarksburg Gateway Sector Plan – Preliminary Recommendations Briefing

Dear Chair Harris and Members of the Planning Board:

I am writing to express what we believe are significant concerns with some of Technical Staff's preliminary recommendations on the Clarksburg Gateway Sector Plan. As the owner of the Comsat property, the largest property in the plan area, we are committed to ensuring this Sector Plan maximizes both our property's potential as well as the County's broader goals for housing, economic development, and public infrastructure. We appreciate the Planning Staff's ongoing efforts and significant progress in addressing some longstanding concerns, but several recommendations threaten to undermine the site's redevelopment potential, significantly constraining our ability to attract major commercial tenants as well as to meet the growing residential needs of the County.

We first want to acknowledge the substantial progress made regarding the site's historic significance. Over the past two decades, both previous ownership and Lantian have consistently expressed concerns regarding the feasibility of preserving the original COMSAT building. After extensive analysis, including two architectural and economic impact studies, Planning Staff concluded that preservation would be prohibitively expensive and a major barrier to redevelopment. We sincerely commend Staff's recommendation against historic designation and their openness to appropriate mitigation.

Unfortunately, Staff continues to advance many concepts that threaten the redevelopment potential of the COMSAT site. As an example, the very same economic impact study that was conducted by HR&A Advisors in September 2024, also concluded that both the low- and medium-density scenarios – <u>each relying on structured and below-grade parking</u> – were economically infeasible. Further, the medium-density scenario confirmed that the value of the private development opportunity decreased as density increased, so much so that it resulted in a \$154 million financing gap - over \$110 million worse than the low-density alternative. HR&A's





study demonstrates that denser, compact development forms that do not allow surface parking are not currently viable at this location. Their analysis aligns with market experience in Gaithersburg, Germantown, and Clarksburg. Developers have not avoided denser projects out of preference, but rather because the economics simply do not support them, and the Sector Plan's Recommendations must be reconciled to address this reality.

The COMSAT property represents perhaps the best Upcounty opportunity to attract major commercial tenants, including life sciences companies, R&D facilities, or corporate headquarters. In addition to the mixed-use vision articulated for the site, the Sector Plan should explicitly recognize and strongly encourage these types of large-scale non-residential developments by providing the flexibility necessary to make them feasible. The Sector Plan recommendations remain fixated on attempting to solve certain development challenges that are unlikely to be fixed, largely due to our property's Upcounty and highway-centric location. Restrictive design prescriptions that ignore market conditions will unintentionally undermine any economic opportunities.

Despite extensive dialogue with Planning Staff over several years, the current Sector Plan recommendations continue to advocate approaches that are unlikely to succeed. Attached is an e-mail from our counsel dated March 26, 2025, detailing similar concerns previously shared with Staff. We remain deeply concerned about several other recommendations, such as:

• Removal of the Exit 17 Interchange. It is our understanding that the County's transportation modeling anticipates approximately 500,000 square feet of commercial and retail space at COMSAT. In our opinion, removing the potential for direct I-270 access (Exit 17 interchange) from the Sector Plan is incredibly short-sighted and would seriously impede efforts to attract major commercial and retail tenants to the COMSAT site. Over the last 5 years, we have responded to numerous RFPs, including several from Fortune 100 companies and their brokers. Based on our discussions with prospective high-profile tenants, they request information about how they might have a direct connection to the 120,000 vehicles per day traveling on I-270. Access is essential to their decisions about locating at COMSAT and reliance on Observation Drive from either Exit 16 or Exit 18 is simply unacceptable to them.

In addition, our review of the County's transportation model suggests that COMSAT, alone, would generate approximately 30,000-35,000 external daily vehicle trips, assuming a conservative development scenario of 3 to 3.5 million square feet. If future market conditions were to enable higher-density development approaching 1.0 FAR (as allowed by the Sector Plan), external daily vehicle trips would likely increase to 50,000-60,000. Traffic numbers of this magnitude suggest that the absence of an interchange would thwart the ability to achieve a medium-high density scenario. If we somehow managed to attract the tenants necessary to support more ambitious levels of development without an interchange, the resulting traffic would likely require wider intersections and additional travel lanes on these





arterials – concepts that undermine traditional planning goals for shorter pedestrian crossing times, slower speeds, and street designs for the livable community we hope to create. For these reasons, an interchange option is essential.

The COMSAT site should be explicitly positioned as a strategic "last-stop/first-stop" for Montgomery County along I-270. Given the Sector Plan's recognition of the need for a bridge across I-270, it is critical to maintain the option for future northbound and southbound interchange ramps, if and when, those traffic demands evolve and are needed. Without such a recommendation, COMSAT, as well as the Upcounty, may be excluded as a viable option for the land use mix needed to realize Staff's medium-density development vision.

Notably, Christopher Conklin and MCDOT shared our position on the interchange option when we met with them.

- Overburdening the COMSAT Property with Public Facilities. Several proposed public facility recommendations are contained in the recommendations that would impose a disproportionate burden on the COMSAT property. In particular, the recommendation for an 8 to 10-acre Clarksburg Gateway Local Park for active recreation entirely on our site is excessively burdensome. We support a more distributed "string of pearls" approach with an integrated series of smaller, connected recreational spaces, but these spaces should be spread out and equitably distributed across other major development parcels throughout the Sector Plan, prorata. Distributing these spaces more equitably allocated across the Sector Plan area would achieve a better result for the public. For example, the M-NCPPC-owned Linthicum East Elementary School site which, to date, has no intentions of being used for a school, could accommodate at least one athletic field, with other private owners also contributing proportionately to recreational amenities. In addition, we also strongly oppose the recommendation for a future regional recreation or aquatic center on the COMSAT property (which would occupy at least several more acres). Since this issue first surfaced, Staff has not provided a clear nexus regarding the size of these significant public facility obligations, nor have they adequately demonstrated why COMSAT alone bears the responsibility to be the panacea for Clarksburg.
- Observation Drive Redesign. We support Staff's environmentally sensitive proposal to realign Observation Drive to connect with Gateway Center Drive. However, we recommend coordinated discussions involving all stakeholders including Staff and MCDOT to ensure an alignment that preserves the development potential of all impacted properties. Additionally, Observation Drive should be consistent with existing segments to the south, incorporating two travel lanes in each direction. Given anticipated traffic from the COMSAT site, Cabin Branch (via Little Seneca Parkway bridge), Linthicum, other planned developments west of Cabin Branch, and significant north-south through-traffic diverted from MD 355, multiple travel lanes in each direction will be essential for effective traffic management and economic viability.



• Overly Specific Recommendations at this stage. Certain recommendations such as the 200' I-270 setback, 50% tree cover for parking or the need for three-bedroom units are just a few examples of items which seem overly specific for recommendations at the Sector Plan level. These should be "goals" that can be changed due to specific design or development proposals that may be received in the future. Incorporation of these recommendations may limit creative ideas or the best design/plan in the future. For example, a 200-foot setback and landscaped buffer is not required nor is it consistent with recent developments along the I-270 corridor (such as near Park Potomac). Setback restrictions hinder commercial visibility and may limit economic development potential. There are numerous uses, including residential development, that can be closer to the highway while in compliance with zoning and the County noise ordinance/mitigation requirements.

We remain committed to working collaboratively toward a Sector Plan that supports ambitious redevelopment of the COMSAT property and advances broader County objectives, but without substantial adjustments, we fear that the full value of the properties in the Sector Plan area will not be realized. We appreciate your consideration of the points raised in the letter.

Sincerely,

Robert J. Elliott, Jr.

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Sent: Wednesday, March 26, 2025 12:36 PM

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Subject: Clarksburg Gateway Sector Plan: Emerging Ideas

Importance: High

Dear Chair Harris and Members of the Planning Board:

Our firm represents Lantian Development, the owner and representative of the Comsat property in Clarksburg, Maryland. We thought it would be useful to comment on the Technical Staff's Report entitled, "Clarksburg Gateway Sector Plan Emerging Ideas Briefing." We understand the Board will not be taking testimony at the briefing on March 27th.

Our team has been meeting with Staff to discuss the Comsat property and address its associated issues. Many of the issues are reflected in the briefing document. We are very pleased with Staff's Emerging Ideas; however, several raise concerns. Certain issues need to be nailed down early in the process, in large part because their resolution serves to formulate the basis for recommendations on properties like the Comsat site.

Emerging Idea 14 - Historic Preservation. Certainly, a threshold issue related to the Comsat site is whether the property should be designated historic. For over a decade, Lantian and the prior property owner have maintained that an adaptive reuse of the building was prohibitively expensive and would create a barrier to any development of the property. We are pleased that Staff, including the Historic Preservation Staff, in conjunction with Staff's expert consultants HR&A and Fu Wilmers, also have concluded that the Comsat property should not be designated historic. The property has remained vacant for too long to the detriment of the property owner, the County and Clarksburg, and any historic designation will thwart planning and development efforts for the property. We support the Staff's suggestion to provide a mitigation plan for the removal of the Comsat building that would serve to advance public knowledge about the past and help enhance the preservation of other resources that are designated historic in the area. We urge the Planning Board to support the Staff's Emerging Idea 14.

There are several other Emerging Ideas that we would offer comments on, and they are ordered based on our view of their importance:

Emerging Idea 6 - Exit 17 Interchange. Despite considerable discussion on this issue, Staff is recommending the <u>removal</u> from the Master Plan of Highways and Transitways of the unbuilt highway interchange on I-270 (known as Exit 17) between Exit 16 - Ridge Road and Exit 18 - Clarksburg Road. This interchange is part of the existing 1994 Clarksburg Master Plan. Instead, Staff recommends that a bridge be constructed over I-270 at this location with the future completion of Little Seneca Parkway. This

interchange is very important for the Comsat property and the county to attract retail opportunities, life science, and other campus-type uses, as well as other highly desirable opportunities for Clarksburg and the county. The interchange also appears to be important to the Clarksburg community, given the comments that were received by Staff at their most recent listening sessions in January 2025. In our opinion, removing this interchange from the Sector Plan will eliminate any potential for it to happen. Leaving this recommendation in the Sector Plan ensures that the interchange can happen if the funding becomes available. Leaving the interchange recommendation in place also does not prohibit the bridge's construction before the construction of an interchange. Lantian supports setting aside land to accommodate the interchange on their property. We already have worked on a diamond configuration that aligns more with how interchanges like this one are designed (instead of a cloverleaf). We would note that we recently met with Chris Conklin and his Staff at DOT, and they also appeared to support leaving the interchange recommendation in the plan - not removing it.

Emerging Idea 2e - Major Public Facility. This idea suggests that a major public facility should be considered for the Comsat property, such as a community recreation center, public school, or public park. Any recommendation of this magnitude must consider the nexus between what is being requested and the magnitude of the development on the property. We are confident that development on the Comsat property alone would not generate the nexus for any of the major public facilities suggested by Staff. Thus, there appears to be a potential disproportionate burden on the Comsat property – we are not aware of other major public facilities suggested for other properties in the planning area at this time (see also the similar comment on Emerging Idea 4). I would note that we have indicated to Staff that we support establishing public parkland as a conservation park along the stream valley as listed by Staff in Emerging Idea 9. A highly desirable park in the conservation area as a public facility could be designed to include trails, workout stations, and other elements that could be enjoyed by the greater Clarksburg community and beyond. Requiring a major public park on the Comsat site (we have been told approximately 10 acres) in addition to the conservation area, which could be designed as a public park, is concerning.

Emerging Idea 4 - Realignment of Observation Drive. We very much support the proposed realignment of Observation Drive on the Comsat property that is recommended to connect with Gateway Center Drive, even though it will reduce the amount of developable acreage - it is environmentally sensitive, which will be a big benefit to the County and Clarksburg and the right thing to do. The area that needs further review is how Observation Drive enters the Comsat property from the south as it crosses W. Old Baltimore Road. Staff recommends realigning that portion of the roadway inconsistent with the prior alignment substantially advanced by DOT several years ago. The old alignment north of W. Old Baltimore Road used to run through a portion of property owned by the Linthicum family. The new alignment pushes a greater portion of Observation Drive at this spot on the Comsat property and results in a loss of developable land compared to the property to the south. We would suggest that Staff take another look at this proposed alignment at this one spot and engage DOT in the discussion. Fairness dictates that road alignment should not disproportionately impact Lantian's property. As an aside, we would note that the realignment of Observation Drive also benefits the County as it avoids property owned by the County that was once impacted by the alignment.

Some of the Emerging Ideas urge roadways within the area to adhere to Complete Streets. The one roadway that we would suggest deviate from Staff's recommendation is Observation Drive. The unbuilt stretch of Observation Drive that will connect with the Germantown portion to the south and the Gateway Center Drive to the north should be designed to match these two connector points with the existing section. This roadway, including two travel lanes in each direction, is feasible and economical.

We also discussed this with DOT in our recent meeting, and all appeared to agree that greater consideration needs to be given to this particular road section.

Emerging Idea 2b. MPDUs. We understand the Planning Board's high priority to increase the amount of housing and affordable housing in the area and support that vision. However, it is important to consider that increasing MPDUs from 12.5% to 15% has an economic cost, particularly when added to the other recommendations (like major public facilities and road alignments discussed above) associated with developing the property.

We thank the Board for considering the points raised in this email. We very much appreciate Staff's hard work, excellent thinking on the plan, and willingness to consider our views, particularly regarding the Comsat property. We look forward to participating in this important process as the plan advances.

Thank you,

Steve Robins

Steven A. Robins, Attorney

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