

MAIN OFFICE
11140 Rockville Pike
Suite 570
Rockville, MD 20852

301-468-0700 main
301-230-9320 fax

starkmeyers.com

DC OFFICE
1747 Pennsylvania Ave, NW
Suite 300
Washington, DC 20006

VA OFFICE
8300 Boone Blvd
Fifth Floor
Vienna, VA 22180

SETH T. STARK
Admitted in MD, DC, VA

ERIC G. MEYERS
Admitted in DC

ALAN D. EISLER
Admitted in MD, DC, VA

ERICA A. LEATHAM
Admitted in MD, DC, VA

STARK | MEYERS | EISLER | LEATHAM LLC
Attorneys At Law

April 10, 2008

Erica A. Leatham
eleatham@starkmeyers.com
direct: 240-283-1163

VIA ELECTRONIC
AND FIRST CLASS MAIL

Ms. Judy Daniel
Ms. Crystal Myers
Montgomery County Planning Department
8787 Georgia Avenue
Silver Spring, Maryland 20910

Re: White Flint Sector Plan
White Flint Plaza

Dear Ms. Daniel and Ms. Myers:

On behalf of Combined Properties, the owner of White Flint Plaza, we offer the following comments for your consideration in conjunction with the Sector Plan.

Combined supports and embraces the concepts and commentary in the letter from Donald Briggs of Federal Realty Investment Trust to Dr. Hanson (letter dated February 1, 2008) and wishes to extend the dialogue to certain property-specific comments related to density and development standards as they relate to White Flint Plaza and White Flint Mall.

First, as noted by many others, in order to encourage redevelopment, the redevelopment opportunities must significantly outweigh the property's current income stream. In the case of White Flint Plaza, even though the shopping center is under-developed according to the existing zoning standards, by benefit of its location and tenant mix, the property operates profitably and will continue to do so without heavy investment in upgrades or improvements. Therefore, in order to make redevelopment a desired alternative, Combined must be able to recognize an economic advantage. The same holds true for White Flint Mall. In plans previously provided to you, Combined has proposed the density at which redevelopment presents a real opportunity for White Flint Plaza: 225,000 square feet of retail (an approximately 20% increase above the existing retail) and 1,600 dwelling units, resulting in an approximate 2.8 FAR. (Although the plans we provided to you show a 2.8 FAR, we still agree with the "base" 3.0 FAR as described in the letter from Mr. Briggs.)

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The density is extremely important to both the success of the White Flint Sector Plan and White Flint Plaza. The redevelopment scenario was designed to complement the redevelopment concepts contemplated on White Flint Mall (designed to a similar FAR) and will benefit from the strong articulation of Nicholson Lane as suggested by other stakeholders, emphasizing pedestrian connections across Rockville Pike and to the Metro (we note that White Flint Plaza is within a ten minute walk of the White Flint Metro Station). Communication between MNCPPC Staff and our consultants indicated that your models assume a 50/50 mix of commercial and residential for White Flint Plaza. However, the proximity to White Flint Mall makes such a heavy commercial/retail focus impractical. Therefore, the development plan described above takes into account the surrounding land uses and incentives for redevelopment.

As has been stated several times by several different entities, the traditional concept of "tenting" density from the Metro to outlying areas should be abandoned to allow White Flint to produce its own urban identity. Concerns over traffic are mitigated by the breadth and scope of the mixed use development planned between White Flint Plaza and White Flint Mall. The mix of office, retail and residential units, all within an easy walk, will result in significantly less traffic impact than if these uses were implemented separately.

Second, this density must be achievable. The idea that the maximum density is only possible after application of all bonuses associated with MPDUs, the inclusion of workforce housing units and the purchase of TDRs, among other requirements, defeats the purpose of maximizing the redevelopment potential of property. There is a tipping point at which it becomes too expensive to participate in all the programs and, therefore, redevelopment stalls or the property is underutilized (to avoid greater losses). The cost implications and cumulative impact of the various programs are staggering and significantly affect the feasibility of redevelopment. We urge you to consider alternate methods to achieve the affordable housing goals without the composite expenses on the developers.

Third, development standards must retain enough flexibility that redevelopment projects could be implemented in phases. Any redevelopment scenario must take into account tenants with long-term leases. These tenants may be relocated or they may remain in the existing space and redevelopment may proceed around them if feasible. At White Flint Plaza, numerous tenants have long-term leases, meaning that any redevelopment during the life of the new Sector Plan will include these stores in one form or another. Therefore, the zoning standards must be flexible enough to accommodate such phased redevelopment.

Fourth, we have previously submitted a proposed realignment of the Nicholson Lane and Nebel Street intersection prepared by Glatting Jackson. Under Glatting-Jackson's proposed alignment, the intersection is reconfigured to a safer, more efficient condition (a 90 degree intersection, as opposed to the current angled intersection). This more efficient configuration would improve traffic operations and increase traffic capacity. An added benefit of the new configuration is more open space and the opportunity to create a "gateway" to the White Flint area from the east. Sliding the southern extension of Nebel Street to the east, along the eastern boarder of White Flint Plaza, allows more opportunities for redevelopment consistent with the vision for the White Flint Sector Plan. Specifically, the tenants with the most time

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remaining under their leases are in the building situated along the proposed southern extension of Nebel Street, which would limit its eventual construction.

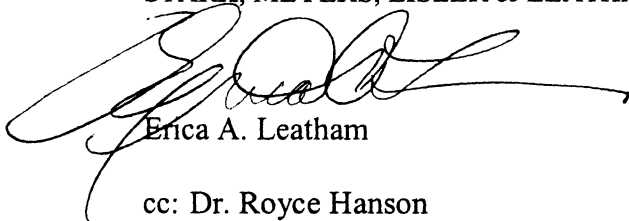
Finally, although White Flint Plaza is not directly affected, Combined supports the relocation of the MARC station to the Nicholson Court area. The area has existing infrastructure in place to support the station and provides a host of amenities to anyone using the train service. Moreover, decentralizing the transit stations (the Metro and the MARC station) creates the impetus to enhance connectivity between the two and truly develop the walkable, mixed-use environment envisioned for the White Flint area: the pedestrian link between the Metro and MARC stations will forge a primary link between both sides of the Sector Plan area that would not otherwise exist. In addition, a MARC station at this location provides multiple opportunities for transit usage throughout White Flint than would its proposed location.

Combined strongly supports the Planning Board's bold vision for the White Flint Sector Plan. In order to achieve the vision, traditional concepts of suburban development must be abandoned and the entire area treated as a defined space: each property within the Sector Plan must be capable of producing a dense, urban environment within the design framework to be outlined in the Sector Plan. When each property develops around a live-work-play concept, the projects create a web of activity and connectivity that knits the community together. Additionally, we anticipate that the creative approach advocated by Glattig Jackson will contribute to resolution of the transportation issues in the area. These solutions are based on methodologies outside of the traditional solutions seen in the area and have been proven successful throughout North America.

Thank you for your continued outreach to the stakeholders and we look forward to working with you in the future. Please contact me if you need any additional information or have any questions.

Sincerely,

STARK, MEYERS, EISLER & LEATHAM, LLC



Erica A. Leatham

cc: Dr. Royce Hanson
Mr. Rollin Stanley
Mr. Dan Hardy
Mr. Edward Papazian
Robert Brewer, Esquire
Mr. Alan Gottlieb
Arnold Kohn, Esquire
Mr. Warren Elliott
Mr. David Kitchens
Derick Berlage, Esquire