

NAPLES COMMERCIAL LLC

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February 20, 2008

VIA e-mail Margaret.Rifkin@mncppc-mc.org & facsimile (301) 495-1304

Ms. Margaret K. Rifkin
The Montgomery County Department of Planning
The Community-Based Planning Division
8787 Georgia Avenue
Silver Spring, Maryland 20910

Re: White Flint View (former Noland Plumbing)
5511 Nicholson Lane, White Flint Industrial Park
White Flint Sector Plan Status Report dated January 24, 2008

Dear Margaret:


This confirms our telephone conversation of today. Reference is made to the above-captioned staff Status Report as well as to our letter addressed to you dated August 10, 2007. The staff Status Report appears to recommend an FAR of 3.0-4.0 to the property across Citadel Avenue from our property and an FAR of 2.5 for our property. Both of the properties are approximately equidistant from the White Flint Metro Station. This inconsistent recommendation seems to be especially anomalous since we dedicated nearly 30% of our lot to the County for the construction of Nicholson Lane.

As a matter of principle, it seems to us that FAR should be awarded to those properties that can make use of it. Again, reference is made to our August, 2007 letter to you. Market contacts have advised us that we need to build larger units and thus we require more FAR to accommodate market demand. The housing we have planned is high end and balances nicely with the varied housing plans of other nearby property owners. Also, our retail storefronts and upscale merchants will contribute to a lively streetscape along both Nicholson Lane and Citadel Avenue and set the tone for the Nicholson Lane Retail District.

We are working closely with Perry Berman and the 12 property owners comprising the Nicholson Lane Urban Village and the FAR we are seeking is in accord with that group's plans. See Mr. Berman's letter to Dr. Hanson dated January 31, 2008.

We understand that staff is undertaking a complete review prior to issuing its plan. Kindly assist in the scheduling of a near-term meeting with the Chairman and others to consider our request for at least the FAR recommended for the property directly across Citadel Avenue from ours on Nicholson Lane. I look forward to hearing from you.

Very truly yours,



Marc "Kap" Kapastin, General Counsel

cc: John A. Carter, Chief, via facsimile (301) 495-1310

NAPLES COMMERCIAL LLC

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August 10, 2007

VIA FACSIMILE (301) 495-1304 and Via E-Mail Margaret.Rifkin@mncppc-mc.org

Ms. Margaret K. Rifkin
The Montgomery County Department of Planning
The Community-Based Planning Division
8787 Georgia Avenue
Silver Spring, Maryland 20910-3760

**Re: White Flint Sector Plan – White Flint View
(Noland Plumbing)
5511 Nicholson Lane, White Flint Industrial Park
Preliminary Plan #120070380**

Dear Margaret:

This is to bring you up to date on the status of the White Flint View project as well as to make a request for consideration of increasing the FAR of the site as part of the White Flint Sector Plan efforts.

On July 12, 2007, the Planning Board approved the Preliminary Plan, subject to nine (9) conditions, including a condition that the development be limited to a maximum of 183 multiple-family dwelling units with a minimum 12.5% MPDUs and 29,500 square feet of general retail use, including sit-down restaurant use.

The development is further summarized as follows:

1. Gross tract area: 81,304 square feet
2. Proposed dedications (right of way: 19,644 square feet; prior dedication: 10,249 square feet)
3. Net lot area: 51,411 square feet
4. A maximum of 183 multi-family dwelling units
5. Maximum FAR 2.4 (which translates into 195,129 square feet, based upon a gross tract area of 81,304 square feet; 194,732 square feet proposed)
6. Retail square footage: 29,500 square feet (including 10,000 square feet of restaurant, assuming 60% patron area)
7. Parking spaces (without reductions for proximity to Metro): required: 498; provided: 536
8. Building height proposed: 16 stories; 173 feet (180 feet permitted)
9. MPDUs: 15% of 183 = 28

Ms. Margaret Rifkin
August 10, 2006
Page 2

On August 3, 2007, Naples Commercial LLC executed and delivered a Deed of Dedication, in recordable form, to Montgomery County, dedicating, among other things, 19,651 of the parcel as a perpetual right of way easement for the Citadel Avenue CIP Project. The County just this week issued the Notice to Proceed for the construction of the extension of Citadel Avenue to Huff Court at Nicholson lane.

White Flint View is within walking distance of the Metro station and is at the key intersection of Nicholson Lane and Huff Court/Citadel Avenue extended, not far from both JBG's recently approved 22 story White Flint Crossing across Rockville Pike and the LCOR development. The current Sector Plan recommends C-2 zoning for White Flint View, yet the Project is surrounded by recommended TS-M development.

On April 18, 2006, the County Council adopted Zoning Text Amendment No. 05-12 as Ordinance No. 15-68, creating a special development procedure in the C-2 zone for a transit-oriented mixed use development. This special development procedure was intended to be an incentive for the roadway improvement project in conjunction with redevelopment of the C-2 zoned Noland Plumbing (White Flint View) property so that residential and non-residential uses that promote and serve transit ridership in a Metro Station Policy Area could be sited there. Moderately Priced Dwelling Units were required and a floor area ratio of 2.4 was established therefor, with a maximum height of 180 feet.

While we support the staff's current proposed Sector Plan, land use and transportation recommendations; and, we believe, too, that the White Flint area should be designated as a new downtown, we continue to believe that the White Flint View Project with the associated construction of Citadel Avenue represents a critical building block in the transit-oriented development scheme for the area. In other words, we believe that White Flint View deserves similar density considerations to projects already approved and the future Sector Plan recommendations for other properties in the surrounding area. Given the anticipated household and job growth in North Bethesda, more new apartments and for sale units need to be built to accommodate such growth.

Thus, joining the opinion of Fitzgerald Properties and others, we believe that Metro bus – "Block 11", including the White Flint View Project, should be given the same redevelopment potential as that recommended for the LCOR block under the 1992 Master Plan - FAR 3.0. Both blocks are very close to the Metro station area and can provide an excellent integrated form of development. FAR 3.0 will also allow the creation of an integrated super block campus that includes the long term joint use of the Washington Metropolitan Area Transit Authority's bus facility. A mixed street or pedestrian path can be constructed along the middle of this block. New local streets, like Citadel Avenue, can connect northward to LCOR's development and southward to the White Flint Mall.

Margaret Rifkin
August 10, 2007
Page 3

White Flint View provides many opportunities to contribute to the urban node in North Bethesda. In addition to a housing opportunity, the property improves the system of pedestrian and bicycle connectivity through Citadel Avenue extended to the Metro station and insures high quality design features in its development. The retail uses on the street levels of our project will enliven the area and also provide a more attractive pedestrian experience for those traveling between the Metro and White Flint Mall.

Seeking to create the best development we can, we have consulted with numerous residential developers with a view toward a joint development of the planned mixed use of residential and retail. These residential experts have advised us that the unit sizes we had planned within the 2.4 FAR are too small for the expected market. Making a change to the size units that potential buyers and renters desire would yield only 140 units, not the 183 units that are approved. Should only 140 units be constructed, six of the 28 MPDUs would be lost. Thus, we believe that the anomaly of FAR 2.4 for White Flint View vs. FAR 3.0 for other similarly situated properties should be corrected in your recommendations for the Sector Plan update. (We recognize that a conforming modification to the C-2 Zone Special Development Procedure would be required for implementation, as we do not want to affect the basic C-2 Zone.)

Thank you for considering our request. We would like to meet with your team to discuss these issues whenever you feel it is appropriate.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kap", enclosed within a circular scribble.

Marc "Kap" Kapastin, General Counsel