

City Council
City of Takoma Park
7500 Maple Avenue
Takoma Park, MD 20912
via email

October 17, 2017

Dear Mayor and Councilmembers:

Thank you for all the hard work you have put in over these last three years and the thoughtful guidance you have provided as we move forward in the development of the Takoma Junction project. We continue to be honored that you have selected us as your partners in this endeavor and are working hard every day to make this project a valued and exciting part of your City. In the last few weeks we have heard and took to heart the feedback we have received from you and your constituents about our Concept Plan submission, and wanted to take this opportunity to respond to your comments and questions.

Before I begin, I thought it would be useful, as the Mayor did in her recent letter, to revisit the vision of the Takoma Junction Task Force and the RFP which launched this redevelopment process:

"Takoma Junction, predominantly located in the Takoma Park Historic District, is a small commercial district in the heart of a residential community, with historically significant resources and a vital fire station that should:

- encourage motorists, pedestrians, and bicyclists to slow down, park, relax, and shop while functioning adequately as a link within the local road and transit networks,
- encourage sustainable commercial opportunities and provide convenience to local consumers,
- serve as a cultural meeting-point for old and young in a diverse community, blend harmoniously with adjacent residential neighborhoods,
- all in a forward-thinking, attractive and environmentally sensitive way."

Our goal has always been -- and continues to be -- to deliver just that. Our first step was to retain Streetsense, a nationally recognized multidisciplinary design and strategy firm specializing in retail, restaurant, hospitality, and real estate solutions to lead our efforts to create a one-kind project on a small, very difficult to develop site. We then embarked on a lengthy public engagement process to elicit ideas from the Takoma Park community on what commercial and other elements they wanted in the development and how it would look. From that process we developed the Concept Plan which we presented to the Council and the community in September. Our plan for Takoma Junction included the following elements:

A **Public Realm** that would include a green roof, event space and potentially an urban farm for people to meet and socialize. On the ground level, the project would provide opportunity for public art displays.



Distinctive Restaurants with Outdoor/ Café Seating Outdoor seating would be located in front, back and on the side of the building or on roof. Outdoor seating will be designed as comfortable, inviting, and include greenery and canopies for shade.



Unique Office Spaces -- open-plan office workspaces, potentially with floor-to-ceiling windows and exposed steel framing that will attract innovative office tenants.



This is what we want to bring to the citizens of Takoma Park. It will take a lot of hard work and creativity, the cooperation of many private and governmental entities, and considerable expense and risk on our part. We are ready, able and willing to make this happen.

With this vision as a backdrop, let me address some of the specific issues that have come up over the last few weeks:

Overall Footprint, Square Footage and Massing of Development. Perhaps the biggest criticism we've heard about our Concept Plan is that "it's too big, its way bigger than what you told us it would be". So let me first point out that with the exception of the partial third floor (which I will discuss below), there has been no change in the fundamental massing vision of what we have proposed, going back to our original 2014 submission and through the project plans and "renderings" we presented in late 2016 and early 2017. The project was always proposed as a two story building encompassing the entire "flat" portion of the site with a one level underground garage. The major change in our latest Concept Plan is the addition of the Takoma Auto Clinic site (to clear up any questions, we have the site under a fully binding contract to purchase, but do not own it currently). We worked very hard to obtain rights to the Auto Clinic site

and add it to the development, because we thought it was a good addition and that this is what the Council and community wanted. **If the Council does not want the Auto Clinic site added to the Takoma Junction project, please let us know.**

Even with the partial third floor, the height and density of the project is within current zoning and would require no density relief -- i.e. it is the size of building that the area plans contemplate. Its proposed height and bulk is in context with the fire station and other commercial buildings along Carroll Avenue. We are not proposing a massive, "Bethesda" style project that doesn't fit in Takoma Park.

We introduced the concept of the partial third floor in the most recent Concept Plan because we thought it was a great idea. The partial third floor would be set far back from Carroll Ave, and from the street level would not be visible to anyone passing by. The idea was that this area could be used as an event space, opening up to the roof area in front, activating what would otherwise be a dead area, and perhaps allow access to our urban farm concept. Our thought was that this space could be leased to the community at little or no cost.

Clearly, we underestimated the uproar that this addition to the plan would cause, and we apologize. To clear up any confusion, the proposed partial third floor is not necessary to make the economics of the project successful; in fact, it would probably be a net negative to the project's economics. **If the Council wishes, NDC is happy to remove the third floor from the Takoma Junction project.**

Public and Community Space. Let me begin by making the point -- which has been mostly missed in the discussion -- nearly half (48%) of the Takoma Junction site is open space. The sloped portion of the site will not be built on -- in fact, NDC's original proposal called for a single family house to be built on Columbia Avenue, which we removed per City Council's request, reducing the economic value of our development without a corresponding price reduction. We think a great idea would be to **work with the City to clean up this area and better program for public use.**

Our original proposal, and every plan we have presented to the City since then, called for building on the entirety of the flat portion of the site (as I believe the other 6 RFP respondents, including the Co-op, did as well). Notwithstanding the above, **we are open to providing more community space in the main development site**, either by widening the central access corridor to the property, setting back the retail storefronts on Carroll Avenue, providing direct access to the roof, or through other measures. We must point out, however, that the frontage on the ground floor on Carroll Avenue is the real estate that tenants most want to occupy, and that every square foot removed from commercial use will result in less income to the project and less economic value to the City (more on this last point later). As we continue to point out, this is a very small site, and it can accommodate only so much non-revenue generating space before it becomes economically unfeasible.

The Lay-by. A lay-by lane is a proven, frequently employed means of providing loading and unloading access to tight urban sites. We have studied the concept extensively, including the proposal put forth by the Co-op. **It is the only solution -- given all of the constraints and objectives of the project -- that will work for Takoma Junction.** We have provided several examples of its use in other jurisdictions and settings, and Councilmember Male has pointed to its successful use by a larger Co-op in Berkeley, California that operates under tighter confines. The logistics of the proposed unloading - trucks would pull up, pallets lowered to the ground and brought inside by pallet jack or forklift -- are exactly the same process the Co-op has used for the entire time they have occupied the Turner building. In terms of the "idling" problem, common sense dictates that trucks don't want to linger any longer than necessary -- they want to unload and be on their way as quickly as possible to make their next stop. We have presented the concept to Montgomery County Park & Planning, Montgomery County Development Review Committee, and Maryland State Highway Administration, and they see no safety issues with the concept -- in fact, in many ways the concept is safer than the current method of trucks making the wide turn onto the parking lot.

We fully appreciate that the Co-op would prefer a loading dock. However, in both written correspondence to us and in public testimony before the Council **they have stated that a lay-by is an acceptable compromise either for their current operations or for an expanded, larger Co-Op.** We would also point out that the size and configuration of the lay-by shown in our Concept Plan is entirely driven by the Co-op's stated requirements that they must bring large 18 wheelers to the site, at any time of day or night, without notice, and allow them to park as long as they want. Our proposed tenants would probably not need a lay-by, or if they did it would be smaller and we would restrict its usage solely to

tightly scheduled, off peak hours. We have asked and will continue to ask -- respectfully -- if the Co-op can explore a) delivery methods that do not involve such large trucks; b) or, if such large trucks are necessary, whether there is any way they can be scheduled more effectively; c) whether these requirements will exist forevermore; and d) whether deliveries by smaller trucks and trash removal can take place on the Co-op's own premises. We note that the Co-op *does* have its own loading dock on the east side of its premises that could be used for these purposes.

Traffic. As we have discussed previously, we need to reach agreement with the City on the basic parameters of the site to do a professional traffic study. We are now ready to proceed, and are happy that the City is also ready to begin an area-wide assessment of traffic flows around the Junction. For as one or more Council Members noted, the vast majority of the vehicle traffic flowing through the Junction is through traffic -- they are not stopping there as a destination. The impact of this development will not materially affect the current traffic issues. The problem is the intersection, and the fix to traffic issues at the Junction is a City wide issue. As City Manager Ludlow stated at the Council work session, the Takoma Junction project is the only type of impetus that will move the State Highway Administration (SHA) to study the problem and provide the planning and resources needed to fix the problem. We believe that the Takoma Junction project will not make traffic at the intersection worse. Quite the opposite, we believe, **the project presents a once in a generation opportunity to improve the traffic situation at what has been a historically tangled intersection.**

Finally, we would like to highlight an area that has received little or no mention during the debate about Takoma Junction - the positive ***economic impact*** that the project would provide to the area. This is, after all, a commercial project (see the words "shop", "commercial", "consumers" mentioned frequently in the Task Force report). We would welcome the City undertaking a third-party economic impact analysis study to verify your own findings; however, using conservative, rule of thumb metrics we estimate that the project will provide the following:

- Jobs:
 - 114 construction phase jobs
 - 48 permanent jobs (not including the workforce of the office tenants)
- Real estate and personal property taxes: over \$2 million over the first ten years
- Ground lease income: over \$200,000 in the first ten years, rising to over \$300,000 in the second ten years

In order to keep the analysis simple, we have not calculated the spin off effects a catalytic project like Takoma Junction is certain to provide. However, the ripple effect of such a project is typically many multiples of the direct economic impact. As the Task Force plan envisioned, the Takoma Junction project will be a spur to all of the many other businesses in the area -- most notably the Co-op - and provide the City with much needed resources for the many important initiatives you want to undertake.

If you have questions about any of the information provided in this letter please let me know. We look forward to continuing our work with the Council and the community to move the Takoma Junction project forward.

Sincerely,



Adrian G. Washington
CEO & Founder