TITLE: 355 Frederick – Aldi, Inc.: APFO Letter of Understanding (LOU)

FILE NUMBER: SP-96-34 (AP# 17529)

REQUEST: Letter of Understanding (LOU)
Requesting approval of the proposed Letter of Understanding, documenting requirements for Adequate Public Facilities Ordinance approval associated with a change of use resulting in 20,519 square feet of discount grocery store and 30,325 square feet of shopping center within an existing 50,844 square foot commercial center.

PROJECT INFORMATION:
LOCATION: Located adjacent to the northwest quadrant of the intersection of MD 355 and Lowes Lane
TAX MAP/PARCEL: TM 77, Parcel 165
ZONE: General Commercial (GC)
REGION: Frederick
WATER/SEWER: W-1, S-1

APPLICANT/REPRESENTATIVES:
OWNER: 355 Frederick, LLC
APPLICANT: Aldi, Inc. – Frederick Division
PLAN ENGINEER: Harris, Smariga & Associates Inc.
TRAFFIC ENGINEER: The Traffic Group
ATTORNEY: N/A

STAFF: Charles Freeman, Traffic Engineer

RECOMMENDATION: Approval

ATTACHMENTS:
Exhibit #1 – Proposed LOU, AP#17529
Exhibit #2 – Type II Site Plan, AP#17581 (informational only, not for FCPC approval)
STAFF REPORT

BACKGROUND

The attached Letter of Understanding (LOU) concerns itself with the 5.09 +/- acre parcel of land, which is zoned General Commercial, developed with an existing 50,844 square foot commercial shopping center, and located in the northwest quadrant of the intersection of Urbana Pike (MD 355) and Lowes Lane. This APFO approval is associated with a change of use resulting in 20,519 square feet of discount grocery store and 30,325 square feet of shopping center, which is currently under review as a Type II Staff level site development plan (AP#17561). The site is currently site plan and APFO approved for 28,690 SF of office supply store and 24,154 SF of retail stores.

ANALYSIS

The corresponding Type II site plan (under review by staff) shows an allocation of the site uses as:

<table>
<thead>
<tr>
<th>Use</th>
<th>SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aldi (formerly Office Depot)</td>
<td>20,519 SF</td>
</tr>
<tr>
<td>Shared Stair (formerly Office Depot)</td>
<td>96 SF</td>
</tr>
<tr>
<td>Shared Riser Room (formerly Office Depot)</td>
<td>153 SF</td>
</tr>
<tr>
<td>Adjacent Retail (formerly Office Depot)</td>
<td>5,922 SF</td>
</tr>
<tr>
<td>Other Retail (not modified as part of Aldi site plan)</td>
<td>24,154 SF</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50,844 SF</strong></td>
</tr>
</tbody>
</table>

APFO testing was evaluated based upon the traffic impact analysis (TIA) performed by The Traffic Group, Inc., dated May 8, 2017. The analysis described in the TIA was based upon 20,519 square feet of discount grocery store and 30,325 square feet of shopping center (retail) resulting in a net increase over current vehicle trips of 27 new weekday PM and 2 new Saturday peak hour external trips (non-pass-by), for a total of 229 weekday PM and 351 Saturday peak hour external (non-pass-by) trips.

Based on these findings the project is required to pay a total of $21,907 in fair share contributions to existing escrow accounts as described in the 355 Frederick – Aldi, Inc. Letter of Understanding (see Exhibit 1).

RECOMMENDATION

Staff finds that this LOU satisfies requirements identified in the APFO and its Guidelines. Staff recommends approval of the LOU, subject to no additional conditions.
PLANNING COMMISSION ACTION

MOTION TO APPROVE

I move that the Planning Commission APPROVE the "355 Frederick – Aldi, Inc." APFO LOU for a change of use resulting in 20,519 sq ft of discount grocery store and 30,325 sq ft of shopping center as described in the Letter of Understanding (AP#17529).
ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

355 Frederick – Aldi, Inc.

Site Plan #SP96-34, APFO AP #17529

In General: The following Letter of Understanding ("Letter") between the Frederick County Planning Commission ("Commission") and Aldi, Inc. – Frederick Division (the "Developer"), together with its/their successors and assigns, sets forth the conditions and terms which the Commission deems to be the minimum necessary improvements dealing with school, water, sewer, and road Improvements that must be in place for the property identified below to be developed, as proposed under the 355 Frederick – Aldi, Inc. Site Plan (the "Project"), in compliance with the Frederick County Adequate Public Facilities Ordinance ("APFO").

The Developer, its successors and assigns, hereby agrees and understands that unless the required improvements (or contributions to road escrow accounts, as specified below) are provided in accordance with this Letter, APFO requirements will not be satisfied and development will not be permitted to proceed.

This Letter concerns itself with the 5.09 +/- acre parcel of land, which is zoned General Commercial, developed with 50,844 square feet of commercial building with shopping center use, and located in the northwest quadrant of the intersection of Urbana Pike (MD 355) and Lowes Lane. This APFO approval is associated with a change of use resulting in 20,519 square feet of discount grocery store and 30,325 square feet of shopping center, which is shown on the Type II site plan, and was conditionally approved by Frederick County Planning Staff on October 11, 2017.

Schools: Schools are not impacted because this is a commercial development

Water and Sewer:
Site is to be served by public water and sewer and it has water and sewer classification of W-1 and S-1. While the public sewer and water facilities are currently adequate to serve the project, the Developer recognizes that capacity is not guaranteed until purchased. APFO approval for sewer and water does not guarantee that plats will be recorded or that building permits will be issued. Plat recordation and building permit issuance are subject to compliance with the Annotated Code of Maryland, Environment Article Section 9-512, et. seq and all applicable County regulations, including but not limited to Sec. 1-16-106 of the Frederick County Subdivision Regulations.

Road Improvements: APFO testing was evaluated based upon the traffic impact analysis (TIA) performed by The Traffic Group, Inc., dated May 8, 2017. The analysis described in the TIA was based upon 20,519 square feet of discount grocery store and 30,325 square feet of shopping
center (retail) resulting in 27 weekday PM and 2 Saturday new peak hour external trips, for a total of 229 weekday PM and 351 Saturday peak hour external trips.

The Project is required to mitigate all road improvements that do not satisfy level of service standards per §1-20-31. No constructed improvements are required to achieve adequate levels of service because the net increase of peak hour trips is below the 50 trip threshold.

In satisfaction of APFO requirements to provide fair share contributions to existing escrow accounts per §1-20-12(f), the Developer shall pay into County-held escrow accounts the following pro rata contributions:

1. Escrow Account No. 3287 for capacity improvements at the intersection of MD 85 and MD 365. The estimated cost of the improvement is $275,000. The Developer’s proportionate share of this Road Improvement is 2.40%. Therefore the Developer hereby agrees to pay $6,600 to the escrow account for this Road Improvement.

2. Escrow Account No. 3976 for the construction of second northbound left turn lane and westbound receiving lanes at the intersection of MD 85 and Guilford Road. The estimated cost of the improvement is $439,527. The Developer’s proportionate share of this Road Improvement is 0.76%. Therefore the Developer hereby agrees to pay $3,340 to the escrow account for this Road Improvement.

3. Escrow Account No. 4292 for pedestrian improvements at Intersection of MD 85 and Grove Road. The estimated cost of the improvement is $98,000. The Developer’s proportionate share of this Road Improvement is 0.63%. Therefore the Developer hereby agrees to pay $617 to the escrow account for this Road Improvement.

4. Escrow Account No. 4025 for a westbound triple left turn lane and southbound triple through lane at intersection of MD 85 and Spectrum Drive. The estimated cost of the improvement is $1,474,010. The Developer’s proportionate share of this Road Improvement is 0.77%. Therefore the Developer hereby agrees to pay $11,350 to the escrow account for this Road Improvement.

Therefore, prior to building permit issuance, the Developer hereby agrees to pay $21,807 to the escrow accounts described above for these Road Improvements. Should these payments not be made within one year of the execution of this Letter, the County reserves the right to adjust this amount, based on an engineering cost index.

**Period of Validity:** The APFO approval is valid for three (3) years from the date of Commission approval; therefore, the APFO approval expires on October 11, 2020.

**Disclaimer:** This Letter pertains to APFO approval only, and shall not be construed to provide any express or implied rights to continue the development process. The Project remains subject to all applicable rules and regulations, including but not limited to those related to zoning, water and sewer, and subdivision. The Planning Commission’s jurisdiction and authority is limited by State and County law, and approvals may be required from other local or state governmental agencies before the proposed development can proceed.

[Signatures Next Page]
Aldi, Inc. – Frederick Division:

By: [Signature] Laurie Griffin, Director of Real Estate

Date: 9/13/17

FREDERICK COUNTY PLANNING COMMISSION:

By: [Signature] Anthony Bruscia, Chair or Carole Sepe, Secretary

Date: 

ATTEST:

By: [Signature] Gary Hessong, Director, Permits & Inspections

Date: 

Planner’s Initials / Date ________________________________
(Approved for technical content)

County Attorney’s Office Initials / Date ________________________________
(Approved as to legal form)