TITLE: Villages of Urbana Third Amended LOU

FILE NUMBER: S-1065 (AP# 12779)

REQUEST: LOU Amendment - Roads
Approval of the Third Amendment to the Urbana Combined Letter of Understanding (LOU);

PROJECT INFORMATION:
LOCATION: Vicinity of MD 355, MD 80 and I-270 in Urbana
WATER/SEWER: varies

APPLICANT/REPRESENTATIVES:
OWNER: Tom Natelli/Natelli Communities, (et. al.)
ATTORNEY: Krista McGowan, Esq.,
TRAFFIC CONSULTANT: Wells and Associates

STAFF: Ron Burns, Transportation Engineering Manager

RECOMMENDATION: Staff recommends that the Frederick County Planning Commission find that the attached Third Amendment to the combined letter of understanding (LOU) for the Urbana-Natelli Projects satisfies the APFO and requests a motion of approval for same.

ATTACHMENTS:
1. Third Amendment to Combined Adequate Public Facilities LOU for Approval
2. Second Amendment to Combined Adequate Public Facilities LOU
3. Amendment to Combined Adequate Public Facilities LOU
4. Combined Adequate Public Facilities LOU
STAFF REPORT

ISSUE

This third amendment to the Combined Adequate Public Facilities Letter of Understanding (LOU) was submitted on behalf of the Natelli Communities to the County by its general counsel on May 4, 2018 and subsequently revised as a result of a number of discussions. The purpose of the third amendment is to: 1) Incorporate new land not previously covered by the original LOU and amendments, i.e., the Raystock Property and 2) rearrange the original road mitigation requirements to account for a significant decrease in overall trips and a modest change in trip distribution with the changes in land uses.

This APFO LOU provides the mitigation requirements necessary to find APFO approval for the following projects: 1) The Woodlands at Urbana, an age restricted, senior living, active adult project contained within the Raystock property addition and a portion of the ORI, and 2) The Villages of Urbana Northern MXD where a significant area originally designated for office use has been replaced by a more sprawled (less density but constant intensity) residential space, thus replacing office buildings with an expanded area for single family homes, along with the significant reduction in vehicle trips.

BACKGROUND

On June 13, 2013 the Board of County Commissioners (BOCC) found that there were adequate public facilities for the combined Natelli holdings and voted to approve the original LOU, which is an exhibit to the DRRA. Those holdings included: the remainder of the Villages of Urbana PUD; the Northern MXD; the Urbana Office Research Center (ORC); Worthington Square (former Geisbert Property); and certain Villages of Urbana Village Center (VC) parcels. In accordance with Chapter 1-20 of the County Code, any amendments to an LOU must be reviewed and approved by the planning commission.

A first amendment to the Combined Adequate Public Facilities Letter of Understanding was executed to update the road phasing to account for updates to the development plan and correct some minor errors in the original LOU.

A second amendment to the Combined Adequate Public Facilities Letter of Understanding was executed to modify the timing of the reconstruction of MD 355 along site frontage to merge two short segments into one construction mobilization, as well as a few minor clean up changes requested by staff. These changes were driven by site access needs and did not affect previously approved APFO findings, conclusions or requirements.

ANALYSIS

This third amendment is the result of an appreciable change in land use, an increase in project area and a change in the ambient traffic environment since the original approvals in 2013. APFO § 1-20-9(A), in conjunction with § 1-20-30, requires the expanded area to be tested since the new raw land results in more than 50 peak hour trips during the peak hour of the adjacent street. § 1-20-31(H) requires a re-assessment of the overall Urbana projects LOU because of “the significant redistribution of site traffic.”

Addition of the Raystock Property (Age Restricted Community):

Because “raw” land, i.e., property that had never been tested for APFO in the past, was added to the ORI MXD, and since the trip generation of that addition was greater than 50 trips in the peak hour of the adjacent street, full APFO
testing was required. A Traffic Impact Analysis (TIA) was submitted by Wells and Associates on May 4, 2018 to address APFO impacts for the Woodlands at Urbana, an age restricted, senior living development, that not only covered the entire Raystock property but also part of the adjacent ORI properties. The TIA was approved by County staff who found the following:

- The projected project completion year for study purposes and resulting validity period of the LOU is 2026.
- All study area intersections operated at an acceptable level of service of E or better.
- The main site access on MD 355 opposite Campus Drive had excessive queuing, such that the southbound queue blocked upstream intersections.
- There is inadequate bicycle and pedestrian facilities between the site and the Urbana town center (Market District).

As a result of these findings, the following changes have been made to the mitigation package required to satisfy the APFO:

1. Site access to the Woodlands of Urbana will be improved to include:
   a. Signalization;
   b. Second southbound thru lane on MD 355; and
   c. Second eastbound approach lane from the site.
2. A minimum 8’ trail will be provided from the site access with MD 355 to MD 80, where it will join an already existing trail that accesses the town center.
3. Contributions to existing nearby escrow accounts will be provided.

**Reduction in Office Uses in the Urbana Northern MXD**

At the request of staff, Wells and Associates submitted a traffic brief, also dated May 4, in which a new generation and redistribution of traffic was performed, relative to the original TIAs from circa 2013, to address the reduction of site trips and changes in site distribution associated with the significant reduction of trip generating office land uses. In addition, special attention to the MD 80 corridor was in order given the existing problems associated with traffic operation on MD 80 at times when the Urbana Middle and High Schools require more side street and turn lane green time, due to school arrivals/departures and after school events.

As a result of this analysis and observations from the field (and anecdotal information provided by members of the public), the following findings can be made:

- All improvements required under Phase 4 of the original LOU are no longer justified as mitigation, which include:
  - Widening the southbound I-270 ramp to two lanes;
  - Two additional thru lanes on MD 355 from the northern MXD entrance/Urbana District Park access to just north of the Park Mills Road intersection;
  - Improvement to the MD 355/Sugarloaf Blvd. Roundabout; and
  - Improvement at MD 355/Lew Wallace Street.
- The site traffic impact on existing road escrow accounts attributable to the non-residential portion of the Northern MXD is significantly less because of the decrease in traffic generation.
- Serious operational issues exist on MD 80 during middle and high school activities, resulting in thru lane blockages of upstream eastbound intersections, turn lane vehicle capacity being exceeded, long queues on the side street approaches, and the frequency of aggressive driving occurring on MD 80 as a result of the congestion related delay.
- The MD 80 improvement at Campus Drive to provide an additional eastbound thru lane, is now fully guaranteed by others and permitted by MDOT SHA, and is scheduled for completion by the fall of this year.
As a result of these findings, the following changes have been made to the mitigation package required to satisfy APFO:

1. All Phase 4 requirements from the original LOU have been eliminated.
2. Escrow and Travel Demand Management (TDM) contributions associated with the Non-residential portion of the Northern MXD have been reduced.
3. The critical improvement of adding an additional eastbound MD 80 thru lane at Singleton/Pontius has been accelerated from a longer term trip certain to a date certain timing, and design development and land acquisition activities will occur shortly after the execution of the Third Amendment to the LOU.
4. Off-site intersections that required both signal installation and physical widenings have been changed from a trip certain timing, to be completed when the signal is warranted; this will significantly improve the timing of the improvements at MD 80 and Carriage Hill Drive where the signal is very close to being warranted.
5. All site access improvements widenings (i.e., MD 355 at Northern MXD, MD 355 at Woodlands at Urbana, and MD 80 at Bennett Creek Ave) have been changed from a trip certain timing to be completed when deemed necessary by either the County or MDOT SHA

**RECOMMENDATION**

Staff recommends that the Frederick County Planning Commission find that the attached Third Amendment to the combined letter of understanding (LOU) for the Villages of Urbana projects satisfies the mitigation requirements of the APFO, and requests a motion of approval for same.
THIRD AMENDMENT TO
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

VILLAGES OF URBANA PLANNED UNIT DEVELOPMENT
URBANA OFFICE RESEARCH CENTER
VC lots
URBANA TOWN CENTER EMPLOYMENT DISTRICT MXD (NORTHERN MXD)
WORTHINGTON SQUARE
WOODLANDS AT URBANA

This Third Amendment ("Third Amendment") to Combined Adequate Public Facilities Letter of Understanding for Villages of Urbana Planned Unit Development, Urbana Office Research Center, VC Lots, Urbana Town Center Employment District MXD (Northern MXD), and Worthington Square, dated June 13, 2013, as amended by a First Amendment to Combined Adequate Public Facilities Letter of Understanding dated February 19, 2014, and as amended by a Second Amendment to Combined Adequate Public Facilities Letter of Understanding dated March 11, 2015 (collectively referred to as "Combined LOU") is made this ___ day of __________, 2018, by and between Monocacy Land Company, LLC, Urbana Corporate Center LLC, Urbana Investment Properties II, LLC, Natelli Holdings II, LLC, Natelli Holdings Three, LLC, and Urbana Active Adult, LLC (collectively referred to as "Owners"), and the Frederick County Planning Commission ("Commission").

EXPLANATORY NOTES

1. The approved development program for the Urbana Projects that is subject to the Combined LOU has been modified as follows:


   b. **Northern MXD** – conversion of a portion of land previously designated for employment use to residential use and revision of unit type mix (with no increase in the total number of previously approved units) designated as "Phase Two" in this Combined LOU, pursuant to Rezoning Ordinance No. 17-05-005 dated September 5, 2017.

   c. **ORC** – addition of 92.5 acres of former "Raystock" property and 117.5 acres of the ORC formerly zoned ORI and RC to the Southern MXD portion of the ORC and conversion of these parcels from employment to active adult residential use, to be known as the "Woodlands at Urbana", pursuant to Rezoning Ordinance No. 17-06-
006 dated September 5, 2017. The remaining land to be used for employment or commercial uses in the ORC.

2. Urbana Active Adult, LLC is the current owner of a portion of the Woodlands at Urbana project, which is now considered to be a separate project from the ORC but included in the Urbana Projects.

3. The Commission approved a Preliminary Plan for the Woodlands at Urbana on ____________.

4. The Commission approved a revised Preliminary Plan for the Northern MXD on ____________.

5. The Owners have performed an APFO analysis of the roads, water, sewer and school facilities required to serve the Woodlands at Urbana project as well as an updated APFO analysis of the roads, water, sewer and school facilities required to serve the PUD and Northern MXD projects, as revised. This analysis demonstrates that no additional roads or water or sewer improvements are required to serve the Urbana Projects since the combined impacts of the revised plans will result in an overall reduced impact on public facilities, except at the MD 355 site access to the Woodlands at Urbana where additional approach lanes are required to mitigate operational inadequacy. The analysis further demonstrates that certain road improvements previously required under the Combined LOU are no longer needed based on the revised uses and updated traffic analysis. However, Owners have agreed to advance the timing of construction of certain road improvements and improve the operation of MD Route 80. The traffic analysis also results in the adjustment of certain road escrow account payments and traffic signal installation. All road improvements and escrow payments required for the development of the Western VC Lots, Worthington Square and the Northern MXD Residential have been completed or escrow funds paid, as applicable.

6. The number of residential units approved for the PUD will increase by 25 units. However, the 2013 APFO approval for the Urbana Projects, as documented in the Combined LOU, includes sufficient residual APFO schools approvals to accommodate these units. 126 surplus APFO-tested units are available and unused in the overall PUD, including 11 APFO-tested units in Worthington Square that were not included in the approved site plan, and 92 APFO-tested units in the Boxwood section of the PUD that are being developed as age-restricted units and will not impact public schools. The Owners elect to pay the School Construction Fee for the additional residential units in the PUD.

Owners and the Commission enter into this Third Amendment to the Combined LOU for the purposes of 1) amending Section II to add Woodlands at Urbana as a Project that is part of the Urbana Projects, 2) amending Section III A. of the Combined LOU to revise the road improvements, traffic signals and phasing schedule for road improvements; 3) amending Section III.B.1 of the Combined LOU to revise the Road Escrow Account payments based on the revision of uses in the Urbana Projects; 4) amending Section III.C.1 to revise the TDM program as a result of the reduction in approved employment uses, 5) amending Section III.C.3 to revise the Surplus Capacity Reimbursement Improvements, 6) amending Section VIII to add a date for
expiration of APFO approval for the Woodlands at Urbana, and 7) deleting and replacing Exhibit A (to add the former Raystock property to the LOU), Exhibit B and Exhibit C.

I. PROPERTY SUBJECT TO THE COMBINED LOU

Section II of the LOU is amended to add Woodlands at Urbana to the list of properties that constitute the Urbana Projects.

II. ROAD IMPROVEMENTS

The Combined LOU is hereby amended to delete Phases 1 through 4 in Section III A. of the Combined LOU and replace them with the following:

SITE ACCESS AND RELATED IMPROVEMENTS

A. Northern MXD

Prior to recordation of the first subdivision plat for more than 25 single-family residential units or 100,000 square feet of retail or office uses in Phase Two of the Northern MXD, Monocacy shall guarantee the following improvements, with no building permit being issued for more than any of the uses described above until such improvements are open to traffic:

1. Extend the four-lane divided section of MD 355 through the Northern MXD Site Driveway/Park Entrance intersection; construct the site driveway along MD 355 to provide two outbound lanes; and provide appropriate turn lanes, including a single northbound left turn lane and a southbound right turn lane.

2. Within 18 months of notification by MDOT SHA that a traffic signal is warranted, install a traffic signal at the Project entrance in accordance with Section III.A.7. below

At the discretion of MDOT SHA, these two improvements may be combined in one construction mobilization.

B. Woodlands at Urbana

1. Within 18 months of notification by MDOT SHA that a traffic signal is warranted at the Project entrance at MD 355 and Campus Drive and following MDOT SHA approval of design plans and guarantee amount, Monocacy shall post a guarantee and have open to traffic the conversion of the existing right turn lane to a through lane on southbound MD 355 for a distance of up to approximately 1,000 feet south of Campus Drive, to the extent reasonably practicable, and, if required by MDOT SHA, provision of a replacement right turn lane, and a restriping of the eastbound Knowledge Farms Drive to provide two egress lanes. Provided that Monocacy begins the right-of-way acquisition process within 30 days after execution of this Third Amendment and diligently pursues the same, if Monocacy is unable to procure needed right-of-way by December 31, 2018 using commercially reasonable efforts, it shall notify the County, and the 18-month period for posting a
guarantee and subsequent construction of the improvement shall both be extended, all in accordance with Section III.C.4. of the Combined LOU.

2. Construct a minimum 8-foot wide multi-use asphalt trail along the west side of MD 355 from the Project Entrance at MD 355 and Campus Drive to the existing 8-foot wide trail at MD 80. This trail shall be constructed in conjunction with the improvements in B.1. above.

C. Southern MXD

1. Within 18 months of notification by MDOT SHA that a traffic signal is warranted, construct and have open to traffic the signal listed in Section III.A.1 below and the following additional lanes at MD 80/Bennett Creek Avenue:
   a. Additional eastbound through lane
   b. Eastbound right turn lane
   c. Additional westbound through lane
   d. Northbound triple left lanes or extension of existing approach lanes

D. Off-Site MD 80 Advancement

1. Post a guarantee no later than June 30, 2019, subject to SHA approval of design plans and guarantee amount, and, within 12 months thereafter, construct and have open to traffic, improvements to widen MD 80 to provide a second eastbound receiving lane beginning west of Singleton Drive/Pontius Court to a point determined by MDOT SHA, and, if required by SHA, a replacement eastbound right turn lane. Provided that Monocacy begins the right-of-way acquisition process within 30 days after execution of this Third Amendment and diligently pursues the same, if Monocacy is unable to procure needed right-of-way by December 31, 2018 using commercially reasonable efforts, it shall notify the County, and the June 30, 2019 date for posting a guarantee and the 12-month construction period shall both be extended, all in accordance with Section III.C.4. of the Combined LOU.

PHASE 1
512 AM Peak Hour Trips; 573 PM Peak Hour Trips
Maximum Cumulative Trips – 4,268 AM Peak Hour; 5,612 PM Peak Hour

PHASE 1-A.

1. Extend the four-lane divided section of MD 355 (Worthington Boulevard) northward through the residential (middle) site driveway serving the Northern MXD as permitted by SHA. COMPLETED.
PHASE 1-B.

1. Restripe the eastbound right turn lane at the MD 80/Campus Drive to provide an eastbound through lane and right turn lane. Construct the receiving lane taper as an auxiliary lane which becomes the right turn lane into Pontius Court (Existing Escrow Account #3249). **IN PROGRESS, COMPLETION EXPECTED BY 12/21/18.**

2. Restripe the northbound approach at the MD 80/Urbana Pike intersection to provide a left turn lane and a left/through/right lane, and re-time the traffic signal to provide split phasing, or provide a comparable improvement as otherwise determined by the County and SHA. **COMPLETED.**

PHASE 2

**403 AM Peak Hour Trips; 278 PM Peak Hour Trip**

**Maximum Cumulative Trips – 4,780 AM Peak Hour; 5,900 PM Peak Hour**

1. Restripe the westbound right turn lane at the MD 80/Carriage Hill Drive intersection to provide a through/right turn lane and, if required by SHA, a replacement westbound right turn lane. **COMPLETED.**

2. Restripe/reconstruct the I-270 northbound ramp at MD 80 to provide an additional westbound through lane, open to traffic within 18 months after notice that such improvement is required by MDOT SHA and following MDOT SHA approval of design plans.

PHASE 3

**985 AM Peak Hour Trips; 992 PM Peak Hour Trips**

**Maximum Cumulative Trips – 5,623 AM Peak Hour; 6,936 PM Peak Hour**

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 4,780 AM Peak Hour Trips or more than 5,900 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee (SHA Permitted) the following improvements, and all such improvements must be opened to traffic within one year of the SHA permit issuance.

1. Construct an improvement to the MD 80 roundabout at the southbound I-270 ramp by providing an additional northbound right turn approach lane at the terminus of the I-270 southbound ramp.

2. Construct an additional westbound approach lane to the MD 80/Sugarloaf Parkway/Urbana Parkway roundabout.

3. Construct an eastbound Park Mills Road to southbound MD 355 right-turn lane at the MD 355/Park Mills Road Road intersection.

III. TRAFFIC SIGNALS AND RELATED IMPROVEMENTS

A. Traffic Signals

Monocacy shall signalize the following off-site intersections if and when warranted:

1. MD 80/Bennett Creek Avenue site access to Southern ORC
2. MD 80/Carriage Hill Drive
3. MD 80/Royal Crest Drive
4. MD 355/Campus Drive
5. MD 355/Dr. Perry Road/Big Woods Road
6. MD 355/Park Mills Road
7. MD 355/Northern MXD site access across from entrance to Urbana District Park

Monocacy shall perform one signal warrant analysis for each of the above intersections when deemed necessary by MDOT SHA/County, but no later than the issuance of the last building permit in the Urbana Projects, to determine if signalization is warranted, justified and deemed necessary. Monocacy shall install a traffic signal at any of the above intersections within 12 months of a determination that a signal is warranted, except for the signal in 7 above, which shall be constructed within 18 months of a determination that the signal is warranted. In the case of signals 1 through 6 above, should the signal still not be warranted and justified by the time of issuance of the last building permit for the Urbana Projects, then others shall thereafter be fully responsible for construction and implementation of any such traffic signal. For Northern MXD site access signalization along MD 355 (signal 7 above) that is forecasted to meet signal warrants under full build out, Monocacy shall provide surety for the County portion of signal costs prior to the issuance of the final building permit in the section gaining access, which would be returned upon installation of the signal at any time in the future.

B. Signal Related Improvements

1. Monocacy shall post a guarantee at such time as the traffic signal in III.A.1 above is warranted and deemed necessary by MDOT SHA and be open to traffic within 18 months of approval of the signal by MDOT.

2. Monocacy shall post a guarantee at such time as the traffic signal in III.A.2 above is warranted and deemed necessary by SHA, and within 18 months of notification by MDOT SHA and following MDOT SHA approval of design plans, construct and be open to traffic an additional eastbound through lane at the MD 80/Carriage Hill Drive intersection. This improvement shall be constructed in conjunction with the traffic signal in A.2 above.

3. Monocacy shall post a guarantee at such time as the traffic signal in III.A.3 above is warranted and deemed necessary by MDOT SHA, and within 18 months of notification by MDOT SHA and following MDOT SHA approval of design plans, restripe the westbound right turn lane at the MD 80/Royal Crest Drive intersection to provide a through/right turn lane. This improvement shall be constructed in conjunction with the traffic signal in A.3 above.
IV. ROAD ESCROW ACCOUNTS

The Combined LOU is hereby amended to delete Section III B. of the Combined LOU and replace it with the following:

In satisfaction of APFO requirements to fully mitigate site-generated trips (and in addition to the road improvements described in Section II above), Monocacy shall pay into existing County-held escrow accounts the following pro rata contributions:

A. **Worthington Boulevard Relocated, south of MD 80**, Monocacy shall contribute the appropriate pro-rata share (approximately 11.5% of $3,024,791) to Existing Escrow Account No. 3232 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s total pro-rata contribution to this road improvement is $347,851. The Escrow Payments shall be made concurrent with recordation of the first subdivision plat for each project as noted below:

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<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
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<td>Northern MXD Non-Residential</td>
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<td>Woodlands at Urbana</td>
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<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
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B. **MD 80/Ijamsville Road**, Monocacy shall contribute the appropriate pro-rata share to Existing Escrow Account No. 3383 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $1,281. The Escrow Payments shall be made concurrent with recordation of the first subdivision plat for each project as noted below:

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<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
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C. **MD 355/Campus Drive**, Monocacy shall contribute the appropriate pro-rata share to Existing Escrow Account No. 3248 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $12,600. The Escrow Payments shall be made concurrent with recordation of the first subdivision plat for each project as noted below:
D. **MD 80/Campus Way.** Monocacy shall contribute the appropriate pro-rata share (approximately 1.27% of $264,001) to Existing Escrow Account No. 3249 for improvement of this intersection at a later date. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $3,353. The Escrow Payments shall be made at the following times:

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E. **MD 80/Bennett Creek Avenue.** Monocacy shall contribute the appropriate pro-rata share to Existing Escrow Account No. 3250 for improvement of this intersection at a later date. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $1,348. The Escrow Payments shall be made at the following times:

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<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$1,348</strong></td>
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F. **MD 355/MD Route 75 & NB Right Turn Lane Extension.** Monocacy shall contribute the appropriate pro-rata share (approximately 8.1% of $475,000) to Existing Escrow Account No. 3847 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $38,475. The Escrow Payments shall be made at the following times:
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**G. MD 355/Firetower Road.** Monocacy shall contribute the appropriate pro-rata share (approximately 10.4% of $401,969) to Existing Escrow Account No. 3288 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $41,805. The Escrow Payments shall be made at the following times:

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<td>Northern MXD Residential</td>
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<td>Northern MXD Non-Residential</td>
<td>$13,564</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$13,033</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$41,805</strong></td>
<td></td>
</tr>
</tbody>
</table>

**H. MD 75/MD 80.** Monocacy shall contribute the appropriate pro-rata share to Existing Escrow Account No. 3854 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $20,527. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$4,462</td>
<td>PAID</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$16,065</td>
<td>PAID</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$0</td>
<td>CLOSED</td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$0</td>
<td>CLOSED</td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$20,527</strong></td>
<td></td>
</tr>
</tbody>
</table>

**I. MD 355/Urban Pike Signal.** Monocacy shall contribute the appropriate pro-rata share (approximately 3.11% of $300,000) to Existing Escrow Account No. 4043 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $9,341. The Escrow Payments shall be made at the following times:
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$4,764</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$4,577</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$9,341</strong></td>
<td></td>
</tr>
</tbody>
</table>

J. **MD 80/Urbana Pike Intersection Improvement.** Monocacy shall contribute the appropriate pro-rata share (approximately 36.8% of $50,000) to Existing Escrow Account No. 4049 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $18,390. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$9,402</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$8,988</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$18,390</strong></td>
<td></td>
</tr>
</tbody>
</table>

K. **MD 355/Tabard Lane Median Treatment.** Monocacy shall contribute the appropriate pro-rata share (approximately 70.5% of $65,000) to Existing Escrow Account No. 4576 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $45,849. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$23,297</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$22,552</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$45,849</strong></td>
<td></td>
</tr>
</tbody>
</table>

L. **MD 355/MD 80 Turn Lane Extensions.** Monocacy shall contribute the appropriate pro-rata share (approximately 88.7% of $65,000) to Existing Escrow Account No. 4577 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $57,650. The Escrow Payments shall be made at the following times:
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$29,459</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$28,191</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$57,650</strong></td>
<td></td>
</tr>
</tbody>
</table>

M. **MD 355/Lew Wallace Signal.** Monocacy shall contribute the appropriate pro-rata share (approximately 28.4% of $350,000) to Existing Escrow Account No. 4408 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $99,240. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$60,134</td>
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</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$39,106</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$99,240</strong></td>
<td></td>
</tr>
</tbody>
</table>

The sum of Monocacy’s contributions to existing County-held escrow accounts is $697,710 (“Escrow Payment”).

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>ESCROW PAYMENT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$36,103</td>
<td>PAID</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$13,515</td>
<td>PAID</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$147,754</td>
<td>PAID</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$254,688</td>
<td></td>
</tr>
<tr>
<td>Woodlands at Urbana</td>
<td>$245,650</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$697,710</strong></td>
<td></td>
</tr>
</tbody>
</table>

V. **ROADS – GENERAL CONDITIONS**

A. **Transportation Demand Management Program**

1. The Combined LOU is hereby amended to delete Section III C 1 B. of the Combined LOU and replace it with the following:

   Monocacy will fund the TDM Program, beginning with issuance of the first building
permit for non-residential uses within the Northern MXD after development of the first 400,000 square feet of non-residential uses. No monetary contribution will be paid for the first 400,000 square feet. A monetary contribution of $0.25 per building square foot will be paid at the time of building permit issuance for non-residential uses in the Northern MXD beyond the first 400,000 square feet. All funds paid under this provision shall be deposited by the County into an interest-bearing escrow account specifically designated to fund and implement the TDM strategies for the benefit of the Northern MXD or the Urbana Projects and shall not be used for any other purpose. Determination of appropriate TDM strategies and programs and the timing of the actual program implementation and use of the TDM funds will be at the discretion of Monocacy and in coordination with Frederick County. Development of the TDM program will consider factors including, but not limited to, development density, local conditions, mix of uses, and amount of funding available.

2. The Combined LOU is hereby amended to delete Sections III.C.1.C and III.C.1.D of the Combined LOU.

B. Surplus Capacity Reimbursement Improvements


2. The Combined LOU is hereby amended to add the improvements listed below to Section III.C.3:
   L. MD 355 Multi-use trail from Campus Drive to MD 80
   M. The following traffic signals listed in Sections III.A, subsections 2, 3 and 5 above:
      MD 80/Carriage Hill Drive
      MD/Royal Crest Drive
      MD 355/Dr. Perry Road/Biggs Ford Road

VI. CONCLUSION

Section VIII. Conclusion is hereby amended to add the following sentence to the end of the section:

Notwithstanding the above, the APFO approvals for the Woodlands at Urbana project shall expire on June 13, 2026. For this project to be fully vested for APFO, all specifically required improvements and contributions shall be accomplished and all lots platted, in accordance with Section VI of the Combined LOU.

VII. EXHIBITS

Exhibits A, B and C are hereby deleted and replaced with Exhibits A, B and C attached hereto.
Except as modified in this Third Amendment, the terms and provisions of the Combined LOU shall remain in full force and effect.

[SIGNATURES CONTINUE ON FOLLOWING PAGE]
FREDDERICK COUNTY PLANNING COMMISSION:

By: ___________________________ Date: ________________

ATTEST:

By: ___________________________ Date: ________________

Gary Hessong, Director, Permits & Inspections

Planner's Initials / Date ___________________________
County Attorney's Office Initials / Date ________________
(Approved as to legal form)
WITNESS: MONOCACY LAND COMPANY, LLC, a Maryland limited liability company

By: Urbana Communities, LLC – General Manager
By: Natelli Communities Limited Partnership – Managing Member
By: Natelli Communities, Inc. – General Partner

By: [Signature] (SEAL)
Thomas A. Natelli, President & CEO

WITNESS: URBANA CORPORATE CENTER, LLC, a Maryland limited liability company

By: [Signature] (SEAL)
Thomas A. Natelli, Managing Member

WITNESS: URBANA INVESTMENT PROPERTIES II, LLC, a Maryland limited liability company

By: [Signature] (SEAL)
Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS THREE, LLC, a Maryland limited liability company

By: [Signature] (SEAL)
Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS II, LLC, a Maryland limited liability company

By: [Signature] (SEAL)
Thomas A. Natelli, Managing Member
WITNESS: URBANA ACTIVE ADULT, LLC, a Maryland limited liability company

______________________________

BY: __________________________ (SEAL)
Thomas A. Natelli, Managing Member
<table>
<thead>
<tr>
<th>Owner</th>
<th>Parcel Key</th>
<th>Use</th>
<th>Tax Map</th>
<th>Now or Formerly Parcel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>P1</td>
<td>Villages of Urbana P.U.D.</td>
<td>96</td>
<td>210</td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>P2 &amp; P3</td>
<td>NOT USED</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>P4</td>
<td>Villages of Urbana P.U.D.</td>
<td>96</td>
<td>67</td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>P5</td>
<td>Villages of Urbana P.U.D.</td>
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<td>68</td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>P6</td>
<td>Villages of Urbana P.U.D.</td>
<td>96</td>
<td>222</td>
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<tr>
<td>Monocacy Land Company, LLC</td>
<td>P7</td>
<td>Villages of Urbana P.U.D.</td>
<td>96</td>
<td>229</td>
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<tr>
<td>Monocacy Land Company, LLC</td>
<td>PW</td>
<td>Villages of Urbana P.U.D.</td>
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<td>10</td>
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<tr>
<td>Monocacy Land Company, LLC</td>
<td>P 270</td>
<td>Villages of Urbana P.U.D. (07-230109)</td>
<td>96</td>
<td>249</td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>PK</td>
<td>Villages of Urbana P.U.D.</td>
<td>96</td>
<td>217</td>
</tr>
<tr>
<td>Urbana Investment Properties II, LLC</td>
<td>NM 1</td>
<td>Urbana Town Center Employment District MXD</td>
<td>96</td>
<td>184</td>
</tr>
<tr>
<td>Urbana Investment Properties II, LLC</td>
<td>NM 2</td>
<td>Urbana Town Center Employment District MXD</td>
<td>96</td>
<td>22</td>
</tr>
<tr>
<td>Urbana Corporate Center, LLC</td>
<td>U1</td>
<td>Urbana Corporate Center / ORC-MXD</td>
<td>96</td>
<td>48, 113 &amp; 162</td>
</tr>
<tr>
<td>Urbana Corporate Center, LLC</td>
<td>U2</td>
<td>Urbana Corporate Center / ORC-MXD</td>
<td>96</td>
<td>172</td>
</tr>
<tr>
<td>Urbana Corporate Center, LLC</td>
<td>U3</td>
<td>Lot 102 - Triangle Center - VC - Commercial (07-233310)</td>
<td>96</td>
<td>63</td>
</tr>
<tr>
<td>Monocacy Land Company, LLC</td>
<td>G1</td>
<td>&quot;Geisbert&quot; Assemblage</td>
<td>96</td>
<td>175</td>
</tr>
<tr>
<td>Urbana Corporate Center, LLC</td>
<td>G2</td>
<td>&quot;Geisbert&quot; Assemblage (07-237774)</td>
<td>96</td>
<td>257</td>
</tr>
<tr>
<td>Natelli Holdings Three, LLC</td>
<td>G3</td>
<td>&quot;Geisbert&quot; Assemblage</td>
<td>96</td>
<td>34 &amp; 174</td>
</tr>
<tr>
<td>Urbana Active Adult, LLC</td>
<td>R1</td>
<td>Raystock Property</td>
<td>105</td>
<td>6</td>
</tr>
</tbody>
</table>
The Villages of Urbana

Exhibit 'A'

of

The Villages of Urbana

&

MXD

May, 2018
### Uses - Density (1)

<table>
<thead>
<tr>
<th>Uses - Density</th>
<th>Existing (2)(4)</th>
<th>Vested (2)(4)(6)</th>
<th>Phase 0</th>
<th>Phase 1</th>
<th>Cum. Ph. 1</th>
<th>Phase 2</th>
<th>Cum. Ph. 2</th>
<th>Phase 3</th>
<th>Cum. Ph. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Units</td>
<td>2,769</td>
<td>256</td>
<td>3,025</td>
<td>695</td>
<td>3,720</td>
<td>-</td>
<td>3,720</td>
<td>-</td>
<td>3,720</td>
</tr>
<tr>
<td>PUD Office</td>
<td>69,548</td>
<td>70,902</td>
<td>140,450</td>
<td>-</td>
<td>140,450</td>
<td>29,550</td>
<td>170,000</td>
<td>-</td>
<td>170,000</td>
</tr>
<tr>
<td>Employment Sq. Ft.</td>
<td>360,000</td>
<td>515,000</td>
<td>875,000</td>
<td>-</td>
<td>875,000</td>
<td>375,000</td>
<td>1,250,000</td>
<td>1,017,600</td>
<td>2,267,600</td>
</tr>
<tr>
<td>Restaurants Sq. Ft.</td>
<td>5,966</td>
<td>26,034</td>
<td>32,000</td>
<td>-</td>
<td>32,000</td>
<td>6,000</td>
<td>38,000</td>
<td>-</td>
<td>38,000</td>
</tr>
<tr>
<td>Retail Sq. Ft.</td>
<td>8,984</td>
<td>22,516</td>
<td>31,500</td>
<td>-</td>
<td>31,500</td>
<td>13,302</td>
<td>44,802</td>
<td>-</td>
<td>44,802</td>
</tr>
<tr>
<td>PUD Retail</td>
<td>125,400</td>
<td>90,600</td>
<td>216,000</td>
<td>(30,000)</td>
<td>186,000</td>
<td>-</td>
<td>186,000</td>
<td>-</td>
<td>186,000</td>
</tr>
<tr>
<td>Hotel Rooms</td>
<td>-</td>
<td>150</td>
<td>150</td>
<td>-</td>
<td>150</td>
<td>-</td>
<td>150</td>
<td>-</td>
<td>150</td>
</tr>
<tr>
<td>Active Adult Housing</td>
<td>-</td>
<td>-</td>
<td>566</td>
<td>-</td>
<td>566</td>
<td>-</td>
<td>566</td>
<td>-</td>
<td>566</td>
</tr>
</tbody>
</table>

### Max. Trips Available (6)

<table>
<thead>
<tr>
<th></th>
<th>AM PEAK</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,453</td>
<td>1,269</td>
<td>3,722</td>
<td>512</td>
<td>4,268</td>
<td>403</td>
<td>4,780</td>
<td>985</td>
</tr>
<tr>
<td></td>
<td>3,303</td>
<td>1,716</td>
<td>5,019</td>
<td>573</td>
<td>5,612</td>
<td>278</td>
<td>5,900</td>
<td>992</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>ADT</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34,503</td>
<td>18,555</td>
<td>53,058</td>
<td>4,595</td>
<td>58,999</td>
<td>1,210</td>
<td>60,010</td>
<td>6,359</td>
</tr>
</tbody>
</table>

(1) Includes PUD, VC, ORC, MXD, Worthington Square
(2) Trips based on February 2, 2001 Phased Analysis for Urbana ORC, and Table C-1 from the Urbana Town Center TIA, dated February 11, 2013
(3) Existing column assumes development is built or recorded
(4) Vested column assumes development is not built or recorded but the roadway network has been constructed to accommodate the associated trips
(5) Square footage listed in Vested column is calculated based on the studies referenced in footnote (2). Amount of trip capacity actually used for new uses will determine remaining square footage available for future development.
(6) Cumulative total for each phase based on previously approved "Urbana Town Center Traffic Impact Analysis", dated April 24, 2015.
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

URBANA PROJECTS

EXHIBIT C

The following pages depict the road improvements that are specified in Section III – ROADS of this Letter of Understanding.

Exhibit C is comprised of seven diagrams/sheets and each is labeled to indicate ROAD IMPROVEMENT PHASE and IMPROVEMENT NUMBER WITHIN PHASE corresponding to the descriptions of such improvements shown in Section III – ROADS.

INSET A – URBANA PIKE AT PARK MILLS ROAD

INSET B – URBANA PIKE NORTH OF LEW WALLACE

INSET C – MD ROUTE 80 BETWEEN I-270 AND URBANA PIKE

INSET D – MD ROUTE 80 BETWEEN MD ROUTE 355 AND CARRIAGE HILL DR.

INSET E – MD ROUTE 80 BETWEEN CARRIAGE HILL AND ROYAL CREST CIR.

INSET F – MD ROUTE 355 AT CAMPUS DRIVE

INSET G – MD ROUTE 355 AT DOCTOR PERRY ROAD
LEGEND
Phase 1A
Phase 1B
Phase 2
Phase 3
Traffic Signal
Phase # per APFO LOU 1A.1

INSET 'B'
1' = 200'

Urbana District Park (Outlot 'A')
Existing Maryland 355
Signal

1A.1
Completed

3B.2

N:\MD-Frederick\Villages of Urbana\dwos\Exhibit\Project\Exhibit\O\OVERALL PROJ\APFO Phases\Exhibit\APRIL 2018\INSET B.dws 3/29/2012
SECOND AMENDMENT TO
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

VILLAGES OF URBANA PLANNED UNIT DEVELOPMENT
URBANA OFFICE RESEARCH CENTER
VC LOTS
URBANA TOWN CENTER EMPLOYMENT DISTRICT MXD (NORTHERN MXD)
WORTHINGTON SQUARE

This Second Amendment ("Second Amendment") to Combined Adequate Public Facilities Letter of Understanding for Villages of Urbana Planned Unit Development, Urbana Office Research Center, VC Lots, Urbana Town Center Employment District MXD (Northern MXD), and Worthington Square, dated June 13, 2013, as amended by a First Amendment to Combined Adequate Public Facilities Letter of Understanding dated February 19, 2014, (collectively referred to as "Combined LOU") is made this ___ day of _____________, 2015, by and between Monocacy Land Company, LLC, Urbana Corporate Center LLC, Urbana Investment Properties II, LLC, Natelli Holdings II, LLC, and Natelli Holdings Three, LLC (collectively referred to as "Owners"), and the Frederick County Planning Commission ("Commission").

Owners and the Commission enter into this Second Amendment to the Combined LOU for the purposes of: 1) revising Tables 1, 2 and 3 in Section II.A. of the Combined LOU to add the 12 VC Lots, which were erroneously omitted from the tables although they are included in the APFO tests for all facilities; and 2) memorializing the transfer of one (1) townhouse lot in Section M-1C of the Villages of Urbana to the Eastern VC Lots. The VC Lots, together with the Western VC Lots, are included within the PUD for purposes of APFO testing; therefore the shift of one unit from the PUD to the Eastern VC Lots will not result in any additional APFO testing or require additional schools, roads or water and sewer improvements or fees.

1. Explanatory Notes 5 and 9 of the Combined LOU are hereby deleted and replaced with the following:

5. Monocacy is the owner and developer of seven (7) lots zoned VC at the eastern intersection of Urbana Pike and Sugarloaf Parkway that have received Concept Plan approval from the Commission and that will be developed as part of Section M-1F of the PUD ("Eastern VC Lots").

9. Recordation of subdivision plats for the PUD has caused the APFO schools approval to be satisfied in full for 2,769 non-age restricted residential units in the PUD; the remaining 164 non-age restricted units (including the Western VC Lots and the Eastern VC Lots) and 92 age-restricted units will have a valid APFO approval as described in the tables which follow and in Section V below.
2. Tables 1, 2 and 3 in Section II.A. of the Combined LOU are replaced with the following:

<table>
<thead>
<tr>
<th>URBANA PROJECTS</th>
<th>Passed APFO for Schools</th>
<th>Maybe Recorded After Meeting Mitigation Requirements</th>
<th>Age Restricted Units Subject to APFO Test</th>
<th>Total Residential Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUD &amp; VC Lots [*]</td>
<td>2,769</td>
<td>164</td>
<td>92</td>
<td>3,015</td>
</tr>
<tr>
<td>Worthington Square [*]</td>
<td>0</td>
<td>72</td>
<td>0</td>
<td>72</td>
</tr>
<tr>
<td>Northern MXD</td>
<td>0</td>
<td>610</td>
<td>0</td>
<td>610</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,769</strong></td>
<td><strong>846</strong></td>
<td><strong>92</strong></td>
<td><strong>3,707</strong></td>
</tr>
</tbody>
</table>

**NOTES TO TABLE:**

[1] - Mitigation to satisfy the APFO for Schools is required in connection with the recordation of the 164 dwelling units remaining to be recorded/re-recorded in the PUD as specified in Section V of this Combined APFO Letter of Understanding. Mitigation accomplished through the payment of School Construction Fees is paid concurrent with plat recordation.

[2] - The Concept Plan that has been approved by the Commission for Worthington Square comprises 72 Townhouse Lots; it is likely that the ultimate combined preliminary plan/site plan will contain fewer lots - regardless of the final count of Townhouse Lots in Worthington Square, all of the Lots require mitigation to satisfy the APFO for Schools concurrent with plat recordation.
| Portion of the URBANA PROJECTS | Passed APFO for WBS Recorded Lots / SF | May be Recorded After Extending Existing Service Lines - Approval of Improvement Plans (Lots/SF) | Require Final Approval for Infrastructure Water & Sewer Lines & Facilities Total Residential Dwelling Units and Non-Residential SF |
|--------------------------------|--------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| PUD & VC Lots - Residential Units ¹ | 2,769 | 164 | 92 | 3,025 |
| PUD - Non-Residential SF | 154,948 | 161,502 | 0 | 356,450 |
| Worthington Square - Residential Units | 0 | 72 | 0 | 72 |
| Worthington Square - Non-Residential SF | 0 | 5,000 | 0 | 5,000 |
| ORC - Non-Residential SF ² | 374,500 | 1,265,452 | | 1,640,902 |
| ORC - Hotel Rooms (approx 93,000 SF) ² | 0 | 150 | | 150 |
| Northern MxD - Residential Units ³ | 0 | 610 | | 610 |
| Northern MxD - Non-Residential SF ³ | 0 | 2,000,000 | | 2,000,000 |
| TOTAL RESIDENTIAL DWELLING UNITS | 2,769 | 938 | | 3,707 |
| TOTAL NON-RESIDENTIAL SF | 569,898 | 3,431,954 | | 4,001,852 |
| TOTAL HOTEL ROOMS | 0 | 150 | | 150 |

NOTES TO TABLE:

¹ - The 92 Age-Restricted Units in the PUD and a portion of the Northern MxD require an outfall solution for wastewater either by construction of a wastewater pumping station or by construction of a gravity outfall from Urbana to the Bush Creek Main Sewer Outfall. The final configuration is subject to the review and approval of the Frederick County Division of Utilities and Solid Waste Management.

² - Frederick County Division of Utilities & Solid Waste Management is evaluating the timing and required capacity for a second elevated water storage facility to serve the Urbana Projects and other development in the Urbana Vicinity and will make a final determination during the process of site plan reviews and lot recordations in the noted sections of the Urbana Projects.
3. Pursuant to Section II.B. of the Combined LOU, one (1) lot is hereby transferred from the PUD to the Eastern VC Lots. All references in the Combined LOU to the Eastern VC Lots shall mean seven (7) lots, and all references in the Combined LOU to the VC Lots shall mean thirteen (13) lots. Specifically, Section V.B.1. of the Combined LOU is deleted and replaced with the following:

1. Non-Age Restricted Units. 2,769 of the residential units in the PUD have been recorded and no further re-subdivision of the applicable areas is contemplated, therefore, APFO school approval is vested for these units. There are 164 non-age restricted dwelling units remaining to be recorded, including thirteen (13) lots proposed in the VC Zoned area that are immediately adjacent to and are incorporated into the 3,012 dwelling units approved for development in the PUD. The 13 VC Lots will be fully integrated into Villages of Urbana PUD, having all of the attendant benefits and burdens provided by the Homeowners Association governing the PUD. The Commission has previously granted conditional approval of a combined preliminary plan/site plan for six of those VC Lots - the Western VC Lots. The Commission has also approved a Site Plan for the remaining 7 VC Lots - the Eastern VC Lots.
On September 21, 2011, the Commission approved a revised Phase II Plan and APFO LOU (an amendment to the PUD LOU) for Section M-1 of the PUD to alter the previously approved mix of residential unit types. This change resulted in an intensity of use that incrementally increased the projected student generation for the non-age-restricted units. The increases in pupils caused the PUD to fail the school adequacy test for the revised dwelling unit mix at all three school levels. Monocacy chose the option to mitigate the school inadequacy by paying the School Construction Fee in accordance with the criteria set forth in Section 1-20-62 of the APFO. That 2011 APFO LOU specified that Monocacy would pay a total of $1,552,190 in School Construction Fees concurrent with the recordation or re-recordation of the remaining lots in the PUD.

Since the time that the 2011 APFO LOU was fully executed, and concurrent with the recordation of plats re-subdividing a portion of Section M-1 (i.e. subsections M-1D and M-1E yielding 155 Townhouse Lots), Monocacy has already paid School Construction Fees in the total amount of $1,118,475 leaving $433,715 of School Construction Fees to be paid concurrent with recordation of future lots. The actual dwelling unit mix that will ultimately be recorded will vary slightly from the mix contemplated in the 2011 PUD Phase II Plan, but within any approved pupil generation limits. Accordingly, the remaining amount of the School Construction Fees to be paid ($433,715) concurrent with recordation of the final 158 Lots shall be paid as follows:

- Concurrent with the recordation of the 6 Western VC Lots - $60,276 ($10,046 per Lot)
- Concurrent with the recordation of the remaining 152 Lots - $2,457.00 per Lot (which will yield a total $373,439 upon recordation of the final plat)

Monocacy shall pay the School Construction Fee, based upon the fee schedule in effect at the time of subdivision or re-subdivision plat recordation, as set forth in Section 1-20-62(E) of the APFO. Accordingly, if the fee schedule is changed from that which is in effect as of the date of this Combined APFO Letter of Understanding, any portion of the remaining $433,715 in School Construction Fees would be subject to recalculation to reflect any revisions to the fee schedule.

Except as modified in this Second Amendment, the terms and provisions of the Combined LOU shall remain in full force and effect.

Signatures on next pages
FREDERICK COUNTY PLANNING COMMISSION:

By: ___________________________ Date: 3/11/15
Dwaine E. Robbins, Chair or Anthony Bruscia, Secretary

ATTEST:

By: ___________________________ Date: 3/11/15
Gary Hessong, Director, Permits & Inspections

Planner’s Initials / Date: ________________ 3/11/15

County Attorney’s Office Initials / Date: _______ 3/11/15
(Approved as to legal form)
WITNESS: MONOCACY LAND COMPANY, LLC, a Maryland limited liability company

By: Urbana Communities, LLC -- General Manager
By: Natelli Communities Limited Partnership -- Managing Member
By: Natelli Communities, Inc. -- General Partner

By: Thomas A. Natelli, President & CEO

WITNESS: URBANA CORPORATE CENTER, LLC, a Maryland limited liability company

By: Thomas A. Natelli, Managing Member

WITNESS: URBANA INVESTMENT PROPERTIES II, LLC, a Maryland limited liability company

By: Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS THREE, LLC, a Maryland limited liability company

By: Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS II, LLC, a Maryland limited liability company

By: Thomas A. Natelli, Managing Member
FIRST AMENDMENT TO
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

VILLAGES OF URBANA PLANNED UNIT DEVELOPMENT
URBANA OFFICE RESEARCH CENTER
VC LOTS
URBANA TOWN CENTER EMPLOYMENT DISTRICT MXD (NORTHERN MXD)
WORTHINGTON SQUARE

This First Amendment ("First Amendment") to Combined Adequate Public Facilities Letter of Understanding for Villages of Urbana Planned Unit Development, Urbana Office Research Center, VC Lots, Urbana Town Center Employment District MXD (Northern MXD), and Worthington Square, dated June 13, 2013 ("Combined LOU") is made this __ day of ____________, 2014, by and between Monocacy Land Company, LLC, Urbana Corporate Center LLC, Urbana Investment Properties II, LLC, Natelli Holdings II, LLC, and Natelli Holdings Three, LLC (collectively referred to as “Owners”), and the Frederick County Planning Commission ("Commission").

Owners and the Commission enter into this First Amendment to the Combined LOU for the purposes of 1) amending Section III A. of the Combined LOU to eliminate Phase 1-A and revise the terms of former Phases 1-B and 1-C (now Phases 1-A and 1-B), and Phases 2, 3 and 4; and 2) replacing the incorrect drawings attached as EXHIBIT C of the Combined LOU with the correct drawings attached hereto as EXHIBIT C.

1. The Combined LOU is hereby amended to delete Phases 1 through 4 in Section III A. of the Combined LOU and replace them with the following:

PHASE 1
546 AM Peak Hour Trips; 593 PM Peak Hour Trips
Maximum Cumulative Trips – 4,268 AM Peak Hour; 5,612 PM Peak Hour

PHASE 1-A. Prior to the issuance of building permits for more than 75 residential units in the Northern MXD (except the outlet for the elementary school site), Monocacy shall guarantee (SHA Permitted) the following improvements and all such improvements must be open to traffic the earlier of 1) 12 months of the SHA permit issuance or 2) issuance of the 150th residential building permit.

1. Extend the four-lane divided section of MD 355 (Worthington Boulevard) northward through the residential (middle) site driveway serving the Northern MXD as permitted by SHA.
Notwithstanding the above minimum requirements, Monocacy shall make a diligent effort to design and achieve a SHA access permit based on the following schedule:

- First Design submission to SHA: March 2014
- SHA Access Permit Issued: April 2015
- Complete Construction (open to traffic): April 2016

Should this schedule not be attained, no building permits shall be issued until conformance is achieved, so long as the delay is solely attributable to the Developer, as determined by the County.

**PHASE 1-B.** Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 3,722 AM Peak Hour Trips or more than 5,019 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee (SHA Permitted) the following improvements, and all such improvements must be opened to traffic within one year of the SHA permit issuance:

1. Construct an improvement to the MD 80 roundabout at the southbound I-270 ramp by providing an additional northbound right turn approach lane at the terminus of the I-270 southbound ramp.

2. Restripe the eastbound right turn lane at the MD 80/Campus Drive to provide an eastbound through lane and right turn lane. Construct the receiving lane taper as an auxiliary lane which becomes the right turn lane into Pontius Court (Existing Escrow Account #3249).

3. Restripe the northbound approach at the MD 80/Urbana Pike intersection to provide a left turn lane and a left/through/right lane, and re-time the traffic signal to provide split phasing, or provide a comparable improvement as otherwise determined by the County and SHA.

**PHASE 2**

**512 AM Peak Hour Trips; 288 PM Peak Hour Trip**

*Maximum Cumulative Trips – 4,780 AM Peak Hour; 5,900 PM Peak Hour*

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 4,268 AM Peak Hour Trips or more than 5,612 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee (SHA Permitted) the following improvements, and all such improvements must be opened to traffic within one year of the SHA permit issuance:

1. Widen MD 80 to provide a second eastbound receiving lane beginning west of Pontius Court to a point determined by SHA, and, if required by SHA, a replacement eastbound right turn lane.
2. Restripe the westbound right turn lane at the MD 80/Carriage Hill Drive intersection to provide a through/right turn lane and, if required by SHA, a replacement westbound right turn lane.

3. Restripe/reconstruct the I-270 northbound ramp at MD 80 to provide an additional westbound through lane.

4. Construct additional lanes at MD 80/Bennett Creek Avenue, to provide the following:
   a. Additional eastbound through lane
   b. Eastbound right turn lane
   c. Additional westbound through lane
   d. Northbound triple left lanes

5. Construct an additional eastbound approach lane to the MD 80/Sugarloaf Parkway/Urbana Parkway roundabout.

PHASE 3
843 AM Peak Hour Trips: 1,036 PM Peak Hour Trips
Maximum Cumulative Trips – 5,623 AM Peak Hour; 6,936 PM Peak Hour

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 4,780 AM Peak Hour Trips or more than 5,900 PM Peak Hour Trips, (except for the proposed outlet for the elementary school located in the Northern MXD), Monocacy shall guarantee (SHA Permitted) the following improvements, and all such improvements must be opened to traffic within one year of the SHA permit issuance:

1. Extend the four lane divided section of MD 355 through the northern site driveway of the Northern MXD; construct the northern site driveway along MD 355, provide appropriate turn lanes, including a northbound double left turn lane, and signalize if and when warranted. Note, this is a site access improvement, and not an APFO required improvement.

2. Construct an additional eastbound through lane at the MD 80/Carriage Hill Drive intersection and provide an adequate receiving lane as determined by SHA.

3. Restripe the westbound right turn lane at the MD 80/Royal Crest Circle intersection to provide a through/right turn lane, extending the receiving lane as required by SHA.

4. Construct an additional westbound approach lane to the MD 80/Sugarloaf Parkway/Urbana Parkway roundabout.

5. Construct the following turn lanes at the MD 355/Park Mills Road intersection:
   a. Eastbound Park Mills to southbound MD 355 right-turn lane
b. Northbound MD 355 to westbound Park Mills left-turn lane

c. Southbound MD 355 to westbound Park Mills right-turn lane


**PHASE 4**

*617 AM Peak Hour Trips; 756 PM Peak Hour Trips*

**Maximum Cumulative Trips – 6,240 AM Peak Hour; 7,692 PM Peak Hour**

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 5,623 AM Peak Hour Trips or more than 6,936 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee (SHA Permitted) the following improvements, and all such improvements must be opened to traffic within one year of the SHA permit issuance:

1. Modify the I-270 southbound on-ramp from MD 80 to provide two (2) lanes, narrowing to one lane at its merge with the I-270 mainline, extending the I-270 acceleration lane, if required by SHA.

2. Widen MD 355 to a four (4) lane divided highway northward to a point north of the intersection of MD 355 and Park Mills Road.

3. Restripe the eastbound approach at the MD 355/Sugarloaf Parkway roundabout to provide a left turn lane and a left/through/right turn lane and construct a northbound right turn lane.

4. Modify MD 355 median at Lew Wallace Street to provide median channelization to restrict left/through movements out of Lew Wallace Street at Worthington Boulevard, or as otherwise determined by SHA.

2. **EXHIBIT C** to the Combined LOU is hereby deleted and replaced with **EXHIBIT C** attached hereto and made a part hereof.

Except as modified in this First Amendment, the terms and provisions of the Combined LOU shall remain in full force and effect.
ATTEST:

FREDERICK COUNTY PLANNING COMMISSION

By: Robert Lawrence (SEAL)
President

WITNESS:

MONOCACY LAND COMPANY, LLC, a Maryland limited liability company

By: Urbana Communities, LLC – General Manager
By: Natelli Communities Limited Partnership – Managing Member
By: Natelli Communities, Inc. – General Partner

By: J A. Natelli (SEAL)
Thomas A. Natelli – President & CEO

WITNESS:

URBANA CORPORATE CENTER, LLC, a Maryland limited liability company

By: J A. Natelli (SEAL)
Thomas A. Natelli, Managing Member

WITNESS:

URBANA INVESTMENT PROPERTIES II, LLC, a Maryland limited liability company

By: J A. Natelli (SEAL)
Thomas A. Natelli, Managing Member

WITNESS:

NATELLI HOLDINGS THREE, LLC, a Maryland limited liability company

By: J A. Natelli (SEAL)
Thomas A. Natelli, Managing Member

First Amendment to Urbana/Natelli Combined APFO LOU 12-27-13 Draft
WITNESS: 

NATELLI HOLDINGS II, LLC, a Maryland limited liability company

BY: ___________(SEAL)
Thomas A. Natelli, Managing Member
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

VILLAGES OF URBANA PLANNED UNIT DEVELOPMENT

URBANA OFFICE RESEARCH CENTER

VC LOTS

URBANA TOWN CENTER EMPLOYMENT DISTRICT MXD (NORTHERN MXD)

WORTHINGTON SQUARE

EXPLANATORY NOTES

1. The original Adequate Public Facilities Letters of Understanding ("LOUs") for the Villages of Urbana Planned Unit Development ("PUD"), which after rezonings and annexations now encompasses approximately 980 acres approved for the development of 3,013 residential units and compatible office and retail uses, were executed on September 11, 1996, by the Frederick County Planning Commission ("Commission") and two land owners - Monocacy Land Company, LLC ("Monocacy") and The Kiplinger Washington Editors, Inc. Those two LOUs were subsequently amended, then combined and revised, resulting in an Amended and Restated LOU dated February 9, 2004; a First Amendment to Amended and Restated LOU dated July 2, 2008; and a Second Amendment to Amended and Restated LOU dated November 16, 2011 (collectively referred to as "PUD LOU").

2. The original LOU for the Urbana Office Research Center ("ORC"), an approximately 354 acre office and retail project then zoned Office/Research Industrial ("ORI") and Village Center ("VC"), was executed on September 11, 1996, by the Commission and The Kiplinger Washington Editors, Inc. and Fairview Properties, Inc., predecessors in title to Urbana Corporate Center LLC ("UCC"), the current owner of the ORC. Monocacy is also the developer of the ORC. The 1996 ORC LOU was subsequently revised and replaced by an LOU dated January 27, 2000; a Second Amended LOU dated March 30, 2001; a First Amendment to Second Amended LOU dated July 8, 2003; and a Second Amendment to Second Amended LOU dated July 2, 2008, (collectively referred to as "ORC LOU"). A portion of the ORC was rezoned from ORI to Mixed Use Development ("MXD") in 1998.

3. Urbana Investment Properties II, LLC is the owner, and Monocacy is the developer, of the Urbana Town Center Employment District MXD, an approximately 182 acre mixed-use project containing employment, residential, and retail uses that adjoins the PUD to the north ("Northern MXD").

4. Natelli Holdings Three, LLC is the owner, and Monocacy is the developer, of two parcels of land near the southern boundary of the PUD and the northern boundary of the ORC, formerly known as the Geisbert property, containing a total of approximately 3.29 acres of land and zoned Mixed Use ("MX"). Other parcels owned by Monocacy and UCC, zoned VC, are contiguous to these MX parcels, and Monocacy intends to concurrently develop the MX-zoned and VC-zoned parcels (collectively described as "Worthington Square"). The Commission has approved a
Concept Plan for development of Worthington Square as a residential townhouse project with a small amount of retail area.

5. Monocacy is the owner and developer of six (6) lots zoned VC at the eastern intersection of Urbana Pike and Sugarloaf Parkway that have received Concept Plan approval from the Commission and that will be developed as part of Section M-1F of the PUD ("Eastern VC Lots").

6. Natelli Holdings II, LLC is the owner of one (1) lot zoned VC and Monocacy is the owner of five (5) lots zoned VC at the western intersection of Urbana Pike and Sugarloaf Parkway. Monocacy is the developer of all six (6) of these lots, and these six (6) lots have received Combined Preliminary Plan/Site Plan approval from the Commission and are subject to an Adequate Public Facilities Letter of Understanding between Monocacy and the Commission dated June 13, 2012 ("Western VC Lots LOU"). These six (6) lots will be developed as part of Sections M-1F/M-1A of the PUD ("Western VC Lots").

7. Monocacy, UCC, Urbana Investment Properties II, LLC, Natelli Holdings II, LLC and Natelli Holdings Three, LLC, are collectively referred to herein as "Owners" of the Urbana Projects, as defined below, and individually referred to as an "Owner".

8. Many of the improvements required to be completed pursuant to both the PUD LOU and the ORC LOU were substantially identical since such improvements were necessary to serve both the PUD and the ORC, and certain of these improvements have been completed to date.

9. Recordation of subdivision plats for the PUD has caused the APFO schools approval to be satisfied in full for 2,769 non-age restricted residential units in the PUD; the remaining 152 non-age restricted units (including the Western VC Lots and the Eastern VC Lots) and 92 age-restricted units will have a valid APFO approval as described in the tables which follow and in Section V below.

10. Monocacy has performed, or has requested, APFO analysis of the roads, water, sewer and school facilities required to serve the Northern MXD and Worthington Square, and has proffered to either construct improvements or contribute escrow funds for the construction of certain roads, water and sewer improvements required to mitigate inadequacies in the facilities that will serve the Northern MXD and Worthington Square. Monocacy elects to pay the School Construction Fee, to the extent necessary, in accordance with Section 1-20-62 of the APFO as a means of mitigating inadequacies in the schools that will serve the residential components of the Northern MXD and Worthington Square.

11. Certain elements of the road, water and sewer improvements required to serve the Northern MXD and Worthington Square are the same as those described in the PUD LOU and the ORC LOU.

12. The Traffic Impact Analysis prepared by Wells + Associates, Inc. for the Northern MXD dated February 13, 2013 ("TIA"), incorporates APFO traffic analysis assuming full phased build-out of the PUD, the ORC, the Eastern VC Lots, the Western VC Lots and Worthington Square as
background (together with other “pipeline projects” within the scope of the TIA). The TIA
includes and contemplates construction of the remaining road improvements required by the
PUD LOU and the ORC LOU, which improvements are also needed and utilized by proposed
development of the Northern MXD and Worthington Square (collectively, hereafter, PUD, ORC,
Northern MXD, Worthington Square, the Western VC Lots and the Eastern VC Lots are referred
to as the “Urbana Projects”, and individually as a “Project”).

13. Timing of construction of the road improvements that are required for the Urbana Projects
will depend upon the number of overall morning (AM) and evening (PM) peak hour vehicle
trips’ associated with approved uses in the Urbana Projects and the timing of development of
these uses in response to market demand and other factors. Monocacy desires the ability to
consolidate the Urbana Projects under a single LOU that would allow Monocacy, without the
need for further review or approvals, to time the construction of road improvements with the
collective development of uses in the Urbana Projects, in no prescribed order or schedule, based
on the number of overall AM and PM peak hour vehicle trips to be generated by each
platted/developed use, provided that the maximum number of allowable overall AM and PM
peak hour vehicle trips in each Phase of the road construction program described in this Letter is
not exceeded by the combined development in the Urbana Projects prior to completion of road
improvements required in subsequent Phases.

LETTER OF UNDERSTANDING

I. INTRODUCTION

The following Combined Adequate Public Facilities Letter of Understanding for the Urbana
Projects (“Combined LOU”) between the Board of County Commissioners of Frederick County,
Maryland (“BOCC”) and the Owners of the Urbana Projects, Monocacy, or their individual or
collective assigns, sets forth the conditions and terms which the BOCC deems to be the
minimum necessary improvements related to roads, water, sewer and schools that must be in
place for the development of the Urbana Projects, all to be developed in compliance with
Chapter 1-20 of the Frederick County Code (“APFO”); and in compliance with the PUD Phase II
Plan for the PUD approved by the Commission on November 17,1993, last revised on September
21, 2011; the MXD Phase I Plan for the MXD portion of the ORC approved by the BOCC on
August 4, 1998, last revised on December 6, 2012, the Preliminary Plan for the ORC, approved
by the Commission on January 12, 2000, last revised on March 1, 2011; the MXD Phase I Plan
for the Northern MXD approved by the BOCC on October 5, 2006, last revised on December 6,
2012, the Concept Plan for Worthington Square, approved by the Commission on January 9,
2013, the Combined Preliminary Plan/Site Plan for the Western VC Lots, approved by the
Commission on June 13, 2012 and the Concept Plan for the Eastern VC Lots, approved by the
Commission on April 10, 2013.

Concurrent with the processing of this Combined LOU, Monocacy is seeking approval from the
BOCC of a Development Rights and Responsibilities Agreement (“DRRA”) under Section 1-25
of the County Code with concurrent APFO approval pursuant to Ordinance No. 12-04-599. As

1 AM and PM peak hour refers to the “weekday peak hour of adjacent street traffic” as defined by the Institute of
Transportation Engineers (ITE).
established by the DRRA, the Combined LOU for the Urbana Projects will meet the APFO requirements for development of the Urbana Projects. Monocacy and the Owners hereby agree and understand that compliance with the terms and conditions of this Combined LOU is required for the development of the Urbana Projects to proceed. While this Combined LOU is subject to approval by the BOCC through the process of, and concurrent with, the DRRA, it is expressly agreed that the Combined LOU is a document which is separate and apart from the DRRA and that the Combined LOU may be amended by written amendment approved by the Commission, with no requirement to amend the DRRA.

II. PROPERTY SUBJECT TO THE COMBINED LOU

This Letter addresses the following properties that constitute the Urbana Projects: 1) the remaining undeveloped portions of the PUD (zoned PUD); 2) the remaining undeveloped portions of the ORC, (zoned ORI, MXD and VC), including a 1.51 acre parcel of land contiguous to the ORC on Urbana Pike which was recently acquired by UCC from AT&T; 3) the Northern MXD (zoned MXD); 4) Worthington Square (zoned MX and VC); 5) the Western VC Lots and 6) the Eastern VC Lots. This APFO approval will be effective for a period of eighteen (18) years from the date hereof, permitting development of the combined uses shown on: 1) the revised PUD Phase II Plan for the PUD; 2) the revised Preliminary Plan for the ORC; 3) the revised MXD Phase I – Justification Plan for the Northern MXD; 4) the Concept Plan for Worthington Square; 5) the Combined Preliminary Plan/Site Plan for the Western VC Lots and 6) the Concept Plan for the Eastern VC Lots. The land constituting the Urbana Projects is shown on EXHIBIT A, attached hereto and made a part hereof.

A. USES AND CAPACITY IN THE PROJECTS

The uses in the Urbana Projects that are (1) constructed within the APFO approval period; or (2) for which subdivision plats have been recorded within the APFO approval period; or (3) or for which roads, water and sewer improvements have been installed and for which APFO school requirements have been satisfied within the APFO approval period; are thereby vested for the capacity created by completion of the required improvements or payment of the required amounts for escrows or fees, and not subject to any further APFO testing unless there is (1) an increase in the density or intensity of any Project, or (2) for roads, an increase in site trips or a significant redistribution of site traffic because of a change in land use or increase in site density as defined in the Frederick County Guidelines for the Preparation of Traffic Impact Analyses for Development Applications (“TIA Guidelines”) (see also subsection II.C. below). These uses are described in the following tables. The following tables also present the quantity of development units which have fully satisfied APFO requirements through mitigation measures as described above, undertaken at the appropriate time in the execution of the development or which require future APFO testing in order to satisfy the requirements of the APFO.
| TABLE 1 - Status of Satisfying Requirements of APFO-Schools Ordinance - URBANA PROJECTS |
|-------------------------------------------------|-----------------|----------------|----------------|
| Portion of the URBANA PROJECTS                  | Passed APFO for Schools Recorded Lots | May be Recorded After Meeting Mitigation Requirements | Age Restricted Units Subject to APFO Test If Converted to Non-Age Restricted |
| PUD & VC Lots                                   | 2,769           | 152            | 92             | 3,013 |
| Worthington Square                              | 0              | 72             | 0              | 72 |
| Northern MIX                                    | 0              | 610            | 0              | 610 |
| Total                                          | 2,769          | 834            | 92             | 3,695 |

NOTES TO TABLE:

[1] - Mitigation to satisfy the APFO for Schools is required in connection with the recording of the 152 dwelling units remaining to be recorded/re-recorded in the PUD as specified in Section V of this Combined APFO Letter of Understanding. Mitigation accomplished through the payment of School Construction Fees is paid concurrent with plat recording.

[2] - The Concept Plan that has been approved by the Commission for Worthington Square comprises 72 Townhouse Lots; it is likely that the ultimate combined preliminary plat/site plan will contain fewer lots - regardless of the final count of Townhouse Lots in Worthington Square, all of the Lots require mitigation to satisfy the APFO for Schools concurrent with plat recording.

| TABLE 2 - Status of Satisfying Requirements of APFO-Water & Sewer Ordinance - URBANA PROJECTS |
|-------------------------------------------------|-----------------|----------------|----------------|
| Portion of the URBANA PROJECTS                  | Passed APFO for W&S Recorded Lots / SF | May be Recorded After Extending Existing Service Lines - Approval of Improvement Plans (Lots/SF) | Require Final Approval for Infrastructure Water & Sewer Lines & Facilities |
| PUD & VC Lots - Residential Units               | 2,769           | 152            | 92             | 3,013 |
| PUD - Non-Residential SF                         | 194,968         | 166,592        | 0              | 365,650 |
| Worthington Square - Residential Units           | 0              | 72             | 0              | 72 |
| Worthington Square - Non-Residential SF          | 0              | 5,000          | 0              | 5,000 |
|IRC - Non-Residential SF                          | 374,950         | 1,265,452      | 1,640,402      |
|IRC - Hotel Rooms (Approx 93,000 SF)             | 0              | 150            | 150            |
|Northern MIX - Residential Units                  | 0              | 610            | 610            |
|Northern MIX - Non-Residential SF                  | 0              | 2,000,000      | 2,000,000      |
|TOTAL RESIDENTIAL DWELLING UNITS                  | 2,769          | 976            | 3,695          |
|TOTAL NON-RESIDENTIAL SF                          | 509,888         | 3,431,954      | 4,001,852      |
|TOTAL HOTEL ROOMS                                 | 0              | 150            | 150            |

NOTES TO TABLE:

[1] - The 92 Age Restricted Units in the PUD and a portion of the Northern MIX require an outfall solution for wastewater; either by construction of a wastewater pumping station or by construction of a gravity outfall from Urbana to the Bush Creek Main Sewer Outfall. The final configuration is subject to the review and approval of the Frederick County Division of Utilities and Solid Waste Management.

[2] - Frederick County Division of Utilities & Solid Waste Management is evaluating the timing and required capacity for a second elevated water storage facility to serve the Urbana Projects and other development in the Urbana Vicinity and will make a final determination during the process of site plan reviews and plat recordings in the noted sections of the Urbana Projects.
B. REVISION OF SQUARE FOOTAGE MIX AND TRANSFER OF RESIDENTIAL UNITS

Monocacy may, from time to time, request revisions to the square footage mix of the specific commercial and employment uses outlined in the tables above (note: the term “square footage mix” shall include hotel rooms) including transfer of square footage from one component of the Urbana Projects to another. Monocacy may also request the transfer of residential units between and among the Urbana Projects, provided that such transfers comply with all requirements and conditions of zoning for each of the affected Projects. No transfer request shall be approved unless the following minimum requirements are met: a) Monocacy’s civil engineer demonstrates to the satisfaction of the Frederick County Division of Utilities and Solid Waste Management ("DUSWM") that the proposed transfer will remain adequately served by water and sewer infrastructure; b) Monocacy’s traffic engineer submits a Traffic Memorandum certifying that the trip generation levels resulting from such revised square footage mix of uses, including transportation capacity used to date, will not exceed the cumulative maximum overall AM and PM peak hour vehicle trip generation levels approved under this Combined LOU for the applicable phase of road improvements or in the aggregate at build-out; c) Frederick County Public Schools ("FCPS") determines that the school attendance area is the same for both the transferring and receiving areas and that development on the receiving parcel will generate the
same or fewer students than would development of the transferring parcel; d) Monocacy agrees
to pay any adjusted School Construction Fee amounts resulting from a change in unit types; e)
any transfer is subject to final preliminary subdivision/site plan approval of all proposed uses;
and f) an Amendment to this Combined LOU shall be executed by Monocacy and the Frederick
County Planning Commission.

III. ROADS

A. ROAD IMPROVEMENTS

The road improvements program described in the following paragraphs is based on
the TIA analysis, and these improvements, together with the credited capacity created by road
improvements previously constructed by Monocacy, will provide capacity for 6,240 AM peak
hour vehicle trips and 7,692 PM peak hour trips. Monocacy will construct the road
improvements in four (4) phases, with each phase of road improvements allowing an incremental
increase in development of uses in the Urbana Projects. A trip generation equivalency was
established for the Urbana Projects that would allow development to occur anywhere within the
Urbana Projects for each road improvement phase based on the cumulative total trips shown on
EXHIBIT B, attached hereto and made a part hereof. The anticipated densities of development
in the Urbana Projects, by phase of road improvements and cumulatively, are shown on
EXHIBIT B; however, Monocacy acknowledges that the non-residential square footage
amounts and dwelling unit counts shown in each Phase are estimates only, and the amount of
trips used for approved/recorded/constructed uses will determine the remaining available
capacity in any given Phase. The corresponding road capacity created by the completion of the
improvements described in the following paragraphs to support development occurring in the
Urbana Projects is also shown, by Phase and cumulatively, on EXHIBIT B.

To the extent the quantities of development or the types of development in each phase, or
in the aggregate, vary from that shown in the table above, Monocacy’s traffic engineer will
update the “in phase” and “cumulative” number of AM and PM Peak Hour trips generated by the
revised development mix to demonstrate that the total capacities created by each phase of road
improvements constructed have not been exceeded by the total number of AM and PM Peak
Hour trips generated by the revised development timing/mix.

The road improvements required for the Urbana Projects are listed in Phases 1 through 4
below and are shown on EXHIBIT C attached hereto and made a part hereof. Monocacy shall
construct or cause to be constructed each improvement listed below, or, if an improvement is
built sooner by others, pay a fair share contribution to the escrow account established by
Frederick County for such improvement.

PHASE 0 – VESTED TRIP CAPACITY
3,722 AM Peak Hour Trips; 5,019 PM Peak Hour Trips

Unless otherwise specified, plats may be recorded, and building/occupancy permits may be
issued (provided all other required approvals have been obtained including, but not limited to,
approvals for other aspects of the APFO) in the Urbana Projects for the development uses shown
in **EXHIBIT B** under the column entitled “Phase 0 – Existing + Vested”, or for any combination of permitted uses requiring total AM Peak Hour Trips and PM Peak Hour Trips that do not exceed the trip capacity thresholds indicated, prior to the construction of any additional road improvements.

**PHASE 1**

**546 AM Peak Hour Trips; 593 PM Peak Hour Trips**

**Maximum Cumulative Trips – 4,268 AM Peak Hour; 5,612 PM Peak Hour**

**PHASE 1-A.** Prior to the issuance of building permits for any uses in the **Northern MXD** (except the proposed outlet located therein for the elementary school site), Monocacy shall guarantee the following improvements, with no certificate of occupancy issued (except for model homes) until such improvements are open to traffic:

1. Construct the southern site driveway along MD 355 (Worthington Boulevard) and provide appropriate turn lanes in accordance with Maryland State Highway Administration (“SHA”) standards.

2. Eliminate the portion of existing Urbana Pike (old MD 355) just north of Lew Wallace Street. Re-construct the northern tie-in of MD 355 Relocated (Worthington Boulevard) with the existing alignment of MD 355 to the north, as shown on **EXHIBIT C**.

**PHASE 1-B.** Prior to the issuance of building permits for **more than 150 residential units in the Northern MXD** (except the outlet for the elementary school site), Monocacy shall guarantee the following improvements, with no certificate of occupancy issued for more than 150 residential units (except for model homes) until such improvements are open to traffic:

1. Extend the four-lane divided section of MD 355 (Worthington Boulevard) through the residential (middle) site driveway serving the Northern MXD.

2. Construct the Northern MXD middle site driveway along MD 355 (Worthington Boulevard) and provide appropriate turn lanes in accordance with SHA standards. Note, this is a site access improvement, and not an APFO required improvement.

**PHASE 1-C.** Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 3,722 AM Peak Hour Trips or more than 5,019 PM Peak Hour Trips, (except for the proposed outlet for the elementary school located in the Northern MXD), Monocacy shall guarantee the following improvements, and all such improvements must be open to traffic prior to the issuance of occupancy permits for such attendant development uses:

1. Construct an improvement to the MD 80 roundabout at the southbound I-270 ramp by providing an additional northbound right turn approach lane at the terminus of the I-270 southbound ramp.
2. Restripe the eastbound right turn lane at the MD 80/Campus Drive to provide an eastbound through lane and right turn lane. Construct the receiving lane taper as an auxiliary lane which becomes the right turn lane into Pontius Court (Existing Escrow Account #3249).

3. Restripe the northbound approach at the MD 80/Urbana Pike intersection to provide a left turn lane and a left/through/right lane, and re-time the traffic signal to provide split phasing, or provide a comparable improvement as otherwise determined by the County and SHA.

PHASE 2

5:12 AM Peak Hour Trips: 288 PM Peak Hour Trip
Maximum Cumulative Trips -- 4,780 AM Peak Hour; 5,900 PM Peak Hour

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 4,268 AM Peak Hour Trips or more than 5,612 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee the following improvements, and all such improvements must be opened to traffic prior to the issuance of occupancy permits for such attendant development uses:

1. Widen MD 80 to provide a second eastbound receiving lane beginning west of Pontius Court to a point determined by SHA, and, if required by SHA, a replacement eastbound right turn lane.

2. Restripe the westbound right turn lane at the MD 80/Carriage Hill Drive intersection to provide a through/right turn lane and, if required by SHA, a replacement westbound right turn lane.

3. Restripe/reconstruct the I-270 northbound ramp at MD 80 to provide an additional westbound through lane.

4. Construct additional lanes at MD 80/Bennett Creek Avenue, to provide the following:
   a. Additional eastbound through lane
   b. Eastbound right turn lane
   c. Additional westbound through lane
   d. Northbound triple left lanes

5. Construct an additional eastbound approach lane to the MD 80/Sugarloaf Parkway/Urbana Parkway roundabout.
PHASE 3
843 AM Peak Hour Trips; 1,036 PM Peak Hour Trips
Maximum Cumulative Trips – 5,623 AM Peak Hour; 6,936 PM Peak Hour

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 4,780 AM Peak Hour Trips or more than 5,900 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee the following improvements, and all such improvements must be opened to traffic prior to the issuance of occupancy permits for such attendant development uses:

1. Extend the four lane divided section of MD 355 through the northern site driveway of the Northern MXD; construct the northern site driveway along MD 355, provide appropriate turn lanes, including a northbound double left turn lane, and signalize if and when warranted. Note, this is a site access improvement, and not an APFO required improvement.

2. Construct an additional eastbound through lane at the MD 80/Carriage Hill Drive intersection and provide an adequate receiving lane as determined by SHA.

3. Restripe the westbound right turn lane at the MD 80/Royal Crest Circle intersection to provide a through/right turn lane, extending the receiving lane as required by SHA.

4. Construct an additional westbound approach lane to the MD 80/Sugarloaf Parkway/Urbana Parkway roundabout.

5. Construct the following turn lanes at the MD 355/Park Mills Road intersection:
   a. Eastbound Park Mills to southbound MD 355 right-turn lane
   b. Northbound MD 355 to westbound Park Mills left-turn lane
   c. Southbound MD 355 to westbound Park Mills right-turn lane


PHASE 4
617 AM Peak Hour Trips; 756 PM Peak Hour Trips
Maximum Cumulative Trips – 6,240 AM Peak Hour; 7,692 PM Peak Hour

Prior to the issuance of building permits in the Urbana Projects for development uses requiring more than 5,623 AM Peak Hour Trips or more than 6,936 PM Peak Hour Trips, (except for the proposed outlot for the elementary school located in the Northern MXD), Monocacy shall guarantee the following improvements, and all such improvements must be opened to traffic prior to the issuance of occupancy permits for such attendant development uses:

1. Modify the I-270 southbound on-ramp from MD 80 to provide two (2) lanes, narrowing to one lane at its merge with the I-270 mainline, extending the I-270 acceleration lane, if required by SHA.
2. Widen MD 355 to a four (4) lane divided highway northward to a point north of the intersection of MD 355 and Park Mills Road.

3. Restripe the eastbound approach at the MD 355/Sugarloaf Parkway roundabout to provide a left turn lane and a left/through/right turn lane and construct a northbound right turn lane.

4. Modify MD 355 median at Lew Wallace Street to provide median channelization to restrict left/through movements out of Lew Wallace Street at Worthington Boulevard, or as otherwise determined by SHA.

**TRAFFIC SIGNALS**

Monocacy shall signalize the following off-site intersections if and when warranted:

- a. MD 80/Bennett Creek Avenue
- b. MD 80/Carriage Hill Drive
- c. MD 80/Royal Crest Drive
- d. MD 355/Campus Drive
- e. MD 355/Dr. Perry Road/Big Woods Road
- f. MD 355/Park Mills Road
- g. MD 355/Northern MXD site access across entrance to Urbana District Park

Monocacy shall perform one signal warrant analysis for each of the above intersections when deemed necessary by the SHA/County, but no later than the issuance of the last building permit in the Urbana Projects, to determine if signalization is warranted, justified and deemed necessary. Monocacy shall install a traffic signal at any of the above intersections within 12 months of a determination that a signal is warranted. In the case of signals a. through g. above, should the signal still not be warranted and justified by the time of issuance of the last building permit for the Urbana Projects, then others shall thereafter be fully responsible for construction and implementation of any such traffic signal. For site access signalization along MD 355 (signal g. above) that is forecasted to meet signal warrants under full build out, Monocacy shall provide surety for the County portion of signal costs prior to the issuance of a building permit in the section gaining access, which would be returned upon installation of the signal at any time in the future.

**B. ROAD ESCROW ACCOUNTS**

1. **Existing County Escrow Accounts**

In satisfaction of APFO requirements to fully mitigate site-generated trips (and in addition to the road improvements described in III.A. above), Monocacy shall pay into existing County-held escrow accounts the following pro rata contributions:
a. **Worthington Boulevard Relocated, south of MD 80.** Monocacy shall contribute the appropriate pro-rata share (approximately 29.2% of $3,024,791) to Existing Escrow Account No. 3232 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s total pro-rata contribution to this road improvement is $883,139. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Worthington Square</th>
<th>$24,419</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western VC Lots</td>
<td>$5,446</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$107,513</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$745,761</td>
</tr>
<tr>
<td>TOTAL ESCRROW PAYMENTS</td>
<td>$883,139</td>
</tr>
</tbody>
</table>

Concurrent with Recordation of the first Subdivision Plat for:  

**Escrow Payment to Be Made**

b. **MD 80/Tianansville Road.** Monocacy shall contribute the appropriate pro-rata share (approximately 16.5% of $50,000) to Existing Escrow Account No. 3383 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $8,229. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Worthington Square</th>
<th>$279</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$1,002</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$6,948</td>
</tr>
<tr>
<td>TOTAL ESCRROW PAYMENTS</td>
<td>$8,229</td>
</tr>
</tbody>
</table>

Concurrent with Recordation of the first Subdivision Plat for:  

**Escrow Payment to Be Made**

c. **MD 355/Campus Drive.** Monocacy shall contribute the appropriate pro-rata share (approximately 16.3% of $362,322) to Existing Escrow Account No. 3248 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $59,150. The Escrow Payments shall be made at the following times:
d. **MD 80/Campus Way.** Monocacy shall contribute the appropriate pro-rata share (approximately 2.53% of $106,565) to Existing Escrow Account No. 3249 for improvement of this intersection at a later date. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $2,696. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Escrow Payment to Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$1,864</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$4,025</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$6,711</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$46,550</td>
</tr>
<tr>
<td>TOTAL ESCROW PAYMENTS</td>
<td>$59,150</td>
</tr>
</tbody>
</table>

e. **MD 80/Bennett Creek Avenue.** Monocacy shall contribute the appropriate pro-rata share (approximately 2.93% of $46,000) to Existing Escrow Account No. 3250 for improvement of this intersection at a later date. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $1,348. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Escrow Payment to Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$0</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$2,696</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$0</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$0</td>
</tr>
<tr>
<td>TOTAL ESCROW PAYMENTS</td>
<td>$2,696</td>
</tr>
</tbody>
</table>

f. **MD 355/MD Route 75 signal.** Monocacy shall contribute the appropriate pro-rata share (approximately 18.9% of $200,000) to Existing Escrow Account No. 3847 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $37,973. The
Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Escrow Payment to Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$1,773</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$4,561</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$31,639</td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$37,973</strong></td>
</tr>
</tbody>
</table>

**g. MD 355/Firetower Road.** Monocacy shall contribute the appropriate pro-rata share (approximately 24.3% of $401,969) to Existing Escrow Account No. 3288 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $97,769. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Escrow Payment to Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$3,306</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$11,902</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$82,561</td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$97,769</strong></td>
</tr>
</tbody>
</table>

**h. MD 75/MD 80.** Monocacy shall contribute the appropriate pro-rata share (approximately 22.6% of $582,200) to Existing Escrow Account No. 3854 for improvement of this intersection by others. As determined by the County Traffic Engineer, Monocacy’s pro-rata contribution to this road improvement is $131,964. The Escrow Payments shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Escrow Payment to Be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$4,462</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$0</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$16,065</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$111,437</td>
</tr>
<tr>
<td><strong>TOTAL ESCROW PAYMENTS</strong></td>
<td><strong>$131,964</strong></td>
</tr>
</tbody>
</table>

The sum of Monocacy’s contributions to existing County-held escrow accounts is $1,045,063 ("Escrow Payment"). In summary, the Escrow Payments for the eight (8)
above defined road improvements shall be made at the following times:

<table>
<thead>
<tr>
<th>Concurrent with Recordation of the first Subdivision Plat for:</th>
<th>Grand Total Escrow Payments to be Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worthington Square</td>
<td>$36,103</td>
</tr>
<tr>
<td>Western VC Lots</td>
<td>$13,515</td>
</tr>
<tr>
<td>Northern MXD Residential</td>
<td>$147,754</td>
</tr>
<tr>
<td>Northern MXD Non-Residential</td>
<td>$1,024,896</td>
</tr>
<tr>
<td>TOTAL ESCRROW PAYMENTS</td>
<td>$1,222,268</td>
</tr>
</tbody>
</table>

C. ROADS - GENERAL CONDITIONS

1. Transportation Demand Management Program

A. In an effort to decrease reliance on the personal automobile and encourage the use of transit, ridesharing, bicycling, and walking, Monocacy will work with the County Traffic Engineer and other designated agencies, such as TransIT and RideOn, to develop and implement a Transportation Demand Management ("TDM") program for the Northern MXD that will identify strategies that result in more efficient use of transportation resources. Possible initial strategies and components of the TDM program are more fully described in the TIA. TDM strategies can change travel timing, route, destination or mode. These strategies will be reviewed by the County Traffic Engineer and shall be tailored to each building in the Northern MXD and may be shared or combined among and between buildings to coincide with Project phasing.

B. Monocacy will fund the TDM Program, beginning with issuance of the first building permit for the non-residential uses within the Northern MXD. A monetary contribution of $0.25 per building square foot will be paid at the time of building permit issuance for the first 850,000 square feet of commercial and office uses in the Northern MXD. A monetary contribution of $0.75 per building square foot will be paid at the time of building permit issuance for non-residential uses in the Northern MXD beyond the first 850,000 square feet. All funds paid under this provision shall be deposited by the County into an interest-bearing escrow account specifically designated to fund and implement the TDM strategies for the benefit of the Northern MXD or the Urbana Projects and shall not be used for any other purpose. Determination of appropriate TDM strategies and programs and the timing of the actual program implementation and use of the TDM funds will be at the discretion of Monocacy and in coordination with Frederick County. Development of the TDM program will consider factors including, but not limited to, development density, local conditions, mix of uses, and amount of funding available.

C. When more than 850,000 building square feet of non-residential uses in the Northern MXD are occupied, a monitoring component of the plan will be
triggered to determine the level of success of the TDM program ("Monitoring Study"). A target goal for non-automobile mode share of site trips is ten percent (10%) under these and all future conditions. The Monitoring Study will be prepared bi-annually (every two years) following the start date and will include, but not be limited to, vehicular traffic counts at the site driveways on a typical weekday during the AM and PM peak hours and employee surveys.

D. The results of the Monitoring Study will be compared to the trip generation rates contained in the TIA to determine if the target goal of a 10% trip reduction for the Northern MXD is met. In the event the traffic counts and surveys reveal that the 10% peak hour trip reduction has been met for two (2) consecutive monitoring periods, no additional Monitoring Studies will be required. Monocacy shall continue to fund and implement the TDM strategies in place as described in B above, through build-out of the non-residential uses in the Northern MXD. If the traffic counts and surveys reveal that the 10% peak hour trip reduction has not been met, then Monocacy shall design and implement a strategy intended to bring baseline peak hour trip reductions to the target percentage using the established TDM fund as identified in B above. Monocacy shall submit any revisions to the TDM program to the County Traffic Engineer for review and approval within a time period acceptable to the County. The Monitoring Study requirement will terminate when full buildout of the non-residential uses in the Northern MXD are achieved as demonstrated to the satisfaction of Frederick County through full utilization of the available land area or trip capacity, which may be less overall development density than is contemplated in the TIA.

2. Timing and Sequence of Development and Transfer of Trips Between Projects

The road improvements contemplated under this Combined LOU are to be undertaken jointly by the Owners of the Urbana Projects. These improvements are based upon the TIA, which included a) trips generated by background and "pipeline" development and b) utilized updated traffic counts, the remaining approved but development under the PUD Phase II Plan, the remaining approved development contemplated in the ORC Preliminary Subdivision Plan, and the trips generated by the proposed development schedule under the Northern MXD Phase I Justification Plan, the Worthington Square Concept Plan, the Western VC Lots Combined Preliminary Plan/Site Plan and the Eastern VC Lots Concept Plan.

It is understood that each Phase of road improvements required is based only upon the total cumulative trips that need to be accommodated as a result of development across all of the Urbana Projects, and not on trips generated by each individual Project. It is also understood that the timeline for development activity in individual Urbana Projects will vary from the phasing assumptions reflected in this Combined LOU and in the TIA, and that the order of development of uses within and among the individual Urbana Projects may change from time to time to accommodate market demand by potential users. Therefore, new road segments will be required to be built only when the total of cumulative trips available, or trip equivalent, for each Phase in the existing roadways has been exhausted, regardless of which of the Urbana Project(s) utilizes
the trips. There shall be no particular order in which the Urbana Projects shall be required to be developed, provided that new road improvements are constructed when required based on the total number of AM and PM Peak Hour Trips for the Urbana Projects as identified in Phases 1 through 4 on EXHIBIT B. It is further understood that within each Phase of road improvements, the Owners of the Urbana Projects, upon agreement reached between/among themselves, may elect to transfer, sell or assign equivalent vehicle trips to each other for the parcels that comprise the Urbana Projects; provided, however, that an increase in site trips or a significant redistribution of site traffic because of a change in land use or increase in site density, as defined in the TIA Guidelines, will require additional APFO testing.

3. Surplus Capacity Reimbursement Improvements

The parties agree that the following road improvements have been determined to be “Surplus Capacity Reimbursement improvements” (“SRC Improvements”) as that term is defined in the TIA Guidelines:

A. MD 80/I-270 (additional westbound through lane and new I-270 northbound off-ramp)

B. MD 80/Sugarloaf Parkway (additional eastbound lane)

C. Singleton Drive/MD 80 (additional eastbound lane)

D. Carriage Hill/MD 80 (additional westbound lane)

E. Royal Crest/MD 80 (additional westbound lane)

F. MD 355/Park Mills Road (additional lanes)

G. MD 355 widening north of Lew Wallace through Park Mills Road (additional through lanes) – estimated additional costs above and beyond traditional SHA required site access costs

H. I-270 southbound ramp/MD 80 (northbound right turn lane)

I. I-270 southbound on-ramp from MD 80 (additional lane)

J. MD 80/Sugarloaf Parkway roundabout (westbound approach lane).

K. MD 355/Sugarloaf Parkway roundabout (left turn lane and left/through/right turn lane and northbound right turn lane).

In the event that other approved development projects add “trips” to any of the offsite road improvements listed above and thus are required to pay their pro rata share of the construction cost of said roads into escrow, Monocacy shall be entitled to reimbursement of the cost of the SRC Improvements from available non-exempt developers of projects.
identified by the County Traffic Engineer, up to but not beyond their own fair share of the improvement, whether or not the SRC Improvements are located inside or outside of the contributing project’s study area. Reimbursement may be accomplished either through reimbursement of actual construction costs incurred by Monocacy if Monocacy constructs said roads or through the reimbursement of the full fee-in-lieu escrow funds paid by Monocacy as provided above, in accordance with the requirements of Chapter 12 of the TIA Guidelines. If any of the off-site road improvements listed above as a construction obligation of Monocacy are constructed or funded by others, then Monocacy shall pay its fair share of the construction costs for each such road improvement constructed or funded by others into an escrow account based on the impact of trips generated by the Urbana Projects on such road improvement. Prior to approvals being issued by the County to other developer(s) to construct any or all of the above-described road improvements 3.A. through 3.K., Monocacy will be given reasonable advanced notice by the County Traffic Engineer and will be given the opportunity to review and comment on the County Traffic Engineer’s calculation of the “fair share” of the cost of such improvements attributable to the Urbana Projects relative to other developer(s).

4. Right-of-Way Acquisition

A. In the event that some of the public infrastructure improvements at the “collector road” level, or at a higher “highway facility level” required by this Combined LOU to be constructed by Monocacy, require the acquisition of public right-of-way from third-party property owners, Monocacy shall exercise commercially reasonable efforts to secure such right-of-way without the assistance of the County.

B. In the event that Monocacy has demonstrated to the County that it is unable to secure any or all of such public right-of-way despite its commercially reasonable efforts to do so in a timely manner consistent with the construction of public infrastructure improvements, Monocacy may request the County to assist in the acquisition of the needed right-of-way at Monocacy’s sole cost and expense. If the County approves Monocacy’s request, then the County shall have two years to acquire the needed right-of-way.

C. Should the County decide not to acquire the right-of-way, or if the two year period in paragraph B. above has elapsed, then Monocacy shall be permitted to make a contribution to the County, equal to the total anticipated improvement construction cost, which shall include, but not be limited to, costs for design, engineering, right-of-way acquisition, management, construction, inspection, etc. in lieu of constructing the public infrastructure improvement(s).

5. Improvements Requiring SHA or FHWA Approvals

Monocacy’s obligation to construct those road improvements described above that require either state or federal approval is subject to the following terms and conditions:

Monocacy and the County acknowledge that these improvements (the “SHA improvements”) will be reviewed and approved by the Maryland State Highway Administration (“SHA”) and
possibly by the Federal Highway Administration ("FHWA"), and that such review and approval processes can be lengthy and are not within the control of the County or Monocacy. Accordingly, Monocacy agrees that it will diligently pursue the design and approval of the SHA improvements in an effort to expedite construction of the SHA improvements as soon as is practicable. To that end, Monocacy agrees that it shall promptly, upon execution of this Letter of Understanding or at such time as is agreed upon by the County Traffic Engineer and Monocacy, retain a qualified engineering firm to undertake the planning and design of the SHA improvements, in accordance with SHA and any other applicable governmental specifications, and shall submit initial design plans for the improvements to SHA for its review and approval. Monocacy shall not be required to design and submit all of the SHA improvements at the same time, but rather in accordance with the phasing schedule above. However, Monocacy shall prepare and process the plans for the roundabout improvement described in Road Improvements Phase I-C, item number 1 above as soon as is practicable. Thereafter, Monocacy shall promptly address all SHA, FHWA and other agency comments and resubmit responsive design plans and other requested information to SHA, FHWA or such other approving agency. Following approval of the design plans for the roundabout improvement, Monocacy agrees to promptly apply for an access permit from SHA and to enter into a construction contract with a qualified contractor for construction of the roundabout improvement. The BOCC agrees that so long as Monocacy diligently pursues all approvals of SHA Improvements, including the above-defined roundabout improvement, that may be required by SHA, FHWA or any other governmental agency in the manner described above, Monocacy shall be permitted to proceed with development of the Urbana Projects notwithstanding the fact that any of the required SHA Improvements in a particular Road Improvement Phase, including the above-defined roundabout improvement, is not completed in accordance with the phasing schedule. Monocacy agrees that in the event SHA has not issued any required permit at such time as Monocacy desires to proceed with development of the Urbana Projects, Monocacy shall post an acceptable financial guarantee with Frederick County for the estimated cost of the construction of the SHA Improvement, plus an applicable contingency, as determined by the County. The County agrees that this financial guarantee shall be released and returned to Monocacy at such time as Monocacy secures an access permit from SHA for construction of the applicable SHA Improvement.

6. Transportation Facilities Mitigation Program

Monocacy shall prepare a Transportation Facilities Mitigation Program ("TFMP") in accordance with the provisions of the TIA Guidelines. The TFMP shall be approved by the County Traffic Engineer and SHA.

IV. WATER AND SEWER

A. WATER AND SEWER IMPROVEMENTS

1. Water. At the direction of DUSWM, and in accordance with DUSWM's determination of actual elevated water storage needs in the Urbana Region, Monocacy shall construct a second 1.5 million gallon elevated water storage tank and attendant transmission mains. Water Tower #2 will be located adjacent to Water Tower #1 as depicted on the Water
Tower #2 approved site plan (AP #10710). Studies of water system needs in the Urbana Region are ongoing as of the date of this Letter of Understanding. Monocacy will continue to closely co-operate with DUSWM and the consulting engineers who have been retained to evaluate the water supply needs in the Urbana Region, and will continue to provide timely information to the consulting engineers so that DUSWM will have the data that it needs to approve the final design for Water Tower #2. DUSWM will provide sufficient advance notice to Monocacy following completion of the aforesaid studies so that there is adequate time to complete the final design, bidding and construction of Water Tower #2 to meet the demands of development of the Urbana Projects.

2. Sewer
   (i) Existing Sewer Service

   The existing sewer connection to the Northern MXD has sufficient capacity remaining to convey approximately 0.43 million gallons per day (MGD) of effluent, after accounting for the 15% County reserve. This remaining capacity equates to approximately 425 equivalent dwelling units (EDU’s), which in tum equals 425 residential dwelling units or approximately 330,000 square feet of non-residential uses, or some combination thereof. Once the 0.43 MGD capacity is depleted, the remaining development will utilize either the proposed Tabler Run Sewer outfall or, if the outfall option is unavailable, the Tabler Run Pump Station Sewer Outfall as described below.

   The below-described Sewer Outfall Options are depicted on EXHIBIT D, attached hereto and incorporated herein by this reference.

   (ii) Tabler Run Gravity Sewer Outfall

   The proposed Tabler Run Gravity Sewer Outfall alignment is best described in three sections. Section One starts from a point along the existing Bush Creek Interceptor Sewer, at approximately the intersection of the interceptor and Tabler Run, running north along Tabler Run approximately 6,950 linear feet (LF) to the side of Tabler Road at the intersection of Tabler Run and Tabler Road. From this point, Section Two of the proposed alignment travels west roughly parallel to Tabler Road approximately 1,930 LF to, and under, MD 355. Finally, Section Three continues north parallel to MD 355 for another 980 LF to a central collection point for the Northern MXD. The total length of the proposed Tabler Run Gravity Sewer Outfall is approximately 9,860 LF of sewer. This proposed sewer alignment will require off-site easements and wetland disturbance permits, including a final determination that the public purpose of the sewer alignment will allow for an amendment to the conditions imposed by an existing conservation easement on certain property.

   (iii) Tabler Run Pump Station Sewer Outfall

   In the event that Monocacy demonstrates to DUSWM’s reasonable satisfaction that the Tabler Run Gravity Sewer Outfall cannot feasibly be constructed, an alternative to the gravity outfall is a waste water pumping station located on the south side of Tabler Road, east of MD 355, on a parcel of land designated as “Sewer Pump Station Outlot B” as recorded among the land records
of Frederick County at Plat Book 77, page 36. The pump station alternative would require the construction of Sections Two and Three of the aforementioned Tabler Run Gravity Sewer Outfall. The alignment would diverge at the low point of Section Two, continuing to run to the northeast for approximately 300 LF to the proposed pump station location. From the proposed pump station, effluent would be pumped approximately 2,000 LF to the southeast through Section M-22B of the PUD to a transition manhole proposed to be located at the end of Lothbury Street in Section M-22A of the PUD. From the transition manhole, a new 12" gravity sewer line would be built for an approximate distance of 3,700 LF to be located behind the existing lots in the PUD to Manhole #44 of County Contract No. 208B-SW. The final segment entails replacement of the existing gravity line from Manhole #44 to Manhole #3 of County Contract No. 208B-SW, where the existing approximately 270 LF of an 8" sewer line would be replaced with a 15" sewer line. Monocacy wishes to replace additional sewer lines if required as a result of further studies and/or analyses, or as a result of changes in upstream development and flow generated by the Urbana Projects.

**B. WATER AND SEWER - GENERAL CONDITIONS**

To the extent that other development projects in the greater Urbana Region are approved in reliance upon any water or sewer improvements to be constructed by Monocacy as described in Section IV.A above, including, but not limited to, Water Tower #2, the Sewer Outfalls for the Northern MXD or a Wastewater Pump Station to serve the Northern MXD, if required, Monocacy reserves the right to seek to have the developer(s) of any such benefitted project(s) participate (or reimburse Monocacy) pro-rata in the total cost of such improvement (including, but not limited to costs for design, permits, fees, construction and inspection), including seeking to have such participation (and/or reimbursement) set forth as a conditional requirement of development approval for any such benefitted development project. The general formula for the participation in such total costs by other developers shall be determined by Monocacy and DUSWM at the time cost estimates for such improvement(s) are approved or based on actual total costs incurred. Monocacy recognizes that the County currently has no authority to require such pro-rata reimbursement as a condition of approval. Monocacy may request water and sewer capacity fee credits pertaining to the provision of public sewer to the Urbana Projects if the applicable requirements of the Frederick County, Maryland Water and Sewer Rules and Regulations are satisfied. As an alternative, DUSWM may participate with "oversizing" monies using a cost-sharing formula approved by DUSWM with the understanding that the improvements may need to be publicly bid to ensure compliance with §2-13-6 of the Code of Public Local Laws.

APFO approval for water and sewer does not guarantee that plats will be recorded or building permits issued. Plat recordation and building permit issuance is subject to compliance with the Annotated Code of Maryland, Environment Article, Section 9-512 et seq., and all other applicable County policies and regulations.
V. SCHOOLS

A. NORTHERN MXD AND WORTHINGTON SQUARE

1. Mitigation. The Northern MXD is projected to generate 183 elementary school students, 65 middle school students, and 76 high school students at the time of full build-out. Worthington Square is projected to generate 22 elementary school students, 7 middle school students, and 8 high school students at the time of full build-out. Based on these numbers and considering enrollment projections from "pipeline" development, both the Northern MXD and Worthington Square fail the school adequacy test at the elementary, middle and high school levels. Accordingly, Monocacy has elected the option to mitigate the inadequacy of the public school capacity by paying the School Construction Fee in accordance with the criteria set forth in Section 1-20-62 of the APFO. Monocacy shall pay the School Construction Fee at the elementary, middle and high school levels attributable to the residential unit count and dwelling type proposed to be recorded on a subdivision plat, all as set forth in Section 1-20-62(F) of the APFO. Applicable School Construction Fees shall be based upon the fee schedule in effect at the time the Fee is paid and shall be paid prior to or at the time of subdivision plat recordation. Upon payment of all School Construction Fees applicable to any of the Urbana Projects, that Project shall not be subject to further testing for school adequacy for the duration of the APFO approval period under this Combined LOU, unless the residential density or intensity of the development increases.

B. PUD and VC Lots

1. Non-Age Restricted Units. 2,769 of the residential units in the PUD have been recorded and no further re-subdivision of the applicable areas is contemplated, therefore, APFO school approval is vested for these units. There are 152 non-age restricted dwelling units remaining to be recorded, including twelve (12) lots proposed in the VC Zoned area that are immediately adjacent to and are incorporated into the 3,013 dwelling units approved for development in the PUD. The 12 VC Lots will be fully integrated into Villages of Urbana PUD, having all of the attendant benefits and burdens provided by the Homeowners Association governing the PUD. The Commission has previously granted conditional approval of a combined preliminary plan/site plan for six of those VC Lots - the Western VC Lots. The Commission has also approved a Concept Plan for the remaining 6 VC Lots - the Eastern VC Lots.

On September 21, 2011, the Commission approved a revised Phase II Plan and APFO LOU (an amendment to the PUD LOU) for Section M-1 of the PUD to alter the previously approved mix of residential unit types. This change resulted in an intensity of use that incrementally increased the projected student generation for the non-age-restricted units. The increases in pupils caused the PUD to fail the school adequacy test for the revised dwelling unit mix at all three school levels. Monocacy chose the option to mitigate the school inadequacy by paying the School Construction Fee in accordance with the criteria set forth in Section 1-20-62 of the APFO. That 2011 APFO LOU specified that Monocacy would pay a total of $1,552,190 in School Construction Fees concurrent with the recordation or re-recordation of the remaining lots in the PUD.
Since the time that the 2011 APFO LOU was fully executed, and concurrent with the recodication of plats re-subdividing a portion of Section M-1 (i.e. subsections M-ID and M-IE yielding 155 Townhouse Lots), Monocacy has already paid School Construction Fees in the total amount of $1,118,475 leaving $433,715 of School Construction Fees to be paid concurrent with recodication of future lots. The actual dwelling unit mix that will ultimately be recorded will vary slightly from the mix contemplated in the 2011 PUD Phase II Plan, but within any approved pupil generation limits. Accordingly, the remaining amount of the School Construction Fees to be paid ($433,715) concurrent with recodication of the final 152 Lots shall be paid as follows:

- Concurrent with the recodication of the 6 Western VC Lots - $60,276 ($10,046 per Lot)
- Concurrent with the recodication of the remaining 146 Lots - $2,557.80 per Lot (which will yield a total $373,439 upon recodication of the final plat)

Monocacy shall pay the School Construction Fee, based upon the fee schedule in effect at the time of subdivision or re-subdivision plat recodication, as set forth in Section 1-20-62(E) of the APFO. Accordingly, if the fee schedule is changed from that which is in effect as of the date of this Combined APFO Letter of Understanding, any portion of the remaining $433,715 in School Construction Fees would be subject to recalculation to reflect any revisions to the fee schedule.

2. Age-Restricted Units. 92 of the remaining unrecodicated dwelling units in the PUD were approved as age-restricted units and are exempt from the APFO schools test pursuant to the “Housing for Older Persons” exemption set forth in Section 1-20-7(F) of the APFO. Monocacy shall have the option of developing these 92 units either a) as age-restricted units in accordance with the existing APFO approval, or b) developing these units as non-age-restricted units. If Monocacy chooses to develop all or some of these 92 units as non-age-restricted units, Monocacy shall mitigate the impact on the public schools for any of such units that do not pass the APFO schools test by paying the School Construction Fee in accordance with the criteria set forth in Section 1-20-62 of the APFO. Monocacy shall pay the School Construction Fee at the elementary, middle and high school levels, as applicable, attributable to the residential unit type proposed to be recorded on a subdivision plat, all as set forth in Section 1-20-62(E) of the APFO. Applicable School Construction Fees shall be based upon the fee schedule in effect at the time the Fee is paid and shall be paid prior to or at the time of subdivision plat recodication. Upon payment of all school construction fees applicable to these units, the converted age-restricted units shall not be subject to further testing for school adequacy for the duration of the APFO approval period under this Combined LOU, unless the residential density or intensity of the PUD development increases.

VI. VESTING

Upon full mitigation (construction of improvements or fair share contributions to escrow accounts) of APFO road improvements as set forth in Section III above within the APFO approval period, the APFO road approval for the Urbana Projects shall be vested for the capacity created by the improvements and shall not be subject to further APFO roadway testing unless there is an increase in site trips or a significant redistribution of site traffic because of a change in
land use or increase in site density as defined in the TIA Guidelines. (Section 1-20-31(H)).

Upon completion of construction of the APFO public water and sewer improvements set forth in section IV above, the APFO water and sewer approvals for the Urbana Projects shall be vested in perpetuity for the capacity to be created by the improvements and shall not be subject to further APFO testing unless the density or intensity of the one or more of the Urbana Projects increases. (Sections 1-20-41(E) and 1-20-51(E)).

Upon payment of all school construction fees set forth in Section V above, the Urbana Projects shall not be subject to further testing for school adequacy for the duration of the APFO approval period under this Combined LOU, unless the residential density or intensity of one or more of the Urbana Projects increases.

VII. DISCLAIMER

This Combined LOU pertains to APFO approval only, and shall not be construed to provide any express or implied rights to continue the development process. The Urbana Projects remain subject to all applicable rules and regulations, including but not limited to those related to zoning, water and sewer, and subdivision. The BOCC'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.

VIII. CONCLUSION

This Combined LOU is the express evidence that APFO approval has been granted for the Urbana Projects in accordance with the terms contained herein, and this APFO approval will be effective for a period of eighteen (18) years from the date of this Combined LOU. The effective date of this Combined LOU for the purpose of the commencement of all APFO approval periods will be June 13, 2013. This Combined LOU and the APFO approvals contained herein shall expire at the close of the business day on June 13, 2031 which date is eighteen (18) years following the aforesaid commencement date. Notwithstanding this expiration date, the provisions of Section 9.5 in the DRRA of even date herewith regarding extensions of time on account of any moratorium imposed, shall apply to this Combined LOU and the expiration date stated shall be extended for one (1) additional day for each day during which such moratorium exists. The term "moratorium" is as defined in Section 9.5 of the DRRA.

This Combined LOU supersedes, replaces and voids the PUD LOU (including the 2011 APFO LOU), the ORC LOU and the Western VC Lots LOU, none of which shall be of any further force and effect.

(SIGNATURES APPEAR BEGINNING ON THE FOLLOWING PAGE)
ATTEST:

LOIS DEPIES
C.P.A.
County Manager

THE BOARD OF COUNTY COMMISSIONERS OF
FREDERICK COUNTY, MARYLAND

By:
Blaine R. Young
President
(SEAL)

STATE OF MARYLAND, COUNTY OF FREDERICK, TO WIT:

I HEREBY CERTIFY that on this 13th day of June, 2013, before me, the
undersigned officer, personally appeared Blaine R. Young, President of the Board of County
Commissioners of Frederick County, Maryland, who acknowledged the foregoing instrument to
be his act and deed in such capacity, and that he is authorized to make this acknowledgment.

WITNESS my hand and Notarial Seal:

My Commission Expires:

Jan 2016

WITNESS:

MONOCACY LAND COMPANY, LLC, a Maryland
limited liability company

By:
Urbana Communities, LLC – General Manager
By: Natelli Communities Limited Partnership –
Managing Member
By: Natelli Communities, Inc. – General Partner

By: Thomas A. Natelli – President & CEO
(SEAL)
AC 3074

WITNESS:

URBANA CORPORATE CENTER, LLC, a
Maryland limited liability company

By: Thomas A. Natelli, Managing Member
(SEAL)

Urbana/Natelli Combined APFO LOU Draft 6-4-13
WITNESS: URBANA INVESTMENT PROPERTIES II, LLC, a Maryland limited liability company

Melina B. Daner

BY: [Signature] (SEAL)
Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS THREE, LLC, a Maryland limited liability company

Melina B. Daner

BY: [Signature] (SEAL)
Thomas A. Natelli, Managing Member

WITNESS: NATELLI HOLDINGS II, LLC, a Maryland limited liability company

Melina B. Daner

BY: [Signature] (SEAL)
Thomas A. Natelli, Managing Member
STATE OF Maryland, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 11th day of June, 2013, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Thomas A. Natelli, a duly authorized representative of Monocacy Land Company, LLC, a Maryland limited liability company, and he acknowledged the foregoing instrument to be the act and deed of Monocacy Land Company LLC, in such capacity; and he did further certify that he is duly authorized to make this acknowledgement on its behalf.

WITNESS my hand and Notarial Seal.

My Commission Expires: 12·17·16

STATE OF Maryland, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 11th day of June, 2012, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Thomas A. Natelli, Managing Member of Urbana Corporate Center, LLC, a Maryland limited liability company, and he acknowledged the foregoing instrument to be the act and deed of Urbana Corporate Center, LLC, in such capacity; and he did further certify that he is duly authorized, as Managing Member of Urbana Corporate Center, LLC, to make this acknowledgement on its behalf.

WITNESS my hand and Notarial Seal.

My Commission Expires: 12·17·16

STATE OF Maryland, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 11th day of June, 2013, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Thomas A. Natelli, Managing Member of Urbana Investment Properties II, LLC, a Maryland limited liability company, and he acknowledged the foregoing instrument to be the act and deed of Urbana Investment Properties II, LLC, in such capacity; and he did further certify that he is duly authorized, as Managing Member of Urbana Investment Properties II, LLC, to make this acknowledgement on its behalf.

WITNESS my hand and Notarial Seal.

My Commission Expires: 12·17·16
STATE OF Maryland, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 11th day of June, 2013, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Thomas A. Natelli, Managing Member of Natelli Holdings Three, LLC, a Maryland limited liability company, and he acknowledged the foregoing instrument to be the act and deed of Natelli Holdings Three, LLC, in such capacity; and he did further certify that he is duly authorized, as Managing Member of Natelli Holdings Three, LLC, to make this acknowledgement on its behalf.

WITNESS my hand and Notarial Seal.  

My Commission Expires: 12-17-16

STATE OF Maryland, COUNTY OF Montgomery, TO WIT:

I HEREBY CERTIFY that on this 11th day of June, 2013, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Thomas A. Natelli, Managing Member of Natelli Holdings II, LLC, a Maryland limited liability company, and he acknowledged the foregoing instrument to be the act and deed of Natelli Holdings II, LLC, in such capacity; and he did further certify that he is duly authorized, as Managing Member of Natelli Holdings II, LLC, to make this acknowledgement on its behalf.

WITNESS my hand and Notarial Seal.  

My Commission Expires: 12-17-16
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**Source:** Wells + Associates Urbana Development Program Phasing and Trips for LOU

### ROAD IMPROVEMENT PHASES

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<td>1,450,000</td>
<td>967,000</td>
<td>2,417,000</td>
<td>750,000</td>
<td>3,167,000</td>
</tr>
<tr>
<td>Restaurants Sq. Fl.</td>
<td>5,556</td>
<td>26,034</td>
<td>32,000</td>
<td>2,000</td>
<td>34,000</td>
<td>6,000</td>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Retail Sq. Fl.</td>
<td>8,983</td>
<td>22,515</td>
<td>31,500</td>
<td>-</td>
<td>31,500</td>
<td>3,302</td>
<td>34,802</td>
<td>50,000</td>
<td>84,802</td>
<td>-</td>
<td>84,802</td>
</tr>
<tr>
<td>PUD Retail</td>
<td>125,400</td>
<td>90,800</td>
<td>216,000</td>
<td>150</td>
<td>216,000</td>
<td>-</td>
<td>216,000</td>
<td>-</td>
<td>216,000</td>
<td>-</td>
<td>216,000</td>
</tr>
<tr>
<td>Hotel Rooms</td>
<td>-</td>
<td>150</td>
<td>150</td>
<td>-</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

**Max. Trips Available**

| AM PEAK     | 2,463 | 1,289 | 3,722 | 546 | 4,268 | 512 | 4,780 | 643 | 5,623 | 617 | 5,240 |
| PM PEAK     | 3,033 | 1,716 | 5,019 | 593 | 5,612 | 288 | 5,900 | 1,036 | 6,936 | 756 | 7,692 |
| ADT         | 34,503| 18,555| 53,058| 5,941| 58,999| 1,011| 60,010| 7,138| 67,148| 3,914| 71,052|

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(1) Includes PUD, VC, ORC, MXD, Worthington Square
(2) Trips based on February 2, 2001 Phased Analysis for Urbana ORC, and Table C-1 from the Urbana Town Center TIA, dated February 11, 2013
(3) Existing column assumes development is built or recorded
(4) Vested column assumes development is not built or recorded but the roadway network has been constructed to accommodate the associated trips
(5) Square footage listed in Vested column is calculated based on the studies referenced in footnote (2). Amount of trip capacity actually used for new uses will determine remaining square footage available for future development.
(6) The TIA was prepared assuming 73 Townhouse Lots in Worthington Square; the Concept Plan approved by the Commission contained 72 Townhouse Lots; further, the TIA was prepared assuming the VC Lots were in addition to the 3,013 units included in the approved PUD Phase 2 Plan - thus the road capacities actually provided could accommodate up to 3,708 residential units or the trip equivalent in non-residential square footage/uses.
COMBINED ADEQUATE PUBLIC FACILITIES LETTER OF UNDERSTANDING

URBANA PROJECTS

EXHIBIT C

The following pages depict the road improvements that are specified in Section III – ROADS of this Letter of Understanding.

Exhibit C is comprised of Seven Diagrams/Sheets and each are labeled to indicate ROAD IMPROVEMENT PHASE and IMPROVEMENT NUMBER WITHIN PHASE corresponding to the descriptions of such improvements shown in Section III – ROADS.

INSET A – URBANA PIKE / PARK MILLS ROAD

INSET B – URBANA PIKE / LEW WALLACE STREET

INSET C – TOWN CENTER AREA / MD 80 / I-270 RAMPS

INSET D – MD 80 – CAMPUS DRIVE TO CARRIAGE HILL DRIVE

INSET E – MD 80 – ROYAL CREST DRIVE TO BRAIDWOOD DRIVE

INSET F – URBANA PIKE – URBANA PARKWAY / CAMPUS DRIVE

INSET G – URBANA PIKE – DR. PERRY ROAD / BIG WOODS ROAD