MONTGOMERY COUNTY COUNCIL PUBLIC HEARING CONCERNING THE GREAT SENECA PLAN: CONNECTING LIFE AND SCIENCE

Testimony of Eric Fischer on Behalf of Trammell Crow Company

June 12, 2024

Good evening. For the record, I am Eric Fischer, Managing Director with Trammell Crow Company ("TCC"). I am pleased to have this opportunity to testify to the Montgomery County Council on the Montgomery County Planning Board's draft of the <u>Great Seneca Plan: Connecting</u> Life and Science (the "Master Plan").

TCC is the ground lessee of approximately 66.5 acres of land located in the northern portion of The Johns Hopkins University Belward Research Campus (the "Belward Campus"), in the Life Sciences Center planning area of the Master Plan. The Planning Board recently approved a Site Plan for our portion of the Belward Campus property, in 2023 ("Site Plan No. 820220250"). The Site Plan allows for future development with (i) up to 751,000 square feet of research and development, biotechnology offices, and laboratory uses; (ii) up to 6,000 square feet for retail uses; and (iii) related amenities and infrastructure including the northern portion of future Muddy Branch Park and a connecting segment of Belward Campus Drive.

Since the time of our Site Plan approval, TCC has been working closely with potential tenants to evaluate opportunities at the Belward Campus. However, as the Council is aware, the biotechnology industry is inherently subject to market and product cycles that give rise to different needs at different moments in time, often with a need to move quickly at each stage. Combined with challenging market conditions for real estate development (marked by higher interest rates, inflated construction costs, and increased lender equity requirements), we are finding that tenant needs and expectations in this market are becoming more unique, particularized, and immediate. As a result, it is possible – if not likely – that future tenants at the Belward Campus will need to obtain adjustments to the Site Plan before committing to a lease for our site, or proceeding with implementation of a development project.

To that end, while TCC generally supports the Master Plan and appreciates the refinements that have been incorporated to date as a result of the Planning Board's review, we also believe that the final approved Master Plan must be sufficiently flexible with respect to permissible land uses and site designs. Only in this way will the Master Plan will be adequately positioned to accommodate the needs of prospective employers, as they come forward over time with specific development intentions for Life Sciences Center properties.

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With respect to land uses, we previously testified to the Planning Board that allowing uses that are ancillary to the biotechnology market – such as office, warehousing, or interim surface parking uses, for example, in addition to residential – would be beneficial. Thus, we support the Master Plan's current recommendations to modify applicable zoning regulations to broaden the range of permissible uses in the Life Sciences Center, including within the Belward Campus. We understand that this will be accomplished through the application of an overlay zone for properties in the Life Sciences Center, pursuant to a zoning text amendment ("ZTA 24-03," or the "Zoning Text Amendment") that has just been introduced at Council.

While we will offer comments on the Zoning Text Amendment at its future public hearings, we would note at this juncture that the Zoning Text Amendment currently proposes to permit all land uses allowed in the CR Zone in the Life Sciences Center regardless of the underlying zoning, including surface parking for any use allowed in the zone with site plan approval. While such a change would be a step in the right direction, in order to be effective, it will be important to ensure that the Master Plan and any associated guidelines fully support so such broadened uses. With respect to surface parking specifically, the Master Plan currently includes language that could be interpreted to require structured parking in the Life Sciences Center. We are providing suggested revisions as addendum to this testimony to clarify that surface parking may also be provided, as contemplated in the Zoning Text Amendment.

To the extent practicable, we also believe that the Master Plan should support – and the Zoning Text Amendment should address – the development and implementation of swifter administrative processes for land use entitlements in the Life Sciences Center. While certain recent amendments to the Zoning Ordinance potentially are helpful in this regard (such as the recent initiatives for the review of Biohealth Priority Campus Plans), our discussions with prospective pharmaceutical and life sciences employers suggest that Montgomery County must do more to address the expediency of its administrative reviews and permitting processes. By supporting the concept of fast track approval processes similar to those enacted recently in States like North Carolina and Pennsylvania, the Master Plan could help facilitate regulatory changes that are needed to ensure that the County remains economically competitive, and that its vision for the Life Sciences Center is able to be fulfilled.

In summary, we believe that the Master Plan appropriately reaffirms the existing master plan's vision of the Life Sciences Center as a vibrant life sciences hub featuring a range of land uses, transportation options, and amenities. However, by also supporting a more robust range of land uses to facilitate life sciences operations and associated revisions to the Zoning Ordinance, as well as design flexibility and streamlined administrative processes, the Master Plan could better ensure that it will be able to adapt to changing market conditions over its duration and, thus, provide a more nimble framework for economic development.

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We thank you for your consideration of these comments, and look forward to continued progress on the Master Plan. Should additional input be useful, please do not hesitate to let us know.

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ADDENDUM: PROPOSED REVISIONS

Master Plan Planning Board Draft, at Page 29:

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7. Consolidate parking facilities in garages <u>or surface parking lots</u> that are not visible from pedestrian areas, preferably lined with building uses or screened when visible from streets and public open spaces.

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Master Plan Planning Board Draft, at Page 36:

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This Plan takes a difference approach to downtown right-of-way allocation. Parking will primarily be provided in structured garages <u>or in surface parking lots</u>, not provided on-street. On-street parking can be provided through reallocation or dedication of additional right-of-way through the development review process, and subject to the plans and policies in place at the time of development...

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