

## *Matan Outlines Post-Leidos Plan*

It'll be a new employment park that replaces the Leidos campus in Gaithersburg.

Matan Companies showed City officials last week a redevelopment of the 43.1-acre tract at I-270 and Montgomery Village Avenue with largely flex, R&D, industrial and service office uses, including biotech. The Frederick-based developer shows up to 650,000 square feet in density, including a maximum of 65,000 feet of retail. In keeping with the City's master plan, there is no residential at all.

Leidos sold its Gaithersburg campus to Matan at the end of 2018, after a relocation search that concluded with a new lease at 9737 Washingtonian Boulevard. Last week's hearing went only to a Sketch Plan, which offers a general layout of the redevelopment. If approved as expected, Matan will supplement it in coming months with more specific plans.

Matan said that driving its plan is a relatively low flex/industrial vacancy rate in the county, at close to eight percent, down from a historic average of 11.6 percent. Company officials says they've seen net absorption of about 175,000 square feet annually over the past three years.

On the other side of the coin, said Matan officials, supply has been constrained, and so the firm envisions spec development once plans are approved. Leidos leases the campus back from Matan until July 2020, and Matan's Brian Morris told the Council the firm would look to begin work quickly once the change-over occurs. "In a perfect world, as soon as they move out, we're coming in with equipment to start construction," he said.

## Towns, Singles

### **Brookfield Buys in Clarksburg**

Brookfield Homes is now the owner of Dowden's Station, giving it both towns and singles in Clarksburg.

Brookfield recently bought the 24.3 acre Dowden's property, located on Route 355 in Clarksburg about a third of a mile south of Stringtown Road, getting it with record plats approved. The builder paid \$8.8 million for the ground, getting a mix of 84 townhouses and 21 singles. Of the 105 units, 27, or a quarter of the yield, will be turned over to MPDUs.

The development team, headed by Bethesda-based Michael Fisher, had won site plan approval in 2016 with 13.3 percent MPDUs, then went back and amended the project a year later to commit to 25 percent affordable units.

Brookfield is already familiar with the 25 percent trade-off, for it is building out Bradford's Landing in Silver Spring in the same manner. The community was one of the first to entertain the prospect of paying no impact fees in return for doubling the normal demand of 12.5 percent in MPDUs. Crafted by then-Councilmember Nancy Floreen as part of a legislative package to increase affordable housing, it's an approach that has been embraced by other developers since.

But while it works for developers, who say it puts additional MPDU units into the affordable housing inventory, County Exec Marc Elrich has suggested in testimony before the Council that it doesn't pencil out as well for the county. The gain in MPDUs, he fears, doesn't make up for the lost Impact Fee revenue. To date, he hasn't tried to change the program, but only voiced his concerns.

The Dowden's development is one of the larger Clarksburg properties across which a new bike path will run, connecting Clarksburg to Germantown along the west side of Route 355. **Bruce Winston at Fraser Forbes Real Estate Services brokered the transaction.**

## *Natelli Outlines Clarksburg Plan for 'Egan'*

A Clarksburg property split by the construction of I-270 in the 1950's is under contract to Natelli Communities, and has had a first staff review.

The Egan property is about 140 acres in all, on which Natelli has laid out a plan for 357 towns and two-over-two's. Located along the west side of Route 355 just south of Comus Road, the Egan property straddles I-270. Back in the '50's, Route 240 was upgraded to I-270 and split Egan into close to 100 acres on the east side, and the remainder on the west.

To meet the 'open space' and impervious requirements, Natelli's plan shows development only on the east side, and then only in attached units. The 313 towns include front and rear-loaded models, running from 16 to 24 feet. Forty-four units are turned over to 'two's,' and overall, the developer would commit 90 units to MPDUs for a 25 percent share. Natelli will dedicate the 39 acres west of 270 to the county for a park. Planners have taken a first look at the plan and made suggestions that could be incorporated into a subdivision plan.