

# Harrison-Leishear Property Annexation Proposal

For 9/28/2020 Planning Commission Meeting

Town Administrator David Warrington

Town Attorney Tom McCarron

Town Engineer Barney Quinn

# Introduction

- **THIS PRESENTATION IS FOR INFORMATIONAL PURPOSES ONLY**
- **PRESENTERS ARE NOT ADVOCATING ONE WAY OR THE OTHER ON ANNEXATION**
- **INFORMATION IS PRESENTED TO PLANNING COMMISSION TO ASSIST IN COMMISSION'S DISCUSSIONS AND DECISIONS**
- **NO DECISIONS HAVE BEEN MADE, THE ANNEXATION IS A PROPOSAL PUT OUT FOR COMMENT**
- **THERE WILL BE MANY OPPORTUNITIES THROUGHOUT THE APPROVAL PROCESS FOR THE PUBLIC TO COMMENT**

# Introduction continued

- **THERE HAVE BEEN NO DEVELOPMENT PLANS SHOWN OR SUBMITTED TO THE TOWN**
- **THIS PROCESS IS FOR THE ANNEXATION OF THE HARRISON-LEISHEAR PROPERTY ONLY**
- **IF APPROVED FOR ANNEXATION, THE DEVELOPMENT OF THE PROPERTY WILL GO THROUGH THE NORMAL DEVELOPMENT APPROVAL PROCESS**
- **THE PUBLIC WILL BE ALLOWED TO SUBMIT COMMENTS DURING:**
  - **THE ANNEXATION PROCESS – INCLUDING PUBLIC HEARING BY LAW BEFORE TOWN COUNCIL**
  - **THE DEVELOPMENT APPROVAL PROCESS IF THE PARCEL IS ANNEXED**

# Introduction continued

- **THE GOAL IS TO PRESENT:**
  - **A LITTLE BIT OF THE HISTORY OF DISCUSSIONS WITH INDUSTRIAL DEVELOPMENT CORPORATION (IDA)**
  - **THE BENEFITS AND COSTS TO THE TOWN (AND THERE ARE BOTH IN THIS PROPOSAL)**
  - **OTHER PARTS OF THE PROPOSED ANNEXATION**
  - **WHERE WE GO FROM HERE**

# History and Background

- PROPERTY ONCE OWNED BY DEVELOPER (40 WEST) – RESIDENTIAL SUBDIVISION
- WATER PRODUCING WELLS ON THE PROPERTY
- TOWN APPROACHED DEVELOPER FOR WATER (TOWN IN CONSENT ORDER WITH MDE TO FIND ADDITIONAL WATER RESOURCES)
- DEVELOPER WAS RELUCTANT DUE TO REJECTION HIS PRIOR (PERHAPS INFORMAL ANNEXATION PROPOSAL)
- LAWSUIT DEVELOPER VS. COUNTY – DEVELOPER WON, APPEALED
- SETTLED WITH COUNTY PURCHASING PROPERTY - \$23 MILLION

# History and Background continued

- COUNTY TRANSFERRED PROPERTY TO IDA
- IDA – NON-PROFIT CREATED BY COUNTY
- IDA PURPOSE – INDUSTRIAL DEVELOPMENT TO INCREASE INDUSTRIAL TAX BASE IN COUNTY
- IDA APPROACHED TOWN IN APPROXIMATELY 2009 ABOUT:
  - ANNEXATION
  - WELL CONSTRUCTION AND WATER SHARING (TOWN OWNING WATER SOURCE)
  - OFFICE PARK
  - PARK LAND

# History and Background continued

- WHY PROPOSAL MIGHT MAKE SENSE:
  - TOWN HAD INFRASTRUCTURE
  - IDA BUILDING INFRASTRUCTURE, THOUGH NOT IMPOSSIBLE, WAS EXPENSIVE
  - TOWN INTERESTED IN ADDITIONAL WATER SOURCES
  - TOWN INTERESTED IN ADDITIONAL PARK LAND (CURRENT APFO DEFICIT

# History and Background continued

- 2010 – 2020 – NEGOTIATIONS OVER WHAT THE PROPOSAL WOULD LOOK LIKE
- PARTICIPANTS IN NEGOTIATIONS – CERTAIN MEMBERS OF TOWN COUNCIL, TOWN STAFF, TOWN ATTORNEY, IDA AND ITS COUNSEL
- MEETINGS – NOT SUBJECT TO OPEN MEETINGS ACT, NO QUORUM
- MEETINGS – MANY PRIVATE, AT LEAST TWO OPEN WITH PUBLIC NOTICE AND PRESS THOUGH NOT REQUIRED



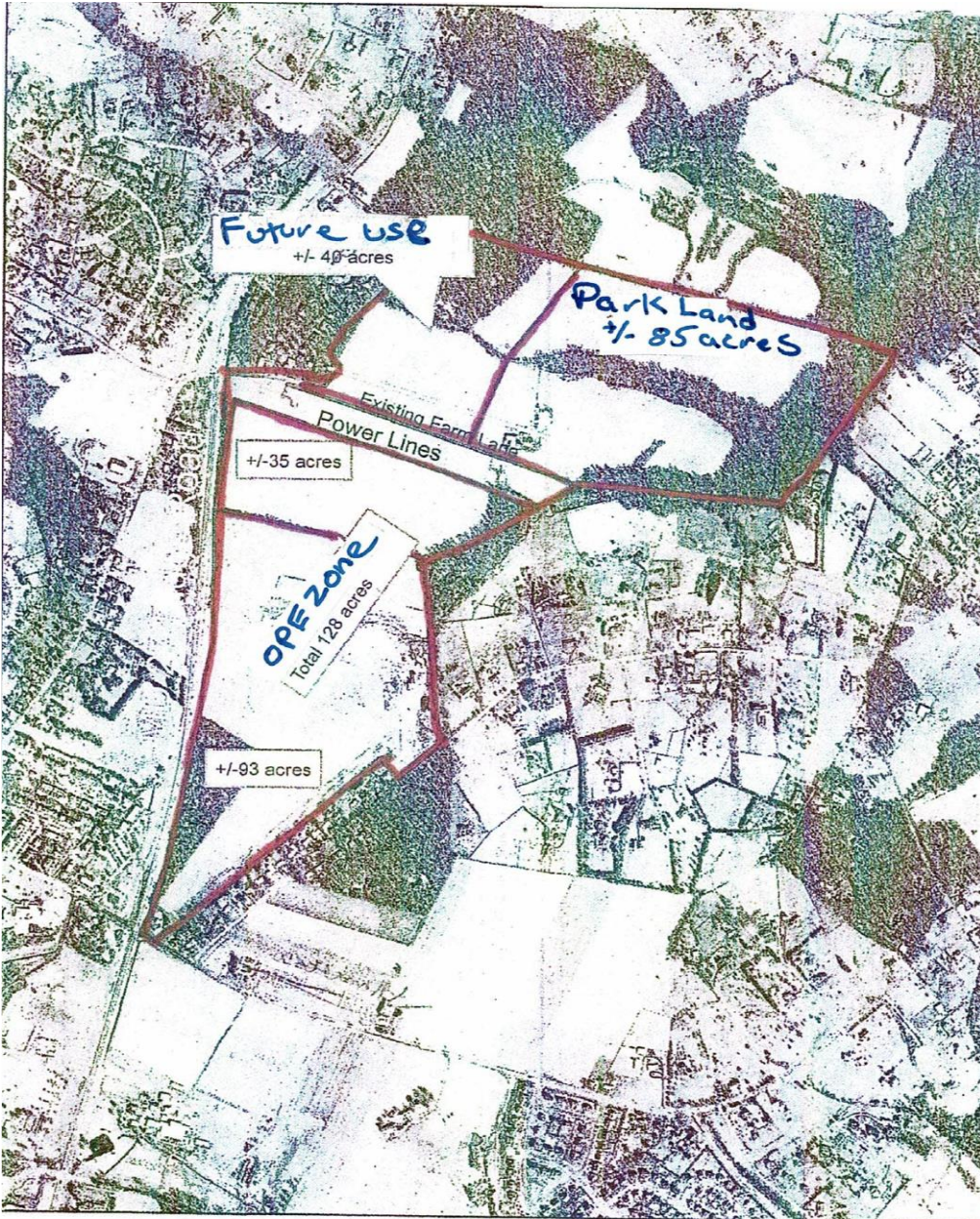
# History and Background continued

- WHY DID IT TAKE SO LONG?
  - SEVERAL PROVISIONS TO NEGOTIATE (REVIEWED TONIGHT)
  - PROPOSALS FOR RESOLUTION, ANNEXATION AGREEMENT, WELL CONSTRUCTION AND WATER SHARING AGREEMENT
  - MOU FOR THE COUNTY TO TRANSFER RECHARGE CREDITS
  - ADDING PROPERTY TO MUNICIPAL GROWTH AREA IN MASTER PLAN (DISCUSSED AND DONE IN OPEN MEETINGS)
  - CREATION OF NEW OFFICE PARK EMPLOYMENT CAMPUS (OPE) DISTRICT (DISCUSSED AND DONE IN OPEN MEETINGS OF PC AND TC INCLUDING PUBLIC HEARING)
  - 2017 REAPPLICATION FOR MDE WATER USE APPROPRIATION – TOWN REQUESTED 200,000 GPD (ANNUAL AVERAGE) AND 220,000 GPD (MAX. MO. AVG.) (NEW ROUND OF TESTING OF WELLS REQUIRED)
  - WELL TESTING COMPLETED – 2017 LAB ANALYSIS CONCLUDED THE WELLS TO BE SAFE FOR HUMAN CONSUMPTION AND TO SUPPORT THE ALLOCATION REQUEST
  - FITS AND STARTS – DUE TO OTHER INTERVENING ISSUES IN TOWN AND COUNTY

# History and Background continued

- WHERE WE ARE NOW:
  - ANNEXATION RESOLUTION INTRODUCED AS PER STATE AND TOWN CODE
  - REFERRED TO THE PLANNING COMMISSION PER STATE AND TOWN CODE
  - PLANNING COMMISSION WILL:
    - DECIDE WITHIN 120 DAYS (IF NO EXTENSION) WHETHER TO RECOMMEND THAT THE TOWN COUNCIL APPROVE OR NOT APPROVE
    - DECIDE IF ANY CHANGES TO THE PROPOSAL ARE RECOMMENDED (WHETHER PC RECOMMENDS FOR OR AGAINST)

# Overview of the Harrison – Leishear Property



- Overall Parcel is approx. 259 acres
- If annexed the property is expected to be divided as follows
  - 126.4 acres for an employment campus.
  - 85 acres would be given to the town for parkland that would be developed later by the Town.
  - 46 acres (“PARCEL A”) would be developed later. Future development on this parcel would be dependent on water/sewer availability and how the employment campus is developed. This would be a separate application.
  - IDA estimates a build out of the property to take 20-30 years.
  - Map could change depending on any required changes from the Town or the State.
  - Note a small part of the property is within the Town

\*Map layout presented here is not final and may change.

# Benefits to the Town if Annexed

- Town will control how the property is developed. The Town's zoning classification of Office Park Employment will be applied to the parcel of land.
- Town will receive the tax revenue from the businesses located on the property.
- Will allow a "water loop" to be installed to the Nottingham Community and Watersville Road to improve hydraulics of the Town's water system.
- 80 acres of park land will be provided for use by the Town and the 21771 area code.
- Town will acquire additional water sources.

# Disadvantages To The Town If Not Annexed

- Town will not be able to control the zoning applied to the property. County will control what is built there and in what style. This may or may not include park land.
- County is free to rezone the property
- Entire 250 acres could be developed as a county zoned residential, employment campus or a mix of commercial zoning classifications.
- Town will not receive the wells or water from the wells.

# Costs To the Town if Property is Annexed

- While the park land will be given to the Town, costs will still be incurred.
- A **rough** estimate of the costs is approximately \$2 million dollars
  - Town pays the costs associated with developing the “raw” water system from the wells to the treatment plant.
  - Upgrades to water treatment plant.
  - Waiver of certain fees related to well exploration and connection to the water system.
  - Cost share of the “water loop”
- Costs are expected to be covered by a 20-year loan and paid back in time via development fees.

# ADDITIONAL WATER INFORMATION

- The wells located on the property could support a total allocation from the Maryland Department of the Environment (MDE) of 200,000 gallons per day (GPD).
- MDE **may** grant up to 200,000 GPD allocation in phases.
- IDA owns the wells on the property, proposes to deed the wells to the Town along with associated easements for no additional consideration.
- The Town will acquire additional water services, as will the IDA at the following ratios:
  - 12% reserve for drought conditions
  - 26 to 35% of IDA office park
  - 53 to 62% of Town reserves and/or infill development
- The IDA's allocation does not apply to the 45-acre parcel slated for future development, which will have to get water by applying for it as per Town Water Allocation Ordinance
- If MDE grants a lower allocation, the GPD amounts will be adjusted (below 152,000 gpd, parties can walk away from the agreement or talk more).

# The Proposed Agreements and What is in Them

- PROPOSED ANNEXATION AGREEMENT
  - Annexation of Property into OPE District
  - Defines the parcels within the Property – Office Park Property, Parcel A, Park Land
  - Identifies the development fees that would be waived (all having to do with water since IDA would bring water to the Town) – heavily negotiated
  - Development of the Office Park – subject to a Master Public Works Agreement and then individual PWAs for each site (like TABP)
  - Security on public improvements undertaken by IDA waived, but not for individual parcels
  - Subject to a 6% inspection fee (normally 8%)



# The Proposed Agreements and What is in Them continued

- ANNEXATION AGREEMENT CONTINUED

- Upon recordation of subdivision plat – wells and associated easements, etc. conveyed to the Town for incorporation into the Town’s water system
- Allocation from these wells (proportion as set forth in Well Construction/Water Sharing Agreement) – to Office Park, Parcel A must apply for allocation under Town Code
- Requires development of Office Park Property before Parcel A can receive water/sewer allocation or be developed
- *IF* IDA’s allocation is not at least 40,000 gpd (the ratio based on 152,000 gpd), only then is Town’s use of its allocation of water restricted **for 10 years** as follows:
  - Up to 60% commercial/business/industrial
  - Up to 20% mixed use
  - Up to 20% residential (heavily negotiated term)

# The Proposed Agreements and What is in Them continued

- ANNEXATION AGREEMENT CONTINUED
  - Town to reserve and allocate sewer capacity for Office Park Property
  - Town to reserve sewer capacity for Parcel A for 10 years after subdivision plat recorded (may be extended by Town for 5 years if IDA pursuing development of Office Park diligently)
  - IDA responsible for design and construction of sewer system on Office Park and Parcel A including under and across Rte. 27 to point of connection with Town's manhole nearest Property
  - IDA to convey Park Land for \$1 upon recordation of subdivision plat
  - Town to grade and for water/sewer to Park Land
  - \$15,000 paid by IDA to Town to defray engineering costs of Park Land
  - IDA to get quote for grading of Park Land along with grading of Office Park to achieve savings if possible

# The Proposed Agreements and What is in Them continued

- ANNEXATION AGREEMENT CONTINUED
  - IDA to construct streets, parking, SWM in accordance with Town standards
  - Office Park and Parcel A to receive trash and recycling service, police, fire and rescue
  - Office Park and Parcel A to be taxed 100% upon development of Property

# The Proposed Agreements and What is in Them continued

- **WELL CONSTRUCTION AND WATER SHARING AGREEMENT**
  - Many of the same provisions – agreements tied to each other and tied to eventual annexation
  - IDA to convey wells and access easements at recordation of subdivision plat
  - Town to develop the wells, service roads and lines from wells to WTP (“Raw Water System”)
  - Town responsible for upgrades to WTP
  - IDA from WTP back under 27 and to its connections on the Office Park Property and Parcel A (“Potable Water System”) – dedicated to Town upon completion if within public rights of way
  - Town responsible for extension of potable water to Park Land
  - IDA to establish 100’ buffer around wells, 20’ wide for transmission lines

# The Proposed Agreements and What is in Them continued

- **WELL CONSTRUCTION AND WATER SHARING AGREEMENT CONTINUED**
  - Water loop estimated to cost \$994,275 to be installed within 6 mos. after issuance of first tenant U&O Permit for Office Park Property
  - Water loop to balance hydraulics in system
  - 2 tie in points – East and West end of Rte. 27
  - IDA and Town to share equally in that cost
  - IDA to maintain Potable Water System not dedicated to Town
  - Town to maintain rest

# The Proposed Agreements and What is in Them continued

- WELL CONSTRUCTION AND WATER SHARING AGREEMENT CONTINUED
  - If MDE allocates 200,000 gpd – IDA gets 75,000 gpd for Office Park Property, Town gets 125,000 gpd
  - If MDE allocates 152,000 gpd – IDA gets 40,000 gpd, Town gets 112,000 gpd
  - If MDE allocates something in between – IDA gets allocation above 152,000 gpd up to an additional 35,000 gpd (for total maximum of 75,000 gpd)
  - If MDE allocates less than 152,000 gpd, parties can walk away or negotiate an allocation between them, though if neither terminates and doesn't negotiate a different allocation, the allocation will be in accordance with ratios 73.7% for Town and 26.3% for IDA

# The Proposed Agreements and What is in Them continued

- WELL CONSTRUCTION AND WATER SHARING AGREEMENT  
CONTINUED

- Recites restrictions on Town's use of water **IF** IDA is not allocated at least 40,000 gpd repeated
- Restrictions revisited between parties if allocation is not at least 152,000 gpd
- Town must keep track of water and reserve what is owed to IDA (called for in our water allocation ordinance anyway)
- For 10 years from transfer of Wells to Town, water allocation permitted to Parcel A without required showing that a new water source cannot be established within Parcel A's boundaries (but otherwise Parcel A must "get in line" under our allocation ordinance)

# CONCERNS BY TOWN & COMMUNITY

- There are no buffers in the annexation agreement.
  - Wetland buffers must meet state requirements
  - Buffers to residential property must meet Section 112-50.2.c of the Town Code which is 50-ft minimum.
- The location of the office park and park land should be rearranged.
  - This will be addressed during the development plan review stage.
- What if existing residential wells go dry?
  - The Town and IDA performed extensive testing well beyond state requirements that little to no impact will occur.
  - The state permit will have provisions for if this type impact should occur.
- Is there enough recharge area to support the well allocation?
  - Carroll County will provide ample recharge land in the Middle Run sub-watershed as required by MDE.
- Light Pollution
  - Section 112-12 of the Town Code requires full cutoff lighting to minimize light spillage to neighboring properties.
  - 3000K LED is the preferred lighting type.



# Where we go from here

- Planning commission has up to **120 Days** to discuss, take comment (verbal and written), and provide recommendations on the Agreement
- Town Council approves an Annexation Plan and annexation documents are sent to State and County for comment; sets public hearing
- Gets public comment back – **zoning waiver from Commissioners**
- Town Council holds a public hearing (with advance public notice) – anyone wishing to comment can; announces when vote will be
- Proposed Annexation Agreement may be further negotiated based on public comment
- Vote - annexation becomes final if approved or not petitioned to a referendum – **Town Council vote estimated to be April 2021.**

# QUESTIONS