54 STATE CIRCLE, ANNAPOLIS, MD 21401 - PERRYJACOBSON.COM - 410.977.3419

May 14, 2025

Ms. Sterling Seay, Planning Administrator Zoning Division Anne Arundel County Office of Planning and Zoning 2664 Riva Road, Third Floor (MS 6301) Annapolis MD 21401

Re: Letter of Explanation – 1/ST Laurel LLC

Application for Rezoning Classification from W1 (Industrial) and OS

(Open Space) to MXD-S (Mixed Use)

3600 Laurel Fort Meade Road, Laurel, Tax Map 19, Grid 10, Parcel 86,

Lot 1R (the "Property")

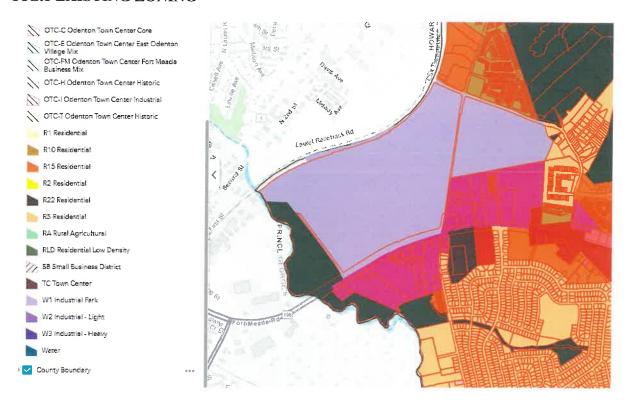
Dear Ms. Seay:

Please find attached an Application for Rezoning Classification on behalf of my client, 1/ST Laurel LLC, ("Laurel Park" or "Applicant"), owner of the above-referenced Property, to reclassify the existing split-zoned Property from the W1 (Industrial) and OS (Open Space) Districts to the MXD-S (Mixed Use- Suburban) District. *See* Administrative Site Plan, attached as <u>Exhibit</u> A.

The Property and Surrounding Area

The Property is approximately 229.188 acres of land, which is split-zoned W1 (Industrial) District and OS (Open Space). The surrounding properties are zoned C4 Commercial – Highway to the south and east, and R15 Residential to the north. A recently severed parcel to the east of Brock Bridge Road is zoned W1 Industrial and is not included with this petition. The Anne Arundel County and Prince George's County boundary sits immediately to the west of the property. The Anne Arundel County and Howard County boundary sits immediately to the north of the property. See Existing Zoning and Location Plan, Fig. 1, below.

FIG.1 EXISTING ZONING



History of Laurel Park

Laurel Park, formerly known as Laurel Race Course, has been hosting iconic horse races in Maryland since its doors opened in 1911. Since then, the racetrack has changed ownership several times and has undergone millions of dollars in renovations, with the most recent upgrades occurring in 2004. While Laurel Park is the second oldest horse racetrack in Maryland, it is the largest horseracing facility, spread over 287.23 acres of land, and currently contains a horse racetrack, stables, training facilities, clubhouse, housing, restaurants, and an original grandstand dating back to 1911.

Laurel Park is currently owned by 1/ST Laurel LLC, a subsidiary of The Stronach Group, and is operated by the Maryland Jockey Club, which was founded in Annapolis in 1743. The Maryland Jockey Club operates both Laurel Park and Pimlico Race Course in Baltimore, the oldest race course in Maryland dating back to 1870. The Stronach Group purchased a majority interest in the Maryland Jockey Club in 2002, expanding its interest further in 2007 and acquiring full ownership in 2011.

¹ Stronach Group Acquires Full Control of Maryland Jockey Club Assets and Operations, Reaffirms Commitment to Maryland Horseracing, Pimlico, June 16, 2011, https://www.pimlico.com/race-info/news/stronach-group-acquires-full-control-maryland-jockey-club-assets-and-operations.

Debate Over Maryland Racing's Future and Timing of Comprehensive Planning and Zoning

In 2020, the General Assembly adopted the Racing and Community Act of 2020 ("RCDA 2020"), authorizing the State to finance up to \$375 million for the construction of both the Laurel Park Racing Facility and Pimlico Racing Facility, with at least \$155 million designated to Laurel Park. To that end, in 2022, the General Assembly adopted House Bill 897 which, among other things, required the State to provide reports on the progress of Pimlico and Laurel Park redevelopment plans. The bill also authorized the Maryland Economic Development Corporation ("MEDCO") to enter into negotiations to potentially purchase or otherwise transfer a portion of Laurel Park to a government or other nonprofit entity to ensure the redevelopment and construction of new facilities at Laurel Park.

MEDCO's final Laurel Park Feasibility report² noted that the main portions of the clubhouse grandstand, stalls, barns, and staff housing were all in generally poor condition, and would be extremely costly and challenging to repair. The report concluded that Laurel Park as it exists now is too large for current needs and was operating at a loss, despite the \$2 billion horse industry in Maryland. Ultimately, the report concluded that with a substantial investment and "right-sized" facilities, racing operations should be consolidated at Laurel Park (rather than at Pimlico) and operated through a quasi-governmental or nonprofit entity facilitated by MEDCO. This recommendation, however, was not ultimately adopted by the General Assembly.

On April 8, 2024, in the midst of Anne Arundel County's consideration of comprehensive rezoning for Region 2, the Maryland General Assembly passed House Bill 1524, which clearly demonstrated a change in policy and a decision to invest in racing operations at Pimlico rather than Laurel Park. The bill established the Maryland Thoroughbred Racetrack Operating Authority ("MTROA") and authorized the transfer of ownership of Pimlico from the Maryland Jockey Club ("MJC") to the MTROA.³ The bill also appropriated \$250 million toward the improvement of Pimlico and \$110 million to create a separate training facility site, removing funds for the renovation of Laurel Park. As a result, the renovations of Laurel Park proposed by MEDCO were removed, and the General Assembly determined that racing operations at Laurel Park would cease.

House Bill 1524 requires the running of the Preakness Stakes (Preakness 151), the Black-Eyed Susan Stakes, and related undercard races to be held at Laurel Park in 2026, during the renovations of Pimlico. "All racing and training will occur at Laurel Park after Preakness 150 until 2027. Upon the opening of the new Pimlico, all racing will occur at the new facility with Laurel Park being retained by the private ownership group, The Stronach Group for a use they see fit."

House Bill 1524 solidified the future of Laurel Park and presents the redevelopment opportunity that was discussed during the Region 2 planning process, when a timeline for such redevelopment was unclear. Now that a timeline for cessation of racing has been set, Laurel Park

² Laurel Park Feasibility Report, Maryland Economic Development Corporation, https://dlslibrary.state.md.us/publications/MEDCO/HB897Ch61(3(e))(2022)_2022.pdf.

³ Recent news coverage has indicated that the MTROA will be dissolved, and the responsibilities delegated to this entity will be redirected to the Maryland Stadium Authority. https://www.thebaltimorebanner.com/politics-power/state-government/maryland-racing-authority-eliminated-XRUMDHWPQJGS3P3JRMYGKRNB3A/

⁴ Maryland Stadium Authority, *Redevelopment of the Pimlico Racing Facility and New Training Facility*, https://mdstad.com/redevelopment-pimlico-racing-and-laurel-park-racing-facilities.

is preparing a master plan to determine how best to redevelop the Property in conformance with the recently-adopted Region Plan. The first step in this process is applying the recommended mixed use zoning designation to the site to provide certainty over the range of uses and intensity of use that will serve as final development constraints. Without certainty on the classification, the master planning effort is stuck in the abstract.

Zoning and Planned Land Use

Zoning History

The property was originally zoned Heavy Commercial and Agricultural in 1952. On August 20, 1973, Bill # 59-73 changed the zoning to W1A (Industrial Park), OS (Open Space), and R5 (Residential). On June 24, 1974, the zoning was changed to W1B and OS via an administrative rezoning initiated by the County (ACC-25-74) and has remained largely unchanged. A slight adjustment was made to the split-zoning line in 2024, but the current zoning of the property remains split between W1 and OS.

Planned Land Use

Anne Arundel County Plan2040 Land Use currently designates the property as "mixed use," and places the site in a Commercial Revitalization Area. As noted above, the site is also in a Priority Funding Area. The Commercial Revitalization Area designation is reserved for properties that present economic potential for redevelopment, but which are currently outdated and in decline.

The Region 2 Plan designates the Property as mixed use planned land use. The Region 2 Plan specifically states:

A key defining feature of the community is Laurel Park. The racetrack was constructed in 1911, later expanded in 1953, and is the second oldest horse racing facility in Maryland next to Pimlico. The future of the racetrack is uncertain. The property possesses *huge redevelopment potential* with its access to the Laurel Racetrack MARC Station allowing for a possible State Transit-oriented Development designation and its proximity to Baltimore Washington Parkway and Howard County. The owners of Laurel Park are formulating plans to redevelop the area into a mixed use entertainment area with public transportation.

Region 2 Plan, page 24 (*emphasis added*).⁵ Plan2040 further identifies Laurel Park as one of four "targeted growth areas". *Id.* at 40.

Bill 6-24 (Region 2 Plan) was passed by the County Council on May 6, 2024. Governor Moore and the Board of Public Works approved the master agreement defining the transfer of ownership of Pimlico and the future of Laurel Park on May 15, 2024. Now that the agreement with the State of Maryland is in place, the cessation of racing at Laurel Park and the Applicant's ability to commence planning for redevelopment of the Property is clear.

⁵ Anne Arundel County Region 2 Plan, https://www.aacounty.org/planning-and-zoning/countywide-planning/region-2-plan.

The Proposed Rezoning

The request to reclassify the Property from W1 and OS to MXD-S is consistent with the mixed use planned land use classification adopted in the Region 2 Plan (Bill No. 6-24).

The MXD-S is intended for "mixed use development in a medium- to large-scale suburban center with a range of residential types, retail, and employment uses, including some light industrial uses." § 18-8-102. Permitted residential uses include multifamily dwellings, single family detached dwellings, duplex and semi-detached dwellings, townhouse dwellings, and community based assisted living facilities. Permitted retail and service uses include bakeries, child care centers, department stores, florists, grocery stores, hotels, restaurants, and more. MXD-S also permits office space, some light industrial uses, and civic uses.

The Suburban Center Mixed Use District (MXD-S) is the only mixed-use zone that allows "race tracks for horses" as a conditional use. MXD-S zoning will, therefore, allow for both the continued use of Laurel Park for the duration of its lease with the State and provide for ample redevelopment opportunities consistent with the Region 2 Plan once the lease terminates.

The removal of the OS designation and the rezoning of the entirety of the Property to MXD-S will not result in the development of the area currently zoned for Open Space as these areas are largely protected wetlands, protected by permanent forest conservation easements, and lie within 100-year floodplain. To the extent these areas are not protected, removal of the OS designation will give the Applicant the flexibility to include appropriate active recreational amenities within these areas in a manner consistent with the protection of any sensitive natural resources.

As noted above, the Applicant is still in the planning process for the future use of the Property, but anticipates that redevelopment work may begin as early as 2027, when its lease with the State of Maryland ends. The Applicant is requesting a rezoning at this time to put in place the recommended zoning adopted in the Region 2 Plan so that the applicable development guidelines will be clear as it engages in a master planning process for the Property.

Rezoning Requirements

Reclassifications may be granted by the Administrative Hearing Officer for either a more- or less-restrictive classification, pursuant to § 18-16-303 of the Anne Arundel County Code. For properties outside the Critical Area, the Code requires the Administrative Hearing Officer to make three affirmative findings. We address each requirement below:

1. There was a mistake in the zoning map or the character of the neighborhood has changed to such an extent that the zoning map should be changed. § 18-16-303(b)(1).

Bill No. 75-24, effective February 2, 2025, provides that the Applicant need not establish a mistake in the zoning map or change in the character of the neighborhood if the land use recommendation is for mixed use (18-16-303(g)). Here, the Property was designated as mixed use pursuant to Bill No. 6-24 adopted May 6, 2024 (Change ID Number: PLU-R2-LRL-107), but not zoned as a mixed use district by Bill No. 7-24, the Comprehensive Zoning action for Region 2.

2. The new zoning classification conforms to the General Development Plan in relation to land use, number of dwelling units or type and intensity of nonresidential buildings, and location. § 18-16-303(b)(2).

The Property is in a Priority Funding Area and served by public water and sewer. The Plan2040 Land Use Map, amended in Bill 6-24, recommends mixed use zoning on the site, and the proposed MXD-S zoning classification will conform to many of Plan2040's stated Goals and policies, specifically:

BE 9: Provide a high-quality mix of employment, residential, commercial, and service uses near existing or funded transit stations.

The Applicant envisions a mix of uses on the Property, including housing and commercial uses such as restaurants and retail. The Property is located near a transit station, the Laurel Racetrack MARC Station, and will provide housing and other uses in an area near employment opportunities. Laurel Park is in a Transit-oriented Development Policy Area Overlay. The Property is also in close proximity to Baltimore Washington Parkway, Prince George's County, and Howard County.

The Region 2 Implementation Matrix for Built Environment, found on page 72 of the Region 2 Plan, cites to Plan2040 goal BE15.2 which states: "Provide a direct commuter shuttle service between Fort Meade and the Jessup, Savage/Annapolis Junction, and Laurel Park MARC Stations." This planned commuter shuttle further supports the need for MXD-S zoning. Without such zoning, the uses available on the Property will be restricted to industrial only. The MXD-S District is appropriate because it is the only mixed-use district that allows a race track to continue, thereby avoiding the creation of a nonconforming use.

BE11: Provide for a variety of housing types and designs to allow all residents housing choices at different stages of life and at all income levels.

The Applicant envisions a mix of housing options, similar to the adjacent Paddock Pointe development in Howard County, which is a transit-oriented development with multiple housing types and recreational amenities. Policy BE 11.2 specifically calls for the County to review zoning and development regulations "and amend to allow for a variety of residential forms, densities, and sizes in stable communities throughout the County."

BE12: Ensure the County's workforce, elderly and other vulnerable populations have access to an adequate supply of housing in a variety of neighborhoods that is affordable for a range of income levels.

MXD-S zoning provides the greatest amount of flexibility for development of housing types, including townhomes, single-family attached (duplex), single-family detached, multifamily, and adult independent living.

BE13: Revitalize and stabilize existing communities in order to preserve physical character, capitalize on investments and infrastructure, strengthen and beautify

neighborhoods, and create economically, socially, and environmentally sustainable communities.

Policy BE 13.3 specifically calls on the County to "facilitate, encourage, and incentivize redevelopment and revitalization of underutilized properties, particularly older and declining commercial and industrial properties," which is precisely what the proposed rezoning would allow. MXD-S zoning would allow the existing race track and related facilities to become a redevelopment opportunity for a variety of housing types, along with vibrant commercial, retail, and employment uses.

HE5: Enhance commercial hubs and corridors to create thriving and attractive centers that serve both local communities and regional needs.

The Property is located within a Priority Funding Area, is within a Critical Economic Development Policy Area, is designated as a Transit Oriented Development Policy Area Overlay. These are all designations meaning redevelopment is especially encouraged.

3. There is compatibility between the uses of the property as reclassified and the surrounding land uses, so as to promote the health, safety, and welfare of present and future residents of the County. § 18-16-303(b)(3).

Once the State of Maryland has moved racing back to Pimlico, the Property will henceforth no longer be used for horse racing. As such, it is critical that the property be put to its highest and best use that facilitates and encourages redevelopment.

The Region 2 Plan specifically states: "[w]hile the SAC recommended to not change the zoning on the site to ensure horse racing continues as a permitted use, they did recommend that a future mixed-use zoning district should allow high-density residential, commercial, and office uses and greater flexibility of the prescribed ratios of those uses." Page 45. The MXD-S District will not only allow for the race track to continue, but will allow the Petitioner to actively pursue plans for redevelopment that are compatible with the surrounding uses.

4. The Property is not located within the critical area. § 18-16-303(b)(4).

Conclusion

For the reasons stated above, the Applicant requests approval for the rezoning request as shown on the accompanying Administrative Site Plan (Exhibit A). We are available to answer any questions you or your staff may have and look forward to reviewing your comments on this Application.

Very truly yours,

/s/ Tom Coale

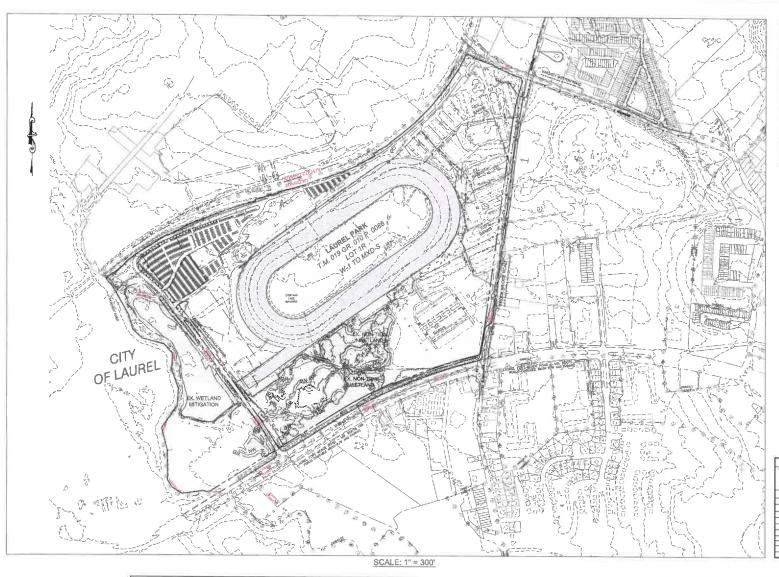
Tom Coale

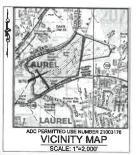
Attachments

Cc: Janssen Evelyn

Hon. Julie Hummer

Julian Olin





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REVISION DESCRIPTION BY DATE

MESSICK
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MESSICK & ASSOCIATES *
CONSULTING ENGINEERS,
PLANNERS AND SURVEYORS

7 OLD SOLOMONS ISLAND ROAD, SUITE 202 ANNAPOLIS, MARYLAND 21401 (410) 266-3212 * FAX (410) 266-3502 email: engr@messickandassociates.com 1 ST LAUREL LLC PO BOX 130 LAUREL, MO 20725

COVER SHEET

LAUREL PARK
ADMINISTRATIVE SITE PLAN
LOT 1R
LAUREL, MD 20724

TAX MAP: 19 GRID. 10 PARCELS; 86 FOURTH ASSESSMENT DISTRICT SCALE: AS SHOWN TAX ACCOUNT: 04-000-BUS95380 ZONNNE W-1
ANNE APUNDEL COUNTY, MARTLAND 21744
DATE FEBRUARY 2025 SNEET: 1 OF 1



OFFICE OF PLANNING AND ZONING

CONFIRMATION OF PRE-FILE

PRE-FILE #: 2025-0019-P DATE: 03/20/2025

STAFF: Joan A. Jenkins (OPZ)

Sam Meyers (LRP-OPZ)

Stacy Poulos (CR-OPZ)

Dan Beverungen

(REG-OPZ)

APPLICANT/REPRESENTATIVE: Kinley Bray

EMAIL: kbray@yvslaw.com

SITE LOCATION: 3600 Laurel Fort Meade Rd

ZONING: W1 & OS CA DESIGNATION: n/a BMA: n/a or BUFFER: n/a AP

LOT SIZE: 287.23 acres

APPLICATION TYPE: Rezoning

DESCRIPTION:

The applicant proposes rezoning the entire site from W1 - Industrial Park District and OS - Open Space District to MXD -S (Mixed Use - Suburban) District. The applicant states that the MXD-S is consistent with the mixed use planned land use classification adopted in the Region 2 Plan (Bill No. 6-24).

COMMENTS:

Long Range Planning:

Summary: The applicant is seeking a zoning change from W1-Industrial Park and OS-Open Space to MXD-S Mixed Use Suburban for the property located at 3600 Laurel Fort Meade Road. The basis for the request is so that applicable development guidelines will be clear as master planning for the subject property begins.

The approximately 287.2-acre site is located within the Critical Economic Development Policy Area and Transit-Oriented Development Policy Area Overlay (Targeted Growth). The site is designated as Mixed Use on the Plan2040 Planned Land Use Map and within the Priority Funding Area. The surrounding properties are zoned R15 and R10 to the north, C4 to the south, and R5 and OS to the east. The surrounding area is classified as High Density Residential and Medium Density Residential to the north, Mixed Use and Commercial to the south, and Low-Medium Density Residential to the east on the Plan2040 GDP Land Use Map.

The surrounding area is within the Critical Corridor and Neighborhood Preservation Policy Areas as well as the Corridor Revitalization and Redevelopment Overlay.

Findings:

Compliance with Plans:

General Development Plan: Plan2040 does have recommendations that are specific to the subject property. Plan2040 notes that the Laurel Racetrack Transit-Oriented Development should focus on intensifying industrial and commercial uses with dense residential uses in the mix and that implementation would be guided by a transit area sector plan. The request would be consistent with the adopted Planned Land Use of Mixed Use.

Region 2 Plan: This proposal is within the Region Planning Area 2. The Region Plan was adopted on May 6, 2024.

During Comprehensive Zoning, OPZ recommended that the adopted W1-Industrial Park and OS-Open Space zoning be maintained to ensure natural features will be protected if the property is redeveloped and that the "Race Track for Horses" conditional use can continue. The County Council amended the zoning recommendation to exclude the improved road portion of the site from the OS zoning district.

The Region 2 Plan provides recommendations that are specific to this site. The Region 2 Stakeholder Advisory Committee (SAC) recommended not to change the zoning on the site to ensure horse racing continues as a permitted use. They recommended that a future mixed-use zoning district should allow high-density residential, commercial, and office uses and greater flexibility of the prescribed ratios to those uses. The SAC also recommended that the Laurel Racetrack MARC Station become a focus of redevelopment to provide additional mobility options for residents and visitors and that future redevelopment of the site provide a robust network of internal and peripheral pedestrian and bicyclist networks to reduce the dependence on vehicles and traffic along MD 198.

2022 Water and Sewer Master Plan: The site is in the Existing Sewer Service category and the Existing Water Service category. The proposal is consistent with the 2022 Water and Sewer Master Plan.

Development Division, Regional Team:

The Development Division defers to the Zoning Division regarding whether the application complies with the requisite criteria for the granting of these applications and offers no objection to the proposed rezoning.

Cultural Resources:

While the Cultural Resources Section has no objection to the variance application's request for a change in zoning, staff advise that all development on this property shall be subject to review per Article 17-6-501-503.

--Historic Sites Laurel Race Track (AA-891) Paddock (AA-2321) Manager's House (AA-2322)

This property is recorded on the Maryland Inventory of Historic Properties (MIHP) as the Laurel Race Track (AA-891) and includes three historic standing buildings; the Paddock (AA-2321), Manager's House (AA-2322), and the grandstand building included in (AA-891). In 2003, the Paddock and Manager's House were determined eligible for listing in the National Register of Historic Places by the Maryland Historical Trust. In 2018, an addendum to the MIHP from for AA-891 Laurel Race Track was completed to include the grandstand building as well as the pedestrian tunnels located north of the grandstand building that were constructed in 1911. A portion of the grandstand is the original 1911 construction which was expanded in the 1950s and further improved in 1966 with the addition of the glass curtain which is a significant architectural feature of that building. Development applications shall comply with Article 17-6-501.

--Archaeology

Portions of this property retain high archaeological potential. Development applications are subject to review for compliance with Article 17-6-502 and 503. Depending on the level and limits of the scope of work, a Phase I archaeological survey may be required for review of a development application

Zoning Administration Section (ZA):

The ZA does not have any specific objection to the proposed zoning. The designation of this property to a mixed use planned land use between May 6, 2024 and December 31,2025 satisfies the requirement to provide evidence that there was a mistake in the zoning map or the character of the neighborhood has changed to such an extent that the zoning map should be changed. If the General Development Plan or region plan recommends a sector plan or study for a lot designated as a mixed use planned land use, the lot may not be administratively rezoned to a mixed use district unless the sector plan or study is completed and recommends a rezoning to a mixed use district.

The Region 2 Plan does not recommend a sector plan or study be conducted for the Laurel Park site. However, Proposed Bill 18-25, if passed, will require that properties designated for mixed use on a land use plan adopted between May 6, 2024 and December 31, 2024 (which includes the Laurel Park site) cannot be administratively rezoned to a mixed use district until a sector plan or study has been completed and recommends rezoning to a mixed use district, regardless of whether the adopted plan recommended a sector study or not. Therefore, if this bill is passed, the Laurel Park site could not be administratively rezoned to MXD-S until a sector study or plan has been completed.

It is also noted that an amendment to Bill 18-25 is planned for introduction at the April 7th County Council session. This amendment, if passed, will add a grandfathering clause to the Bill which will exempt any administrative rezoning applications that have been filed before the effective date of the Bill from the Bill's requirements. If both the amendment and Bill are passed, a sector study or plan will not be required as a prerequisite for an administrative rezoning of the Laurel Park site, as long as the formal Administrative Rezoning application is filed before the effective date of the bill.

This information was conveyed to Tom Coale. attorney representing the Laurel Park owners, on March 20th. He indicated the applicant plans to submit the formal Administrative Rezoning application prior to the effective date of Bill 18-25 (if passed).

INFORMATION FOR THE APPLICANT

Section 18-16-301 (c) Burden of Proof. The applicant has the burden of proof, including the burden of going forward with the production of evidence and the burden of persuasion, on all questions of fact. The burden of persuasion is by a preponderance of the evidence.

A variance to the requirements of the County's Critical Area Program may only be granted if the Administrative Hearing Officer makes affirmative findings that the applicant has addressed all the requirements outlined in Article 18-16-305. Comments made on this form are intended to provide guidance and are not intended to represent support or approval of the variance request.