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### The History of Avenel

The history of Avenel from farmland to its present-day status as a luxury residential community has been cited by many as a textbook case of creative and responsible land use where there were not winners or losers, but where all parties involved gained in the process. To understand how groups as divergent as Washington Suburban Sanitary Commission (WSSC) the local water and sewer authority, two county governments, local equestrian groups, the Potomac community, the PGA Tour, and the developer of Avenel managed to work together to create the present day Avenel, it is necessary to understand the setting at the time the land was purchased by the developer in 1979.

At the time Potomac Investment Associates (PIA) was acquiring the 1,018-acre Avenel Farm in Potomac, Maryland for a luxury residential community, the WSSC was searching Montgomery County for a 500-acre site to acquire and hold for use as an advanced wastewater treatment plant (AWTP). As luck would have it, the WSSC settled on Avenel Farm as their choice for the AWTP and immediately began the process to condemn for public use over 500 acres of this choice, most expensive residential real estate in the county.

If the condemnation had proceeded, not only would the Avenel development of today never have existed in its present form, but Montgomery County and Prince George's County ratepayers would have paid for one of the most expensive sites in the entire country for a sewage treatment plant (AWTP).

As can be imagined, the local citizenry was very adverse to the idea of an AWTP in their community. The developer was equally concerned about having such a large tract of land carved out of the property. What would happen to all the unused land beyond the 50 acres actually needed for the AWTP? Would it sit as an inviting site for some future non-desirable public purpose use?

Avenel Farm, even though located only ten miles, as the crow flies, from the White House itself, was still being utilized for grazing cattle and boarding horses at the time of its acquisition by PIA. The barn on the site, dating from the 1940's and reportedly the largest single-story barn in Maryland, was once the focal point of the largest short-horned cattle farm in the state.

The Potomac area where Avenel is located has historically been a very equestrian locale where, not long ago, horses could be seen competing with cars for the right-of-way on the area's roads. The equestrian community did not want an AWTP facility, nor a residential community, replacing their valuable resource for boarding their horses, nor did they want to lose the miles of equestrian trails which crisscrossed the Avenel Farm connecting with other trails along the Potomac River and elsewhere in the community.

Another problem encountered in planning the development of Avenel Farm was that a 30-acre parcel of land had been carved out of the natural configuration of the site years before by the County for a future high school, which has since been declared surplus land and designated for a future (next-decade) park. While this carve out could be worked around, the symmetry of the overall development called out for its inclusion in the planning.

About the time planning commenced for development of Avenel, PIA was contacted by Deane Beman, Commissioner of the PGA Tour, who had grown up in the immediate area and always thought Avenel Farm would make a great golf course with its rolling wooded hillsides bisected by the Rock Run Stream

Valley. It was also about this time that Beman had come up with his "stadium" golf course concept. Spectator mounds and grassed amphitheaters make viewing golf, both for TV and on-site spectators, a



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much more enjoyable and rewarding experience than attempting to peer through children’s periscopes over the shoulders of those in front, as it often done on traditionally designed golf courses of yesteryear.

Beman had initiated his “stadium” golf course concept at the Tournament Players Club at Sawgrass in Ponte Vedra, Florida and desired to have the PGA Tour create and own 25 of these courses around the country by the turn of the century. Inasmuch as the Kemper Open, which was being played annually at the adjoining Congressional Country Club, was looking for a new home, the first two pieces of an ever-enlarging puzzle slowly came together.

Perhaps there was an imaginative approach to planning the development of Avenel Farms that could satisfy the citizenry; allow the AWTP to be placed in the only logical, albeit expensive, spot in the County where it could be physically accommodated; allow the equestrians to continue to have their barn, fields, and trails, give the PGA Tour a new home in the County for the Kemper Open that could better accommodate the crowds, TV, and parking situation and thereby preserve this valuable economic resource for the County and its businesses; assimilate the surplus school site parcel into the community; create parks and opens space for everyone in the County to enjoy; and still permit the project to be a financial success.

But how does a developer go about getting local residents, the County government, the Park and Planning Department, equestrian interests, the PGA Tour, the WSSC, and nervous lending institutions to agree on anything, much less something as complex as 1,018 acres on which all parties appear to have divergent interests?

Perhaps the WSSC did not need to spend taxpayer’s money on 500 acres of expensive real estate just outside Washington’s Beltway. Perhaps less acreage could be utilized, if only for the plant itself and the buffer land could have other uses besides lying fallow and representing a continuing threat of government controlled use incompatible with the quality of residential development in the area.

The developer set about trying to negotiate and structure a master agreement to which all the divergent interests would be parties, and which would somehow satisfy all of these competing demands. What emerged is truly a textbook case study of innovation and creative land use planning. PIA did successfully get all pertinent parties to execute one document solving the land use issues. This document was called the Master Agreement, and it served as the guiding force throughout the development planning for Avenel, being finally executed in full in December of 1988.

What emerged from the Master Agreement process was as follows:

1. The WSSC eventually acceded to the fact that they could live with only acquiring 170 acres of land instead of 500, provided no homes were closer than approximately 1700 feet to the future AWTP. The actual plant, when built, would be architecturally compatible to the old barn and occupy only 35 heavily screened acres. The remaining 135 acres would be owned by the WSSC, but would contain the old barn, which was refurbished and painted by the developer, and grazing fields and riding trails, which were enclosed by new white fencing by the developer. The barn and field today compromise the Avenel Equestrian Center which will be overseen by a non-profit equestrian council composed of local businesses, civic, and equestrian organizations.



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2. In order to create a sufficient buffer between the AWTP and the to-be-built homes, the acreage surrounding the 170-acre AWTP site would be donated by PIA to the PGA Tour in return for the PGA Tour constructing a TPC “stadium” golf course and moving the Kemper Open to this new course beginning in 1987, thereby preserving the estimated \$20,000,000 of economic benefit the Kemper Open brings to the County annually. Additionally, by keeping the Kemper Open in the County, local charities would continue to receive the annual contributions made each year by the Kemper, which were approximately \$150,000 in 1998 and which continue to grow. Another benefit to this arrangement was that an easement was granted on the 170-acre AWTP site to accommodate the thousands of cars which needed a place to park during the Kemper Open, thereby relieving the surrounding community of the traffic-clogged streets and cars parked in yards which formerly accompanied this annual event. Additionally, other easements were worked out on the AWTP site which allowed the PGA Tour’s driving range to be accommodated on the 170-acre AWTP property and which allowed an access road to the clubhouse to come across the AWTP site, thereby allowing the clubhouse to be placed in a desirable location where it was screened from the sight of passersby and most homes in the area.
3. The missing 30-acre piece of the development owned by the County, originally acquired as a future high school site, but now no longer needed, was traded to PIA in exchange for a 22-acre site in the center of the development, adjacent to the moderately-priced housing, which would become a County Park. Additionally, PIA agreed to fund \$500,000 of improvements to the park. The entire cost to construct the park turned out to be in excess of \$900,000 and was not scheduled for construction in the County’s capital improvements program until the latter half of the 1990’s. Upon learning this, PIA stepped forward and advanced the entire cost of construction with only a non-binding promise from the Park Department to pay them back when funds became available. The park today includes three soccer fields, a softball field, tennis and basketball courts, and two tot lots. Additionally, easements were also worked out to allow parking during the Kemper Open on the park’s playing fields, with PIA working with the County to seed the fields with a blend of grasses specially formulated to withstand the wear and tear of heavy use. Also, as part of the Master Agreement, PIA dedicated 50 acres for the Rock Run Stream Valley Park which connects with other County parkland and further enhances the network of equestrian trails in the area.
4. PIA also worked out arrangements to dramatically improve the road situation in the area by constructing Oaklyn Drive throughout the community, thereby supplying a long missing link in the area’s road network and by funding one-half of the cost of a \$700,000 project to straighten a dangerous rise and curve on Persimmon Tree Road on the perimeter of the project.

After the Master Agreement was finalized by finding solutions to pressing public policy issues, more social policy issues continued to confront PIA. The zoning on the property initially allowed one house for every two acres. After dedicating land for roads and if no other uses were carved out of the land, only approximately 400 homes could have been constructed at Avenel. However, the County had developed a program of transferable land rights (TDRs for short) whereby density could be transferred from one area of the County to another, thereby preserving thousands of upcounty acres as agriculture or pristine forested land. This program also lessens the demands made on the water and sewer, road, and school



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infrastructure created by leapfrog development, with no net difference in the number of residences permitted in the County. Avenel was designated as a “receiving” zone which meant that once the developer purchased TDRs from farmers upcounty, these TDRs could be used at Avenel to increase the density to 850 homes. An added social benefit of the increased density was that the County’s moderate priced dwelling units (MPDUs) law required additional units to be constructed as MPDUs and sold at below market rates (below \$80,000 today). Sixty MPDUs, to be made available to those earning incomes in the County commensurate with 80% of the County median income, or less, were eventually included in the development plan.

However, a lawsuit filed by a group of local citizens group challenged the whole concept of the TDR program in Montgomery County, using Avenel as the “test” case. If successful, the lawsuit threatened millions of dollars of ongoing construction in the County which had relied on the TDR program. The lawsuit dragged on for years, all the way to the highest court in Maryland, with PIA leading the fight for the entire development community. Eventually, the court agreed with the citizens group on a technicality, but showed the County how to correct the procedural flaw. Again with PIA leading the way, the development community worked quickly to facilitate action by the County Executive and County Council to correct the technical flaw, validate the TDR program, and allow the millions of dollars of construction to move forward, Avenel included.

To further enhance the overall planning of development in this pastoral area, PIA agreed to place the larger two-acre home sites around the perimeter of the property. The courtyard homes and smaller lot sized were creatively configured in the interior of the site to maximize views of the golf course and surrounding wooded hillsides.

Additionally, stringent architectural covenants are being imposed by PIA to make Avenel a harmonious blend of exclusive residences. Stone entranceway treatments, white three-board fences, extensive landscaping (the developer alone, not counting the builders, has planted over 10,000 trees in Avenel), and special architectural treatments of street and stop signs accent the traditional, elegant tone of the development.

To further enhance the community, all resale signage in the community is prohibited, with the exception of tasteful Avenel Community Association supplied signs denoting the “for sale” homes, thereby eliminating the visual clutter of numerous signs dotting the landscape. Additionally, all builders are required to place landscape escrow deposits with PIA which are returned only after individual home landscaping is installed to Avenel standards. All common area and home landscaping is performed by the homeowner’s association – an innovative residential community concept which assures uniformity in the lawn care and eliminates the drone of lawnmowers during the evenings and/or weekends so residents can enjoy the tranquility of Avenel.

From the date of acquisition to working through the Master Agreement and TDR lawsuit, the design and development took over eight years. The final product clearly evidences the fact that it was well worth the wait and that “development”, when done to high standards with sensitivity to the environment and other community concerns, can be a winning proposition for all parties involved.