

Exhibit J - Justification Statement



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Master Plan Amendment
Farrell Wellington - Estates West
July 25, 2022
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Project Overview

Applicant seeks a Master Plan Amendment within the Palm Beach Polo Property Owner's Association, Inc., for the situs property in order to construct twenty-seven (27) single-family homes. The Applicant request is to transfer residential units from tract G-1 to a new tract 81 in Palm Beach Polo and Country Club.

Criteria

1. That the proposed request is consistent with the purposes, goals, objectives and policies of the Comprehensive Plan.

The proposed Master Plan amendment is consistent with the following goals, objectives and policies of the Comprehensive Plan.

Goal LU&CD 1: Enhance the quality and character of the Wellington's neighborhoods, commercial districts, travel corridors, and equestrian community to continue to maintain a Great Hometown!

The proposed amendment seeks to enhance the quality and character of the Palm Beach Polo and Country Club by redeveloping a neglected portion of its golf course. With a relatively small amount of upscale homes developed at the situs property, this property and the community will be enhanced by not having any more code enforcement issues and creating certainty for the future. The additional tax revenue that will go to the Village is also an enhancement.

Objective LU&CD 1.1: Establish compatible land use arrangements using land use categories appropriate for the neighborhoods, districts, commercial corridors, and equestrian areas.

The proposed Master Plan Amendment is compatible with the existing land use arrangement and designations. The situs property is located in the Palm Beach Polo and Country Club where there is a healthy mix of housing types and prices. In the immediate area of the situs property there is Residential F to the West and Residential E to the South, both FLUM designations of which allow for three and five times the amount of residential density than what is proposed.

Policy LU&CD 1.1.1: New development shall be compatible with existing natural and built conditions. Future growth patterns shall take into consideration topography, soil, vegetation, water quality and quantity, and other natural resources of the land. Future growth patterns shall also respect and protect the character and quality of the surrounding built environment.

The proposed Master Plan Amendment is compatible with the existing conditions. The development includes landscape buffers to transition to the more intense residential development areas of Palm Beach Polo and Country Club, while incorporating a new lake in the center of the development and while expanding the existing lake on the northwest area of the property. Future growth patterns are accommodated by ensuring that the subject property will remain low density residential with the development of the property, instead of the property remaining vacant and usually unmaintained.

Goal LU&CD 2: Maintain a high quality of life through community design and appearance within the Village's neighborhoods and districts.

The proposed Master Plan Amendment and resulting development will maintain a high quality of life with this development. The Applicant, Farrell Building Company, is an award-winning designer and developer with a proven track record of beautiful homes. With just twenty-seven lots of the proposed development and a minimum of 10,000 SF per lot, the Village can be assured that this development will maintain the high quality of life.

Policy LU&CD 2.1.2: Maintain a high standard for aesthetic quality of the community design and appearance and regulate the architectural standards of the Land Development Regulations.

The proposed Master Plan Amendment and resulting development will maintain a high standard for aesthetic quality due to the Applicant's award-winning designs resulting developments in other parts of the United States. The Applicant will seek input from the Village's Architectural Review Board to further ensure that the development will meet the Village's and community's high standard for aesthetic quality.

Policy LU&CD 2.1.3: Maintain the aesthetics of the community and distinct characteristics of neighborhoods and commercial centers through enforcement and administration of Wellington's Land Development Regulations including maintenance standards for all types of buildings and land uses, architectural design standards for all types of buildings, sign regulations, landscaping requirements, and vegetation preservation standards.

The proposed development includes a master plan amendment that contains a design standards manual, which includes few deviations from the Village's LDRs. Further, the resulting development will be governed by a sub-association of the Palm Beach Polo and Country Club Property Owner's Association, meaning that there will be two primary layers of enforcement and administration to ensure that the rules are followed before the Village would get involved.

Policy LU&CD2.2.1: Preserve and protect the character of Wellington's diverse single-family neighborhoods by establishing a set of regulations and standards that maintain the existing development pattern such as lot sizes, setbacks, landscaping, and design.

The proposed residential development preserves and protects the character of Wellington's single-family homes by building beautifully designed homes with an amazing location, inside Palm Beach Polo and Country Club. Other developments, like Blue Cypress have recently done the same by developing single family homes in Palm Beach Polo and Country Club.

Goal LU&CD 3: Ensure that established land use patterns are protected, and the distinctive characteristics of the individual communities are preserved, discourage urban sprawl, promote energy efficiency, maintain a high standard of aesthetics, respect environmental constraints, and provide services at the adopted levels of service.

The proposed Master Plan Amendment is complimentary of the existing land use pattern as it will allow low density residential that is otherwise surrounded by medium density residential. The low residential use of the situs property, twenty-seven units, discourages urban sprawl, as the property is currently an abandoned golf course and part of an established PUD with a lot of residential units. The proposed development will be built with energy efficient materials, while maintaining a high standard of aesthetics. The development respects environmental constraints by creating an additional lake and enlarging the existing lake on site.

Objective LU&CD 3.1: Land use changes shall consider changed circumstances or demonstration of need, environmental suitability, infrastructure capacity, and compatibility with surrounding land uses, economic development and reinvestment opportunity.

Changed circumstances of the golf course closing for more than twenty (20) years, and the sale of the golf course property to a private party, rather than the homeowners' association created the opportunity for the proposed Master Plan Amendment. Additionally, the demonstrated need for more housing in this area is clear. The proposed Master Plan Amendment maintains environmental stability by proposing low density residential uses, which also ensures that the infrastructure capacity is evaluated and improved if necessary. The compatibility of surrounding land uses with the proposed Master Plan Amendment is clear as are the economic development and reinvestment opportunities that are associated with the Applicant and this project.

The demand for newly constructed homes within the Palm Beach Polo Club has never been stronger. In Wellington, as cited in the 2022 Douglas Elliman second quarter sales report included with this submittal, the luxury tier has experienced explosive growth. The average price for single family homes is \$6,379,220 representing a 52.9% increase since the prior quarter. Listing inventory for luxury homes in Wellington has fallen to a record low in each of the past seven quarters.

Farrell Building Company, having consulted with both Douglas Elliman Development Marketing and Corcoran Sunshine, confirms its original vision for the Farrell Estates while noting that there are even more positive outside factors expected to boost demand and pricing for the homes since purchase of the land.

It is well understood that the core HNW demographic engaged in equestrian activities has been growing steadily Florida in recent years. Yet it is expected to expand even further and attract more international members of the community looking to purchase homes since The United States Polo Association purchased the assets and 161 acres of the International Polo Club in June 2022. Most prospective purchasers in this core demographic, want a home in Wellington to utilize while competing during the historically sixteen-to-twenty-week season of the Winter Equestrian Festival, which has additionally been expanded by new ownership.

Palm Beach Polo Club is naturally the most sought-after enclave for living in Wellington and there is limited new inventory. The last two developments of Cypress Island and Blue Cypress are mostly sold out. Most of the rest of the inventory in the Polo Club are 20+ year old homes in need of renovations or a few simplistic spec builds. Farrell's reputation for quality homes built with superior design, finishes and quality, will translate well to the Northeast, California and European clientele who want to buy at the Polo Club but can't find what they want. Finally, the direct connection to Farrell's vast Hamptons customer base, having built over 500 homes there, will be cultivated by working with Douglas Elliman, Florida's biggest brokerage and new development specialist. Douglas Elliman is both a top sponsor of the Hamptons Classic every August and the annual Polo Wellington Season, believing so strongly in the space that they launched an equestrian magazine this fall.

The influx to Florida from the east coast generally due to attractive taxes and a post-covid focus on weather and lifestyle is also driving expected demand. Many DE and Corcoran brokers have cited that their clients are "priced out" of Palm Beach island, with single family home inventory limited and are turning their sites away from the beach for year-round living. Another limiting factor to purchasing in other residential areas such as Manalapan or Delray is that traffic conditions for equestrians and their families is that a daily commute during season is prohibitive.

H&N 1: Protect, preserve, and enhance the character, quality and value of existing neighborhoods.

The proposed Master Plan Amendment protects, preserves, and enhances the character, quality and value of Palm Beach Polo and Country Club. The situs property is vacant and has not been utilized as a golf course in more than twenty (20) years. The property is a source for continuous resident and code enforcement complaints about overgrowth, eyesores, security, and lack of maintenance. The development of this property into twenty-seven single family homes will significantly upgrade this part of the neighborhood. There will be an active residential use on the property with a sub-association to ensure that the

development is maintained, and landscape buffers and lakes will add to the aesthetic of the development. With the development of these homes with a minimum lot size of 10,000 SF, property values are also expected to increase, which maintains the area's quality of life.

2. That the proposed request is in compliance with all articles of the Land Development Regulations (LDR).

The proposed development will be in compliance with all of the articles of the LDRs.

Sec.6.5.1: The purpose and intent of the following regulations is to allow flexibility in the application zoning regulations for the development of land within a PDD that achieves distinctive, attractive communities, takes advantage of compact building design, and preserves open space and critical natural environments by allowing flexibility from zoning regulations.

- The proposed application seeks to develop a 27-unit single-family residential section of Palm Beach Polo and Country Club, which does not seek to over-densify the property, but in fact achieves distinctive, attractive communities, as specified in the Code. The proposed application seeks to strategically preserve open space and critical natural environments.

Sec. 6.5.4 – General Design Standards of planned development districts.

- A) The proposal shall provide a continuous, non-vehicular circulation system, and perimeter landscape areas to connect buildings and other land improvements.
 - The Application provides greenways and sidewalks throughout the development with perimeter landscape areas around the whole site.
- C) The proposal shall preserve existing trees and other natural features of the site to the greatest possible extent.
 - The proposed application seeks to preserve as many of the existing trees on site as possible and seeks to enlarge the existing lake on the northwest portion of the property.
- D) The elements of the final site plan/final subdivision plan shall be organized based on the size and shape of the tract, the character of the adjoining property, and the type and size of the buildings, shall produce compatibility and functionality, mitigate noise and light impacts on adjacent sites, and illustrate an economical land use pattern.
 - The proposed application seeks to take advantage of the property's location within the Palm Beach County Polo and Country Club, while
- E) All proposed PD shall have a PSM, adopted by resolution, submitted with the master plan providing the proposed standards for the project.
 - The proposed application includes a PSM that will be adopted by resolution expressing proposed standards for the project that are very similar to to the Code requirements.
- Q) Property owners association, or other type of association, shall be formed concurrent with the first recorded plat.
 - A sub-association will be created and report up to the existing POA.

Sec. 6.5.5 – Planned Unit Development District (PUD)

A) The purpose and intent of a PUD is to allow flexible regulations and development standards for projects that are primarily residential and may contain pods of civic, recreation, and limited non-residential and mixed uses. All uses shall be connected by a continuous circulation system.

- The existing PUD contains primarily residential development that included elements of recreation. The recreation areas were sold years ago and fell into disrepair, while the owner sought ways to monetize the property. While there are still significant recreation opportunities within the PUD, the situs property seeks to be converted into a single-family residential use that is complementary to and supported by the PUD.

C) PUD's that exceed 75 acres in size or 300 dwelling units, shall provide at least two housing types. Housing types shall include, but are not limited to, single family, zero lot line, townhouse, multi-family, or congregate living facility.

- The subject PUD exceeds the acreage and dwelling units and does offer at least two housing types. Currently, single family homes, zero lot line homes, townhouses and multi-family condominiums are offered within the Palm Beach Polo and Country Club PUD.

F) The land uses within the PUD shall be located and designed to be compatible with surrounding land uses both internal and external to the PUD.

- The situs property and subject PUD would have consistent and complimentary land uses should the companion FLUM amendment be approved. The “Low Density Residential – C” allows up to three units per acre, which is consistent with a balance of the PUD, other than Open Space Recreational (OSR). There are other portions that have FLUMs that allow for more dwelling units per acre, yet the Low Density Residential – C is the predominant developable land use found within the PUD.

3. That the proposed request minimizes environmental impacts, including but not limited to water, air, stormwater management, wildlife, vegetation, wetlands and the natural functioning of the environment.

The development of the situs property minimizes environmental impacts by limiting the number of residential units, creating large landscape buffers, on-site drainage and a compact street that will circulate internal traffic without impacting other parts of the community. The proposed development would provide 104,800 SF of landscape buffer area, which is sizable and minimizes the environmental impacts of the development.

4. Provide the overall design concept and show that the design of the proposed request minimizes adverse effects, including visual impact and intensity of the proposed use on adjacent lands.

The proposed development was designed to minimize any adverse effects including visual impact and intensity of the proposed use on adjacent lands. The Applicant is seeking the development of twenty-seven (27) single family homes on lots that will minimally be 10,000 SF and thirty-five (35) feet in height at most. The design of the homes brings current styles to the Palm Beach Polo and Country Club, that trend more modern than Mediterranean; however the Applicant will submit the models to the Architectural Review Board (ARB) for feedback. The gross site area is 22.98 acres, and its maximum development potential under the proposed Low Residential C FLUM Designation is sixty-eight (68) units at a density of 3.0 units per acre. The Applicant is proposing twenty-seven (27) units at a density of 1.18 units per acre.

There is a fifty-foot landscape buffer on the north side of the property adjacent to Forest Hill Boulevard and a thirty-foot (30) landscape buffer on the east side. At a minimum, there is fifteen-foot (15') landscape buffer around the whole property. On the south side of the site plan, the multifamily residential located on Pond View Drive, is buffered by sixty-five (65) feet including road and landscape buffer. In total, the Applicant is proposing 104,800 SF of landscape buffer as part of the development.

5. That the proposed request is consistent with applicable neighborhood plans.

There is no applicable neighborhood plan other than the Palm Beach Polo and Country Club Declaration of Covenants and Amended and Restated Bylaws, both of which the subject application are consistent with. The resulting subdivision will be government by a sub-association that will report up to the POA. Additionally, the Palm Beach Polo and Country Club Property Owner's Association is supportive of the subject application and development.

6. That the proposed request will result in a logical, timely and orderly development pattern.

The closure of this portion of the golf course for more than twenty (20) years brings a sobering reality that it would no longer be a golf course combined with the sale of the property for use as a residential development. As the Village has seen first-hand over the years since this property was operated as a golf course, it has been the subject of various code enforcement complaints, a special use permit, a denied resolution for soccer uses, and likely more complaints. The development of the property as residential is logical because there are residential uses surrounding the property and the property is a part of an established homeowners association.

The homeowners within Palm Beach Polo do not have access to the Farrell East & West project parcels. The building facilities and tennis courts on the East parcel are for Country Club members (a very small group of homeowners) only, and the West project parcel is a vacant open field that the homeowners also do not have access to.

When the POA purchased the former Dunes Course from Palm Beach Polo Inc. in November 2019, the POA established a preserve over 189 acres thereby creating an amenity for the use and enjoyment for all Palm Beach Polo residents. The current Tennis House building is just a

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facility housing tenants (property management, IT company, fitness center). In order utilize the fitness center, if you are not a country club member, you have to pay an annual fee similar to any other local gym.

Accordingly, the change of the former golf course hole from recreational to residential will not have a negative impact on the available recreational amenities within Palm Beach Polo, especially given the recent addition of 189 acres of passive recreation area in the new created Dunes Preserve.

7. That the proposed request complies with Wellington building standards.

The proposed request shall comply with the Wellington building standards.