



October 26, 2006

## Memorandum

To: Montgomery County Planning Board

From: Farroll Hamer, Acting Planning Director  
Karl Moritz, Chief, Research & Technology Center

Re: Growth Policy Discussion

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At the Planning Board's November 2 meeting, we will have a discussion of the County's Growth Policy. This discussion is designed to help the Board determine how it would like to address Growth Policy issues in the future. The most immediate issue is how the Board would like to advise the new County Executive and County Council on growth management issues, particularly: directions in growth management that the Planning Board would like to explore, and a preferred process for exploring those issues.

Because we decided to hold this discussion rather quickly, we are presenting material to you in an unusual format. We have put together an outline of growth policy issues – history, current status, possible directions – to which we have attached memos, reports, and other materials that go into greater detail. We hope that this format is not too confusing, and that it will allow you to move quickly to a productive discussion.

The Planning Board may also wish to discuss the Growth Policy at its retreat. However, the Board will be pleased to know that staff from both Departments have reacted with enthusiasm to the invitation to submit topics/white papers for discussion, so it is likely there will be many good ideas for you to explore.

Attachments are:

1. Growth forecast paper.
2. Planning Board Growth Policy Recommendations 2003.
3. Memo to Planning Board from Karl Moritz, September 1, 2005, which reviews outcome of 2003 growth policy debate and analyzes approval activity after lifting of Policy Area Transportation Review.
4. Memo to Glenn Orlin and Michael Faden from Karl Moritz and Jeff Zyontz, October 13, 2005, containing additional analysis of the "proportional staging" approach for Policy Area Transportation Review

5. Rockville's Adequate Public Facilities Ordinance
6. Gaithersburg's proposed Adequate Public Facilities Ordinance
7. "Planning for Growth in the 21<sup>st</sup> Century" policy paper submitted by a group of residents in response to Centers and Boulevards.

## Outline for Planning Board Growth Policy Discussion

### I. Growth Management

- A. ***“End state” is defined by General Plan (including master plans and zoning): the amount, type and location of development***
- B. ***Managing growth typically means accepting that:***
  - i) There is value in staging how an area transitions from the current state to the end state envisioned in the Master Plan.
  - ii) New development has a special responsibility to contribute toward the community’s quality of life.

### II. Why Growth Management Still Matters

- A. ***Forecasts of growth:*** Attached is a report detailing the County’s growth forecasts, prepared for the second Centers and Boulevards event: *“Creating Thriving and Sustainable Communities: A Community Discussion: Growth and Planning”*
- B. ***Overall pace will be slower but the impacts are still big***
  - i) Systems are stretched, so effect of every increment is magnified. For example, the annual Highway Mobility Report shows that congestion is widespread.
  - ii) We now understand that growth’s impacts are broad.
  - iii) Much harder to add public facilities in developed areas planned for more growth.
- C. ***We have growth-related policies, plans, regulations that are not in the “growth policy” – perhaps they should be.***
  - i) General Plan: Wedges and corridors, the Agricultural Reserve, directing growth to transit corridors, etc.
  - ii) Staging Elements in Master Plans
  - iii) TPR “Alternative Land Use Scenario”
  - iv) Water and sewer category changes (partially reflected in the growth policy)

### III. Current Growth Policy:

- A. ***Consists primarily of APFO and impact tax schedule***
  - i) School test:
  - ii) Transportation tests:
  - iii) Other tests
  - iv) Impact taxes
  - v) Observations about current Growth Policy
    - a) Our APFO/impact tax approach no longer directs growth or manages its pace.

- b) Requires some contribution from development toward mitigating its impacts.
- c) Could prevent development approvals when facilities are clearing lacking, although perhaps not in its current weakened state.
- d) No longer signals where new facility investment is needed; which is not to say the substitute report is not valuable.
- e) Our APFO scope is limited to roads, schools, water and sewer, and police, fire and health facilities. There are other impacts of growth.
- f) APFO is one growth management tool, but there are others.
- g) APF is a piecemeal approach.

**B. *Recent changes, with particular focus on Policy Area Transportation Review*** (attached).

- i) 2003 review:
  - a) Concerns raised; “top-to-bottom” review conducted
  - b) Options explored by staff
  - c) Board discussion/recommendations (attached)
  - d) Council actions
- ii) 2005 review
  - a) Revisited PATR, briefly
    - i) Update on approvals after lifting PATR (attached)
    - ii) Revisit Proportional Staging concept (attached)
  - b) Failure to adopt new growth policy

**C. *Growth Policy Schedule***

- i) Standard biennial Growth Policy review schedule:
  - a) Staff Draft: June 15, 2007
  - b) Planning Board Draft: August 1, 2007
  - c) County Executive Review: September 15
  - d) Council Review: Fall 2007 (Adoption November 15, 2007)
- ii) Procedures for amending the Growth Policy outside of the 2-year review cycle
  - a) May be initiated by Council, County Executive or Planning Board.
  - b) 45-day review period by other agencies, unless Council requests earlier response.
  - c) Council holds a public hearing, worksessions, and then action.

#### **IV. Municipality APFOs**

##### **A. *Rockville:***

- i) Rockville adopted an APFO on November 1, 2005 (attached).
- ii) It contains tests for transportation, schools, fire and emergency services, water and sewer.
- iii) Transportation test is similar to our Local Area Transportation review; school test is more stringent.

##### **B. *Gaithersburg***

- i) Gaithersburg is currently considering an APFO (attached).
- ii) The draft contains tests for transportation, schools, fire and emergency services, water and sewer.
- iii) Transportation test is similar to our Local Area Transportation review; school test is more stringent and looks at schools on an individual basis. If implemented, the service area for Rachel Carson Elementary School into moratorium.

#### **V. “Planning Growth in the 21<sup>st</sup> Century” Policy Paper**

This paper (attached) was submitted in September by a group of about a dozen residents, including Pamela Lindstrom and Dan Wilhelm, in response to the Centers and Boulevards discussions.

#### **VI. Future Growth Policy Issues**

##### **A. *Possible Direction 1: Restoring Policy Area Transportation Review***

- i) Moratorium as a tool:
  - a) Benefits: prevents worst cases of development approvals where public facilities are inadequate, slows pace, and allows exactions.
  - b) Become complicated when you try to tailor them to support other public policy objectives: Metro station areas, affordable housing, and economic development.
- ii) Approaches
  - a) Same as before, but reform method of setting area-wide congestion standards
  - b) Change method of allocating new development capacity to each area.
  - c) Change geography of “policy areas.”

##### **B. *Possible Direction 2: Expanded Consideration of Impacts of Growth***

- i) Beyond traffic congestion, school crowding, and availability of water and sewer.

- a) Demand for other public facilities (libraries, parks, transit, sidewalks)
- b) Demand for services, e.g., police, fire and health
- c) Impact on environment: air pollution, water quality, impervious surfaces, forest conservation, etc.
- d) Impact on energy use.
- e) Impacts on existing neighborhoods.
- f) Impact on public health and obesity.
- g) Impact on social equity issues.
- ii) Connect to Long Range Plans
  - a) CIP/CTP
  - b) Capital Facilities Strategic Plan
  - c) Green Infrastructure Plan
  - d) Plan for Environment and Energy
  - e) Housing Policy Element of the General Plan
  - f) (Public Health goals?)
- iii) Setting Standards or Goals for Each Element
  - a) Quality of Life Indicators, Performance Measures and/or Adequacy Standards
  - b) May be within long range plans or adopted within Growth Policy
- iii) Regulating New Development
  - a) Development standards: to what extent are these concerns already addressed, or more appropriately addressed, through development standards?
  - b) Growth Policy Issues
    - i. How to direct amount, type, location and pace of growth in light of above findings.
    - ii. Determining new development's contribution toward impacts of growth – impact taxes, contributions toward health and social programs, or direct provision of infrastructure, amenities, or participation in ongoing programs.
- iv) Monitoring Change
  - a) Monitor development activity, indicators of status of each element.
  - b) Develop feedback loop so public decisions, expenditures reflect changes.

**B. Possible Direction 3: Focus on Sprawl and Its Alternatives**

- i) The Growth Policy could focus to a greater degree on a desired “end state” or long-range growth objectives.
- ii) Emphasis could be on preventing further sprawl, channeling infill to priority areas where it can benefit our quality of life:
  - a) Further reducing opportunities to develop the Agricultural Reserve
  - b) Balancing jobs and housing among the major subareas of the County.
  - c) Determining carrying capacity, or ultimate limits of the County in terms of the amount, type, and location of total growth. One could make links to environmental, energy, public health and other goals, and to long range plans for capital facilities, plans/policies for environment, energy, housing, public health and obesity, social equity, etc.
  - d) Explicitly allocating “shares of future growth” to master plan areas, or to the “centers of growth” mentioned, but not explicitly identified, in General Plan. Might also allocate shares of responsibility for affordable housing, economic growth, parks and open space, etc.
  - e) Overall, this approach could be viewed as finding ways to coordinate and strengthen implementation of the goals and objectives of the General Plan.
  - f) Could also be used as basis for expanding impact tax schedule and making it more sophisticated – more closely related to new development’s impacts, contributions toward achieving General Plan.
- iii) Analysis is similar to Possible Direction 2 but would also include analyzing how various “buildout” scenarios work from various perspectives: land use, transportation, environment, energy, housing.
- iv) Might or might not result in changes to how the *pace* of growth is regulated.

**C. Possible Direction 4: Focus on Maximizing Growth’s Contribution To Quality of Life**

- i) Using development and redevelopment primarily as a tool to add or preserve desired features that complement existing neighborhoods.
- ii) Instead of “Growth is OK if negative impacts to the County are minimized,” the theme is “Growth is good only to the extent that it adds to the County’s quality of life.” Corollary: negative impacts of growth (ex: congestion) can be balanced if development improves the quality of life in other ways.

- iii) Would focus on tools to ensure that new development achieves high quality design, provides a desired mix of land uses, improves mobility and connections to neighborhoods, adds desired amenities, and preserves historic resources.
- iv) Greater emphasis on design review. Could add a public health component. Links to efforts to improve design models for urban public facilities, examination of “amenities.”
- v) Early APFOs, such as Ramapo’s, awarded points to development projects based on a variety of factors, such as amenities, and limited approvals to projects that achieved a high score. Montgomery could develop a point system for desired aspects.
- vi) Can be combined with controls on the pace of growth, or exist separately as design standards.

## **VII Next Steps**

### **A. *Policy Area Transportation Review***

- i) Options to explore
  - a) Proportional staging or other approach
  - b) Geographies
- ii) Procedure for review
  - a) Planning Board receives staff report, holds public worksessions.
  - b) County Executive, others comment.
  - c) County Council holds public hearing(s), Committee and full Council worksessions.
  - d) Council vote
- ii) Staff resources and timing: Not a quick turnaround. Changes in geography, for example, could have major impacts on results.

### **B. *Growth Policy directions***

- i) Early in 2007, could engage the public and public officials in discussions of larger growth related issues and come to consensus on directions to explore and process for review. This would include identification of staffing and other resources, use of work groups or a blue ribbon panel, etc.
- ii) Could take the form of public discussions during Thursday evenings at the Planning Board on growth-related issues. We could bring in experts, paid or volunteer, in a seminar format. Topics could include:
  - a) Summary of Growth Management Tools for Around the Country



- b) Revisit the *Comprehensive Growth Policies Reports* of the 1980s. What issues did those studies explore, and how do they relate to today's situation?
  - c) Use of Impact Taxes: Issues and Opportunities.
  - d) Growth Management and Housing Affordability
  - e) Growth and Sustainability
- iii) Alternatively, the County could hold a "summit" or other major event with a focus on growth management issues, or a series of town meetings in different parts of the County to explore the different perspectives on growth that different communities have.
  - iv) We might take some of the major themes discovered during this period and assign them to outside experts for their thoughts. These may be paid consultants, or not, and can include local experts – residents and business people, representatives of various communities etc.
  - v) May wish to use technology in new ways to communicate, gather public input, engage in discussions, etc. But if so, this will require a plan, a budget, and an allocation of staff resources. For example, a "blog" could be used, but would have to be actively programmed, like a newsletter, with new analysis, information, and discussion topics posted frequently.
  - vi) An expanded view of growth management expands the responsibility deeper into the Planning Department. There could be roles to play for planners that have not been engaged before, and who have other responsibilities now.

# Creating Thriving and Sustainable Communities: A Community Discussion: Growth and Planning

## Montgomery County Highlights of the Round 7.0 Cooperative Forecast

### *Introduction*

The Montgomery County Department of Park and Planning (Park and Planning) prepares the official employment, population, and household forecasts for the County. These forecasts are prepared as part of a cooperative effort with other member jurisdictions of the Metropolitan Washington Council of Governments (COG). The other member jurisdictions prepare similar forecasts. The combined jurisdictional forecasts become the Cooperative Forecast for the Metropolitan Washington Region. Since the inception of this process in 1975, major rounds of Cooperative Forecasts have been prepared every three to five years; Round 7.0, completed in 2005, is the latest forecast. Between rounds, yearly adjustments may be made by the member jurisdictions.

The City of Rockville is a participant in the COG Cooperative forecasting process. Park and Planning coordinates with the City of Rockville as needed and their forecasts are included in the Montgomery County forecasts. Park and Planning also coordinates with the City of Gaithersburg as needed. We receive monthly listings of their building permit activity and add their new development projects to the County's development pipeline.

The countywide forecasts are extensions of historical trends. The historical figures for households and population are from the U. S. Census of Population. The employment series is from the Maryland Department of Labor, Licensing, and Regulation's (DLLR) ES-202 Program with self-employment added. These historical trends are projected and modified based on the Park and Planning Department's best judgment on the forces that will affect housing, population, and employment in the future. The forecasts represent average growth over 5-year periods and do not attempt to forecast cyclical variations. Employment forecasts "drive" other forecasts. A slower rate of job growth will encourage formation of fewer new households and attract fewer in-migrants.

The forecasts of total at-place employment, total households, and total population are prepared using a top-down method. Countywide forecasts are established first. The county forecasts are then used as control totals for the forecasts by traffic analysis zone. Forecasts of employment type (office, retail, industrial, and other) and forecasts of household type (single-family and multi-family) are developed bottom-up at the traffic analysis zone level.

The forecasts are compatible with the planned transportation network (highway, transit, and demand management). *The short and mid-range forecasts (2000-2020) are constrained by zoning restrictions as defined by master plans.* The land uses allowed by the zoning have been tested in conjunction with planned transportation facilities and

found to be compatible at approved levels of service for transportation. *To provide sufficient housing, and therefore workers, beyond 2020 to meet the Round 7.0 employment forecast, it is necessary to anticipate that areas within the County will be re-planned and rezoned to provide for the needed additional housing.*

Our forecast is one of moderate growth with positive factors continuing to out weigh negative factors throughout the forecast period. Economically as well as physically, Montgomery County sits between the almost fully developed core and the less developed outer ring. The forecast therefore reflects a maturing county, one that has already experienced a significant amount of the development that will ultimately occur. The forecast also acknowledges that substantial development and redevelopment capacity remain, which will continue to attract new employment opportunities and provide a variety of housing choices for workers and their families.

### Montgomery County Round 7.0 Cooperative Forecasts

Year	Population	% Change	Households	% Change	Employment	% Change	Jobs/Household
2000	873,341		324,565		474,300		1.46
5-year change	68,659	7.9%	22,435	6.9%	25,700	5.4%	
2005	942,000		347,000		500,000		1.44
5-year change	58,000	6.2%	23,000	6.6%	45,000	9.0%	
2010	1,000,000		370,000		545,000		1.47
5-year change	40,000	4.0%	20,000	5.4%	35,000	6.4%	
2015	1,040,000		390,000		580,000		1.49
5-year change	37,100	3.6%	17,900	4.6%	35,000	6.0%	
2020	1,077,100		407,900		615,000		1.51
5-year change	38,200	3.5%	16,900	4.1%	30,000	4.9%	
2025	1,115,300		424,800		645,000		1.52
5-year change	40,500	3.6%	16,500	3.9%	25,000	3.9%	
2030	1,155,800		441,300		670,000		1.52

Source: Montgomery County Department of Park and Planning, Research and Technology Center.

### ***Employment Forecast***

Forecasts of jobs in Montgomery County project into the future a long historical data series extending back to 1959. This series is based on the Maryland Department of Labor, Licensing, and Regulation’s (DLLR) ES-202 Program coverage of private sector wage and salary employment.

The forecast extension of the historical series into the future is based on interpretation of long-term growth trends. The long-term pattern is that Montgomery County’s employment base has matured from a bedroom community in the 1950s to a major suburban employment center beginning in the 1980s and into the future. As this maturing has occurred, our annual rate employment growth as a percent of existing employment has tended to decline. Future job growth in the County will exhibit a continuation of these declines as it is constrained by limited resources of land, labor force, and infrastructure capacity. There will also be increasing competition from other jurisdictions in the Baltimore-Washington area, particularly the next tier of counties as their economies mature into employment centers. We expect Montgomery County’s

share of regional employment to decline during the forecast period because of our declining job growth and more rapid growth in the next tier of counties.

Our forecasts start with the long-term growth trend and reduce it to account for constraints. At the present time there is adequate land zoned for job use to accommodate the long-term growth rate for well over a decade. The land constraint comes mainly in the form of greater difficulty in developing and limited choice of large prime parcels. The easiest to develop green field pieces are largely developed leaving smaller parcels with more constraints or pieces that need assembly or redevelopment. All of these factors constrain job site development through higher costs.

Infrastructure capacity constraints are mainly in the form of limitations on transportation capacity. The supply of land for residential development is more constrained than the supply of land for jobs. This shifts some of the burden of job growth onto transportation.

There are currently about 102,000 jobs in the pipeline of approved development. This would accommodate forecast growth for about the next 13 years. Two significant proposed projects are not in the pipeline. A technology park in the Calverton area has the potential for over 2,000 jobs and a bioscience and technology park adjacent to the Montgomery College campus in Germantown has the potential for 3,000 to 4,000 jobs.

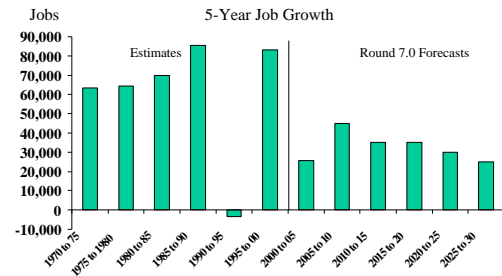
The slowing growth of the labor force is a constraint on growth through much of the nation. As the baby boomers, born from 1946-1964, reach retirement age over the next thirty years a large cohort will leave the workforce. Areas like Montgomery County with high levels of foreign immigration will have moderate growth in their labor forces compared to declines in other areas.

Montgomery County has a critical mass of federal agencies that attract private companies specializing in supporting the needs of these agencies. Since the downsizing of federal government employment, the federal government is purchasing more services from the private sector. Dr. Stephen S. Fuller, a George Mason University expert on the federal government's impact on the Washington Area, estimates that for every \$1 billion in federal procurement 8,000 jobs are created. Montgomery County's federal procurement spending consistently ranks within the top ten of all jurisdictions in the nation. The Departments of Health and Human Services and Defense are the source of over half the procurement spending in the County. The National Institutes of Health (NIH), the National Oceanic and Atmospheric Administration (NOAA) and the National Institute of Standards and Technology (NIST) attract many guest researchers and contractors from outside the area. About 25 percent of NOAA's jobs are filled by contract workers. Other agencies like the Food and Drug Administration, which is consolidating in Montgomery County, and the Department of Energy also create many spin-off jobs. This is especially true in the County's biotechnology industry.

The last two decades began with recessions, but the County's economy responded differently in each decade. In the 1980s, the recession was brief and recovery rapid.

Between 1981 and 1982 the County lost 5,700 jobs, but the next year jobs increased by 9,700. What followed was the County's four strongest years of job growth from 1983 to 1987 when job growth averaged 22,600 jobs per year. The peak was 27,900 jobs during 1984. In the 1990s, the recession hit deeper and recovery was slow. During 1990, the County lost 19,400 jobs. During the next five years, the economy was relatively flat. Job losses (in 1991) or job gains were less than half a percent in four of the five years. The only bright spot was an increase of 13,900 jobs (3.1 percent) in 1994. The County's economy finally broke the recession adding 27,100 jobs during 1996, a 5.8 percent increase the highest job growth since the peak year of 1984. Between 1996 and 2000 job growth has been between 3 to 4 percent per year.

Montgomery County's Employment Forecast Shows a More Moderate and Declining Growth from 2005 to 2030

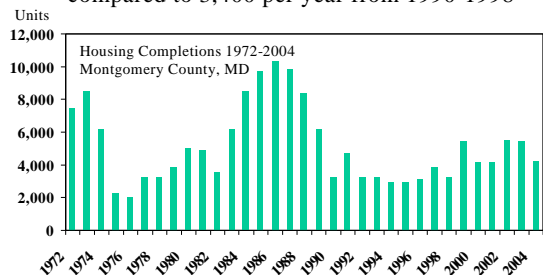


Since 2000, job growth has slowed. Between 2000 and 2005, job growth is expected to be about 25,700, a 5.4 percent increase. Excluding the 1990 to 1995 recession years when the County lost jobs, this would be the County's lowest 5-year job growth since 1965 to 1970. Between 2005 and 2010, the County's job growth is expected to rebound to 45,000, a 9 percent increase. After 2010, a more moderate and slightly declining job growth is expected through 2030. Between 2000 and 2030 the County's jobs are expected to increase by 41 percent going from 474,300 jobs in 2000 to 670,000 jobs in 2030.

**Household Forecast**

During the 1990s, construction of new housing in Montgomery County had fallen to its lowest level since the late 1970s. The County's slow recovery from the recession of the early 1990s stifled housing production. Housing completions during the 1990s averaged only 3,600 units per year. Housing production exceeded 4,000 units in only two years, 1991 (4,722 units) and 1999 (5,464 units). In both years, multi-family production rivaled that of the 1980s boom years, 2,994 multi-family units in 1991 and 2,210 multi-family units in 1999.

Since 1999, Montgomery County has been averaging 4,800 housing completions a year, compared to 3,400 per year from 1990-1998



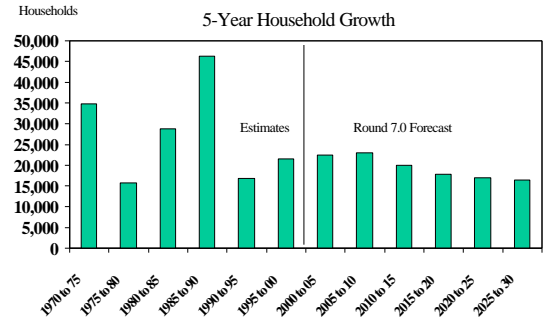
Source: Department of Assessments and Taxation & M-NCPPC's STAR System

Housing completions since 1999 remain relatively strong compared to the 1990s. Between 2000 and 2004, housing completions varied from about 4,200 units to almost

5,500 units per year. There are about 28,000 housing units in the pipeline of approved development, about 6 years of production at the current rate of construction.

Round 7.0 forecasts that our maturing County will never again experience the housing boom of the 1980s. The forecast has an increase of about 4,400 households (occupied housing units) per year from 2000 to 2015. About 4,700 housing units per year were built between 2000 and 2004. After 2015, as the County becomes more mature and land for development becomes more scarce, household growth drops to about 3,600 households per year between 2015 and 2020, and then drops further to 3,300 households per year between 2020 and 2030. Because the housing industry is highly sensitive to market conditions, substantial variations in yearly production totals from the forecast are possible. The household forecast does not attempt to predict these peaks and valleys.

Montgomery County Will Never Again Experience the Household Growth of the 1980s



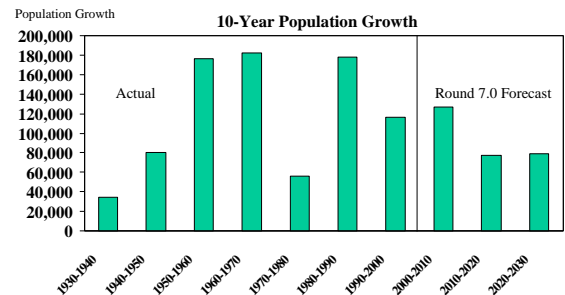
The household growth forecast for the next 25 years (94,300 households) cannot be attained without changes in master plans and zoning. Current estimates of the County’s remaining residential capacity indicate that there is enough capacity to accommodate the forecast to 2020 and perhaps a few years beyond.

**Population Forecast**

Montgomery County’s population began to grow rapidly after WWII. Population growth was highest in the 1950s, 1960s, and 1980s. The County’s population increased by more than 175,000 in each of those decades, population growth peaked at almost 182,000 in the 1960s. Population growth in the 1990s was more moderate, 116,300, but this was the largest increase for any jurisdiction in Maryland.

The Round 7.0 forecast has the County’s population growth increasing during this decade compared to the 1990s. This increase is related to housing production that is already outpacing the 1990s and this increase in housing production is expected to continue through the end of the decade. In the 2000s, a population growth of almost 127,000 is forecast, a 14.5 percent increase; in the 2010s, a growth of about 77,000 is forecast, a 7.7 percent increase; and in the 2020s, a growth of 78,000 is forecast, a 7.3 percent increase.

Population Growth Will Continue to Decline



The main components of future population growth will continue to be the natural increase in population (births exceeding deaths) and foreign immigration.

After peaking in 1990, the County's births declined through 1997. Since 1998 births began increasing, reaching an all time high of 13,546 in 2004. The forecast assumes births slightly increasing from current levels through the end of the forecast period. The County's female population 15 to 44 years of age is expected to continue to increase through 2030. More women of childbearing age will result in more births.

Foreign immigration will continue to be a major factor in the County's population growth and increasing births. The Census Bureau estimates that over 43,000 foreign immigrants moved to Montgomery County since April 1, 2000, 47 percent of all foreign immigration to Maryland during this period. Because U.S. immigration policy favors family reunification (immigrants go where immigrants are), our forecast assumes continued foreign immigration to the county at current levels. But immigration could moderate because of the war on terrorism, if this occurs, population growth could be lower than forecast. Many of the immigrants are from countries with higher fertility rates than the U.S. contributing to the County's higher births.

Three factors are expected to moderate future population growth.

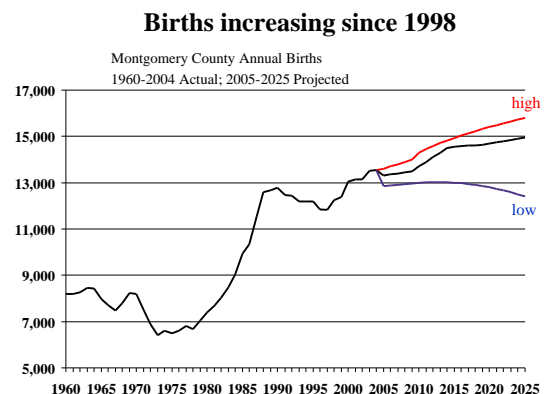
1. About 80 percent of the County's household growth beyond 2015 is expected to be living in multi-family housing which historically has smaller average household sizes than single-family detached or attached housing.
2. The forecast assumes the County's net losses in domestic migration that occurred during the 1990s will continue in the future.
3. As a maturing jurisdiction Montgomery faces diminishing resources that can sustain rapid growth such as available land and transportation capacity.

## Supporting Information

### *Births*

Montgomery County births reached an all time high of 13,546 in 2004! Births are continuing at record levels, even though Montgomery County had experienced a gradual decline from the peak of its second baby boom.

For Montgomery County, this upward trend from the "baby bust" of the 1970s has not been a "boomlet," but a full fledge boom – as the number of births reached levels 50 percent greater than the highest peaks of the post World War II baby boom. This boom peaked at 12,773 births in 1990 and then gradually declined to 11,812 in 1997. Since 1997, the County's births have increased. There were 12,251 births in 1998, up about 4 percent over 1997. In 1999, births



leveled off a bit, but still increased by 1 percent, reaching 12,369. During 2000, the County's births increased by 686, almost 6 percent over 1999 reaching at the time an all time high of 13,055 (during the same period, births in both Maryland and the U. S. increased by 3 percent). Births have continued to increase every year.

The County's births by maternal race and Hispanic origin reflect its increasingly diverse population. In 2004, 44 percent of the County's births were white non-Hispanic, 21 percent were Hispanic (who can be of any race), 20 percent were African American, and 14 percent were Asian. In 1990, the County's births were 66 percent white non-Hispanic, 16 percent African American, 10 percent Hispanic, and 3 percent Asian. In 2004, Montgomery County accounted for 43 percent of the State's Asian births and 38 percent of the State's Hispanic births.

Nationally, the recent past trend has been unfavorable for increased births because of the aging of baby boom women into their 40s. Now the number of women of childbearing age (15 to 44 years) is increasing and an increasing number of these women are from countries with higher fertility rates than the U.S., mainly Latin American countries and the Asian continent. In 1998, U.S. births increased for the first time since 1990 and U.S. births continued to increase in 1999 and 2000. The U.S. Census Bureau's latest population projections report for the U.S. has births increasing for the foreseeable future.

The Park and Planning Department is forecasting increasing births for the County through 2030. The same factors causing increasing births nationally are occurring in Montgomery County. According to Census Bureau estimates, all the County's population growth during the 1990s was due to increases in the Hispanic and non-white populations. These population groups have higher fertility rates than the white non-Hispanic population. Almost half of Maryland's Hispanic population lives in Montgomery County, and Hispanic women have the highest fertility rates of any group. The Hispanic and non-white populations, especially Asians, are expected to continue to grow and make up an increasing portion of the County's future population. Recent immigrants are evidence of this; 35 percent of the County's immigrants come from Asia and 30 percent from Latin America. The Park and Planning Department's Demographic Model is forecasting increases in the female population of childbearing age every decade through 2030. The largest increases are projected between 2020 and 2030.

### **Montgomery County as a Gateway into the Region**

Montgomery County is a major "gateway" into the State of Maryland for migrants from other states and for immigrants from the rest of the world. Individuals and families are continually attracted to Montgomery County because of its large employment base, its quality of life, and its growing immigrant population base.

The Montgomery County gateway works in two directions. After first having migrated to Montgomery County, some workers move to other Maryland jurisdictions for jobs, or because of housing preferences, costs, or other life style reasons (it should be noted that when County residents move, it is more likely to be to other areas within the County than to destinations outside the County). Research shows that these population



movements are continuous. The “net” movements of population, called “net migration” are highest during periods of the highest economic growth and are lowest during recessionary or low growth periods when “net out migration” sometimes occurs.

### ***Domestic Migration***

Domestic migration flows can be broken into two basic components: **interstate migration**, movement from and to other areas of the U. S., and **intrastate migration**, movement within Maryland itself. One source of domestic migration data is the Internal Revenue Service (IRS). The IRS migration data is prepared by the Maryland Department of Planning. It is based on assigning individual tax returns to counties over consecutive years and would include most, but not all, individuals who move. The number of exemptions requested on the tax returns is used to estimate the number of people who have moved.

IRS migration data for Montgomery County from 1980 through 2000 shows a tale of two decades. During the 1980s, Montgomery County’s net domestic migration gain was 45,500. During the 1990s, the County had a net migration loss of 39,700. The 1980s were marked by a period of high net gains in interstate migration, especially during the boom years of the last half of the decade, and low net losses in intrastate migration. In the 1990s, the County’s net interstate migration flow has turned from a high net in-flow during the 1980s to a low net out-flow during the 1990s, and the low net intrastate losses during the 1980s have increased sharply during the 1990s.

Montgomery County’s Net Domestic Migration Flows 1980 – 2003

	<i>1980-1985</i>	<i>1985-1990</i>	<i>1990-1995</i>	<i>1995-2000</i>	<i>2000-2003</i>
<i>Net Interstate Migrants (In-Out)</i>	<i>17,150</i>	<i>31,956</i>	<i>775</i>	<i>-4,877</i>	<i>5,068</i>
<i>Net Intrastate Migrants (In-Out)</i>	<i>2,474</i>	<i>-6,071</i>	<i>-21,692</i>	<i>-13,935</i>	<i>-20,284</i>
<i>Total Net Migration</i>	<i>19,624</i>	<i>25,885</i>	<i>-20,917</i>	<i>-18,812</i>	<i>-15,216</i>

If high net migration coincides with high economic growth, Montgomery County will not likely see net interstate migration at the level of the 1980s again. Future job growth is not expected to match job growth of the 1980s. The County gained 70,000 jobs from 1980 to 1985 and added another 85,000 jobs from 1985 to 1990. The largest forecast five-year job growth is 45,000 jobs from 2005 to 2010. Forecast job growth drops to 35,000 from 2010 to 2015 and 2015 to 2020, then drops to 30,000 from 2020 to 2025, and job growth drops to 25,000 from 2025 to 2030.

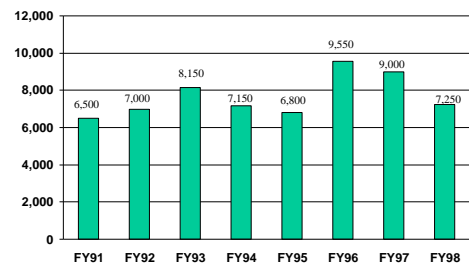
Looking only at net migration masks the amount of movement in and out of the County. IRS data shows that between 1980 and 2000 about 847,000 people moved into Montgomery County, an average of 212,000 people every five years. Most of these in-movers, 70 percent, come from outside Maryland and about 35 percent of the interstate in-movers are from the District of Columbia (21 percent) or Virginia (14 percent).

Another source for the volume of in-movers is the Planning Department’s Census Update Survey (CUS) that asks people where they lived five years ago. The latest CUS was conducted in 2003. Results indicate that about 174,000 people or 19 percent of the County’s 2003 population did not live here in 1998. About 106,000 or 61 percent of these in-movers came from outside Maryland, the District of Columbia, or Northern Virginia. The remainder of the in-movers are rather evenly distributed between the District of Columbia (11%), Prince George’s County (10%), elsewhere in Maryland (10%), and Northern Virginia (8%).

**Foreign Immigration**

Immigration data from the U.S. Census Bureau and the Immigration and Naturalization Service (INS) shows that immigration from abroad was a major component of Montgomery County’s population growth during the 1990s. According to Census Bureau estimates, from April 1, 1990 to July 1, 1999, 63,267 persons immigrated from outside the U.S. to Montgomery County. That is 48 percent of all foreign immigration into Maryland during that period. The County’s only in-state rival as an international “gateway” for immigrants is neighboring Prince George’s County, which attracted 29,705 immigrants during the same period, less than half of Montgomery County’s total. The saying “immigrants go where immigrants are” seems to be holding true. In 1990, 45 percent of the State’s foreign-born population lived in Montgomery County. By 2000, the County’s foreign-born population reached almost 233,000, a 29 percent increase since 1990, and the County has maintained 45 percent State’s foreign-born population.

**High Levels of Immigration Continue**  
(Legal Immigration in Montgomery County)

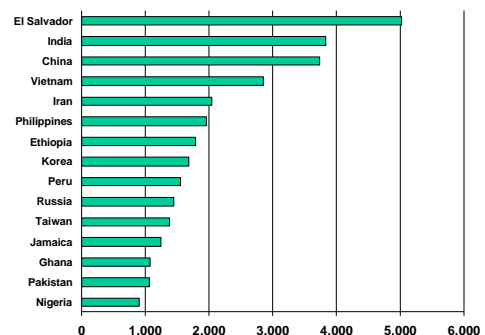


Source: U.S. Immigration and Naturalization Service

The Census Bureau estimates that between 2000 and 2004 an additional 43,000 immigrants moved to Montgomery County. Immigrants accounted for 89 percent of the County’s population growth in this period.

These recent immigrants are an extremely diverse group. INS data shows that recent immigrants (federal fiscal years 1992 through 1998) came to the County from 191 countries; 76 of these countries provided 100 or more immigrants. El Salvador contributed the greatest number of immigrants but only accounted for 9.1 percent of total immigration, followed by India with 7.0 percent and China with 6.8 percent. Most recent immigrants come from Asia, 35 percent; followed by the

**Top 15 Countries of Origin for Legal Immigrants to Montgomery County, FY 1992-1998**



Source: U.S. Immigration and Naturalization Service

Americas, 32 percent; Africa, 15 percent; Europe, 12 percent; and the Middle East 6 percent.

Immigrants are attracted to Montgomery County because of its economic vitality, and in 1990, they accounted for 19 percent of the County's population. By 2000, immigrants made up 27 percent of the County's population ranking second in the COG Region to Arlington County's 28 percent.

Nationally, the Census Bureau is projecting immigration through 2020 to be similar to immigration during the 1990s. The Urban Institute projects that, under current immigration law, about 70 million post-1990 immigrants and their offspring will be added to the U.S. population by 2040, accounting for almost two-thirds of the net population growth during this period. Based on these projections, the foreign born population will account for about 14 percent of the nation's population by 2040 (up from about 9 percent today) and by 2040, more than one in four U.S. residents is projected to be either an immigrant or the child of an immigrant.<sup>1</sup>

### ***Labor Force***

Labor force is defined as the people 16 years of age or older, who are working full time or part time, or if unemployed, are currently looking for work.

Since the 1950s and 1960s, the biggest change in the local and national labor force has been the increased participation of females. In 1950, about one-third of all women 16 years of age and older were employed. By 1990, nationally over half the women over 15 years of age were working, and in Montgomery County the figure was higher with nearly two-thirds of women 15 years or older employed. Although most of the increase in female participation in the labor force has been realized, female participation rates are expected to increase slightly in the future.

The Research and Technology Center offers three basic conclusions about the County's future labor force trends:

- The relative balance between jobs and labor force will continue, but after 2010 there will be a widening gap between jobs and labor force with jobs exceeding labor force.
- The number of mature workers will increase more than the number of young workers.
- Immigrants will continue to be an essential source of labor in all categories and will partially mitigate the jobs/labor force gap.

The County's jobs and labor force will continue to be in relative balance for the next 10 years. After 2010, there will be a widening gap between jobs and labor force with jobs exceeding the available labor force because the number of jobs created will exceed the

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<sup>1</sup> Michael Fix and Jeffery S. Passel; *Immigration and Immigrants: Setting the Record Straight*; 1994; Washington DC: The Urban Institute.

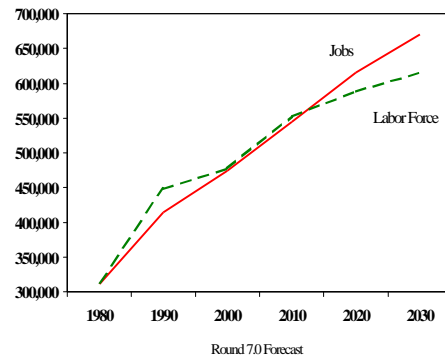
number of County residents joining the labor force. Between 2010 and 2020 job growth is expected to nearly double labor force growth and between 2020 and 2030 job growth is expected to more than double labor force growth. This gap will have to be made up by increased in-commuting of workers from surrounding jurisdictions. This trend reflects the County's growing status as a maturing county and a job center.

The jobs/labor force gap is exacerbated by long-term demographic trends, principally the aging of the baby boom and baby bust generations. Nationally, the 30 to 44-age cohort is expected to loose population between 2000 and 2010 and then is expected to increase, but it is not expected to approach 2000 levels until 2020. In Montgomery County, the labor force population in the 30 to 44 age cohort is expected to decrease by 2,700 between 2000 and 2010, then increase by almost 8,000 between 2010 to 2020, and increase by 13,000 between 2020 and 2030.

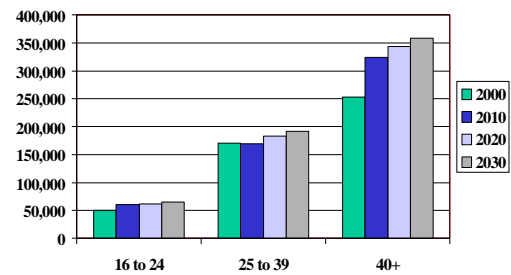
About 53 percent of Montgomery County's labor force is 40 years of age or older. This percentage is expected to increase to 58 percent by 2010 and remain at 58 percent through 2030. Today there are almost 253,000 people 40 years and above in the labor force. The number of "mature workers" is expected to increase to about 358,000 by 2030. Today there are about 50,000 young workers age 16 to 24 in the labor force, almost 11 percent of the total labor force. This percentage is expected to remain constant though out the forecast period. The labor force numbers about 170,000 in the 25 to 39 age group, about 36 percent of today's labor force. By 2010, this age group's percentage of the total labor force will drop to about 31 percent and remain at about 31 percent through 2030.

The gap between jobs and labor is partially mitigated by immigration, and the Research and Technology Center expects the County's high levels of immigration to continue. Immigration trends are shaped primarily by two factors: federal policies and past immigration. Assuming federal policies do not change, immigrants tend to locate in areas that have already welcomed substantial numbers of immigrants in the past. Montgomery County has been successful in attracting immigrants from many different countries

Gap Between Jobs and Labor Force Projected to Widen After 2010

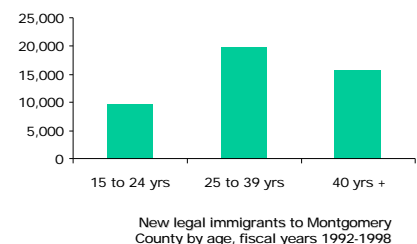


Over Half the County's Labor Force Is 40 Years or Older



Gap mitigated by immigrants

On average, immigrants are younger than the resident population



and this will continue. Apart from sheer numbers alone (between April 1, 2000 and July 1, 2004, 43,000 immigrants moved into the County), immigrants are, on average, younger than the resident population. Immigrants therefore help mitigate the aging of the labor force that would occur if the county would rely on the resident labor force alone. Nationally, the Urban Institute projects that under current immigration law, immigrants will account for about one-third of the country's labor force growth in the 1990s and during the first decade of the 21<sup>st</sup> century (Fix and Passel, 1994).

Immigrants bring a variety of skills to the County's labor force. They provided a labor pool for almost all occupations, and many are well educated. On average, Montgomery County's foreign-born residents are more likely than native-born residents to have a Ph.D. (10 percent to 6 percent).

### *Average Household Size*

In the top-down jurisdictional forecasts, Park and Planning does not forecast average household size to develop the household or population forecasts. Instead average household size is used as a reasonableness check on the forecasts.

To forecast group quarters population, we use the same ratio of group quarters population to total population in the Maryland Department of Planning's (MDP) latest forecasts. For Round 7.0, the same ratio as Round 6.4A is used. The resulting group quarters population is rounded to the nearest hundred. The group quarters population is subtracted from the total population to give the population living in households.

In 2000, the County's average household size was 2.66 persons-per-household, a slight increase over the average household size of 2.65 in 1990. Park and Planning's 2003 Census Update Survey reports the average household size increasing to 2.70. The Round 7.0 Forecast has the County's average household size decreasing slightly from 2005 through 2030. This seems reasonable considering that the aging of the baby boomers and the increasing percentage of multi-family households will result in smaller average household sizes, but the increases in minority and foreign-born populations who tend to have larger households will mitigate the decline in average household size.

Montgomery County Round 7.0 Cooperative Forecast							
Population, Households, and Average Household Size							
	2000	2005	2010	2015	2020	2025	2030
Total Population	873,341	942,000	1,000,000	1,040,000	1,077,100	1,115,300	1,155,800
Household Population	863,910	931,000	987,500	1,026,400	1,062,200	1,098,400	1,136,000
Group Quarters Population	9,431	11,000	12,500	13,600	14,900	16,900	19,800
Households	324,600	347,000	370,000	390,000	407,900	424,800	441,300
Average Household Size	2.66	2.68	2.67	2.63	2.60	2.59	2.57

### Estimating Number of Employees in a Building

Park and Planning uses the following square feet per employee ratios to estimate the employment capacity of non-residential buildings.

50	fast food restaurants	400	office - medical
150	restaurants - not fast food	400	retail
210	hospitals	450	auto repair
225	office - down county	450	industrial or warehouse (not mini-warehouses)
250	office - remainder of county	500	other
350	R & D or flex space	1300	hotels

Information on office vacancy is obtained from the CoStar Group. The amount of vacant office space is tabulated by traffic analysis zone. The amount of vacant space is converted to potential employment capacity using the office factors above. The employment capacity of vacant office space is then subtracted from the office employment estimate for the current year and added to the office pipeline as a source for potential new jobs.

### ***Tracking Development***

Park and Planning receives building permit information from the Cities of Gaithersburg and Rockville and from the County's Department of Permitting Services.

Park and Planning mainly tracks completions. Residential and non-residential completions lists by tax account number are received quarterly from the Montgomery County Office of the State of Maryland Department of Assessments and Taxation. The information includes: housing units completed, non-residential gross floor area completed, land use code, and premise address. These records are geocoded to traffic analysis zones.

*annual  
growth  
policy**agp*

# A new vision for managing growth in Montgomery County

*final draft*

## County Council to Hold Growth Policy “Teach-in”

The Montgomery County Council will kick off a full fall’s worth of activity around revisions to the County’s Annual Growth Policy with a “teach-in” on Saturday, September 13, from 9:30 AM to 1 PM at the Council Office Building, 100 Maryland Avenue in Rockville, 3<sup>rd</sup> floor hearing room.

The teach-in, which is free and open to the public, will include speakers and small-group sessions to discuss the various factors that impact the Annual Growth Policy, which is the County’s blueprint for staging Master Planned growth. Among the issues to be discussed will be the land use approval process, overall development, traffic congestion, school overcrowding, housing and economic development.

“This fall, the Council will make decisions on our Annual Growth Policy which will profoundly affect our quality of life and vitality as a County,” said Council President Michael

**see page 16**

**In 1973, Montgomery County adopted a new tool, the Adequate Public Facilities Ordinance, to match the pace of growth with the provision of public facilities. Thirty years later, the County is again looking at how to best manage growth and its effects on road congestion and school crowding.**

Thirty years ago, Montgomery County was facing a difficult challenge: how to provide the public facilities (roads, schools, water and sewer, and other services) needed to meet the demands of rapid growth. Since the 1930s, the County’s population had been doubling every decade so that by 1973, Montgomery County was home to 176,000 households and 222,000 jobs. That year, the County saw the addition of 7,900 new housing units and almost 18,000 additional jobs. Public facilities, especially sewerage facilities, had reached a point that no more growth could be supported.

Several years earlier, Montgomery County had adopted a revolutionary General Plan containing a vision for accommodating future growth while preserving much of the County’s agricultural and open space. Titled “...On Wedges and Corridors,” the General Plan called for concentrating growth in corridors well-served by transportation – such as along I-270 and the planned Metro Red Line – and away from the “wedges” of rural land in the western County and along Rock Creek.

Not long after the adoption of the General Plan, the United States Supreme Court upheld the constitutionality of a new tool to help local governments cope with rapid growth: adequate public facilities ordinances (APFO). An APFO allows localities to delay the approval of new development until necessary roads, schools and other facilities are in place. In 1973, Montgomery County adopted its own APFO.

Montgomery County’s APFO states that the Montgomery County Planning Board may not approve a new subdivision unless it finds that public facilities are “adequate.” The public facilities covered by the ordinance are transportation, public schools, water and sewerage facilities, and police, fire and health services. There are two main questions that the ordinance asks: what, exactly, does “adequate” mean? and what happens when public facilities are not adequate? Since 1986, the answers to those questions for transportation and school facilities have been in the Annual Growth Policy, or AGP.



*The Montgomery County Council directed the Montgomery County Planning Board to prepare a “top-to-bottom” review of the AGP in 2003. Over the past several months, the Planning Board has been examining the County’s ability to support growth with public facilities. The Planning Board has concluded that fundamental changes to the Annual Growth Policy are necessary.*

## A “Top-to-Bottom” Review

The AGP is a resolution adopted annually by the Montgomery County Council that contains “the guidelines for the administration of the adequate public facilities ordinance” for transportation and schools. How congested are the roads? How crowded are our schools? The AGP does not regulate the amount, type, or location of development, but rather regulates the *pace* of development. The AGP sets the rules for measuring adequacy, and for determining how much additional development can be approved at any particular time.

The AGP does not regulate development in the cities of Gaithersburg and Rockville. Both Gaithersburg and Rockville have their own planning and zoning authority and are responsible for regulating the pace of growth within their boundaries.

### 2003: Transforming the AGP

Almost two years ago, the Montgomery County Council was looking at proposals for changing the Annual Growth Policy. They concluded that the current AGP was no longer working as well as it should. Among the concerns raised:

- If the AGP is working, why are our roads so congested? Why are our schools so crowded?
- The AGP’s complicated formulas for measuring “adequacy” are out of touch with the experiences of County residents.
- The AGP has too many exceptions, allowing development to be approved even when facilities aren’t adequate.
- The basic AGP framework was developed in the 1980s – a period

of much more rapid growth than now. In 2003, most of the development in Montgomery County has already occurred, or is already approved.

- Since 1973, many other localities have adopted adequate public facilities ordinances – perhaps they can teach us something.

To help address these concerns, the Montgomery County Council directed the Montgomery County Planning Board to prepare a “top-to-bottom” review of the AGP in 2003. Over the past several months, the Planning Board has been examining the County’s ability to support growth with public facilities. The Planning Board has concluded that fundamental changes to the Annual Growth Policy are necessary.

Following the delivery of staff analyses in early May, the Planning Board held two public forums (in May and in July) and six public worksessions. The result of this effort is a new approach for managing growth in Montgomery County. This document outlines the Montgomery County Planning Board’s findings and its new vision for the Annual Growth Policy.

The Planning Board transmitted these recommendations to the County Executive and County Council on August 6, 2003. The public is invited to learn more about how Montgomery County plans for growth at a “teach-in” on Saturday, September 13 from 9:30 AM to 1 PM at the Council Office Building in Rockville. The teach-in will be televised on County Cable Montgomery Channel 6. The Council will hold public hearings on the growth policy on the evenings of September 16



## The Current AGP

and 18, and growth issues will be on the agenda when the Council holds its next “town hall” meeting on September 24.

### The Current AGP: How Much Development Can Be Approved?

The Annual Growth Policy contains the rules for determining if public facilities are “adequate” to allow the Planning Board to continue to approve additional development.

#### The School Adequacy Test

The guidelines used to evaluate school adequacy incorporate Montgomery County Public Schools enrollment projections, existing capacities of schools and any additional capacity (additions and new schools) that is programmed. The school system's 23 high school clusters are the geographic areas evaluated each year in the school test. Elementary, middle, and high school capacities in each cluster are evaluated separately in the AGP. If a cluster's enrollment exceeds capacity, space available in adjacent clusters is factored in before a subdivision moratorium is declared.

The AGP test for schools looks five years ahead in its evaluation of facility capacities. This is the same time period used for evaluating road capacities. The five-year period represents the average length of time it will take a development plan to proceed through the governmental and construction phases to occupancy and, hence, the generation of additional students (or traffic on the roads).

The AGP school evaluation process enables the County Council to take enrollment trends and capital projects into account when deciding whether or not to allow approval of additional

residential subdivisions in the coming year. Each year, the new MCPS enrollment forecast and County Council adopted capital improvements program are factored into the evaluation of facility space five years in the future. By July 15 of each year, the County Council must adopt the AGP for the subsequent fiscal year. The results of the AGP schools test direct the Montgomery County Planning Board to either allow or not allow subdivision approvals in the 23 high school cluster areas during that fiscal year. In FY2002, the Damascus cluster was briefly closed to subdivision approvals based on inadequate school capacity.

#### The Water and Sewerage Facilities Test

Water and sewerage facilities are considered adequate if the property being subdivided is in category 1, 2 or 3 (service planned within two years) in the County's Ten Year Water and Sewer Plan. Police, fire and health facilities are assumed adequate unless the appropriate agency identifies a problem with a particular subdivision. This has never happened to date.

#### The Transportation Facilities Adequacy Test

The transportation test is administered on a policy area and a local area basis. For Policy Area Transportation Review, the County is divided into 27 policy areas plus the cities of Rockville and Gaithersburg. For each policy area, the AGP calculates the amount of development (expressed in jobs and housing units) that can be supported by the existing and programmed (first five years of the CIP) transportation network. This maximum amount of development that can be approved by

## annual growth policy

*Public facilities tested by the adequate public facilities ordinance (APFO) are transportation, schools, water and sewerage, and police, fire and health facilities. The Annual Growth Policy (AGP) is focused on transportation and school facilities.*

*Montgomery County's adequate public facilities ordinance does not apply in the cities of Rockville and Gaithersburg, as these cities have the responsibility to manage growth within their boundaries.*

**Amount of Approved Development**

31,111 housing units

125,578 jobs

as of July 31, 2003



**Top 10 Locations of Approved Commercial Development**

Area	Jobs
Rockville City*	31,248
R & D Village	19,014
Gaithersburg City*	17,234
Germantown East	10,735
Germantown West	9,302
North Bethesda	6,384
Silver Spring CBD	4,126
Clarksburg	3,819
Potomac	3,605
Fairland/White Oak	3,435

**Top 10 Locations of Approved Residential Development**

Area	Units
Clarksburg	6,724
Rockville City*	4,239
Fairland/White Oak	1,633
Germantown West	1,603
Aspen Hill	1,585
North Bethesda	1,437
Bethesda CBD	1,237
Germantown Town Ctr	1,165
Friendship Heights	1,106
R&D Village	1,013

4

\*Montgomery County does not control growth in these areas.

## The Current AGP

the Planning Board during the following year is called the policy area's staging ceiling, and is adopted each July by the County Council.

If the Planning Board can approve additional development in an area (that is, when the staging ceiling has not yet been reached), the area is said to have positive net remaining capacity. If more development has been approved than can be supported by a policy area's transportation network (that is, the staging ceiling has been exceeded), the area is said to have negative net remaining capacity, and is in moratorium for new subdivision approvals. Previously approved developments can still move forward.

The pipeline of approved developments is the list of development projects which have passed their AGP tests, but have not yet been constructed. There are currently more than 100,000 jobs and 25,000 housing units in the pipeline. Once a project is approved, it retains the "rights" to that capacity for between 5 and 12 years, thus potentially putting the policy area in a moratorium and preventing projects from being approved.

New approvals can occur in policy areas that are otherwise in moratorium through several procedures. These are:

1. *The Special Ceiling Allocation for Affordable Housing*: permits a limited amount of housing to be approved if the project contains a significant affordable housing component.
2. *De Minimis Development*: projects generating five or fewer weekday peak-hour automobile trips can be approved in moratorium areas.
3. *Developer Participation*: permits

projects to be approved if the developer provides the needed transportation facilities or otherwise mitigates the trips from his project.

4. *Development Districts*: landowners may form development districts to finance the transportation improvements needed to pass AGP transportation tests.

5. *Alternative Review Procedure for Metro Station Policy Areas*: allows development in the compact areas atop Metro stations to meet policy area (staging ceiling) and local area (intersection) transportation test obligations by mitigating 50 percent of their trips, making a payment toward transportation improvements, and participating in the area's transportation management organization.

The second transportation test is called Local Area Transportation Review (LATR). Since the mid 1970s, the Planning Board has used LATR to determine if a proposed preliminary plan of subdivision will cause unacceptable local traffic congestion at nearby critical intersections. Local Area Transportation Review is required only for subdivisions which generate 50 or more weekday peak hour automobile trips.

In administering LATR, the Planning Board must not approve a subdivision if it finds that an unacceptable weekday peak hour level of service will result after taking into account existing and programmed roads and transit. If a proposed subdivision causes conditions at a nearby intersection to be worse than the standard, the applicant may make intersection improvements or provide trip reduction measures to bring the intersection back to the standard and gain preliminary plan approval. If

## Why Grow?

the subdivision will affect an intersection or roadway for which congestion is already unacceptable, then the Planning Board may approve the subdivision only if it does not make the situation worse.

Intersection congestion is measured using a method called "critical lane volume (CLV)," which is the number of vehicles which can move through an intersection's conflicting through or left-turn ("critical") lanes in an hour.

Montgomery County's congestion standards for intersections vary by policy area. Like Policy Area Transportation Review, the LATR standards are based on the idea that less traffic congestion should be permitted in areas with lower transit service and use and more traffic congestion should be allowed in areas with greater transit service and use. For the rural policy areas, anything worse than 1450 CLV is unacceptable for LATR. For policy areas with the greatest level of transit service available, such as Metro station policy areas, the LATR standard is 1800 CLV. Other policy areas fall somewhere between the two standards, depending on the area's level of transit service and use.

### Why Grow?

Why should Montgomery County, or any locality, grow at all? Some of the reasons identified by the Board:

- Some additional growth is desirable and perhaps inevitable and the notion that a locality can just stop development is a fallacy;
- An economy needs some room to grow in order to stay vital;
- A maturing community depends on redevelopment to maintain its

vitality and redevelopment often involves some growth;

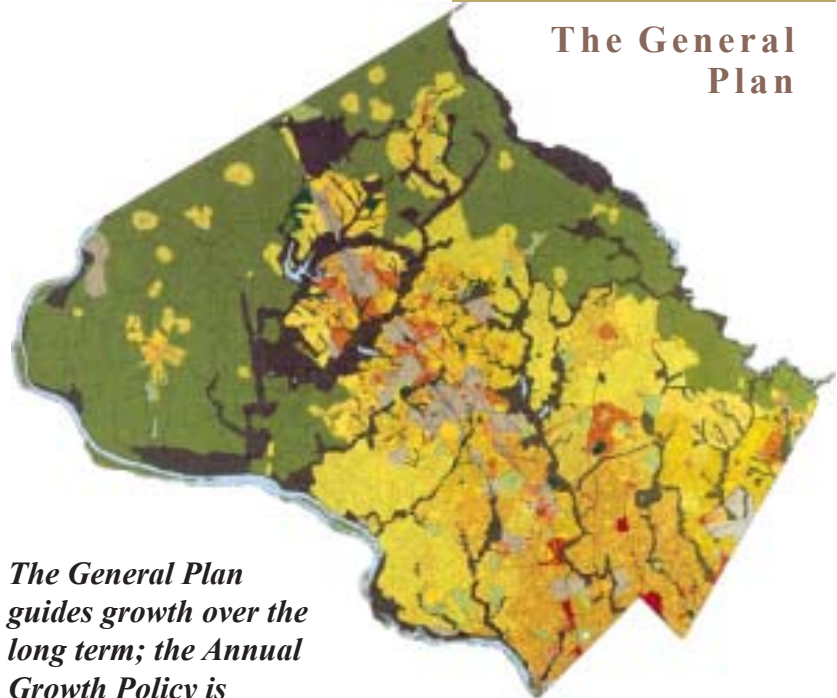
- The United States Constitution provides rights to landowners to use their land;
- Growth may be necessary to provide the range of housing and jobs to support our share of the region's diverse population.

The County's major growth decisions are made in the County's long-range land use plans: the General Plan and area master plans and sector plans. The role of the Annual Growth Policy is to determine how quickly the jobs and housing units called for in the master plans can be built, based upon the availability of public facilities.

annual  
growth  
policy

*Decisions about the amount, location, and type of growth are made in the County's long-term land use plans. The AGP determines how quickly planned jobs and housing units may be built, based upon the availability of public facilities.*

## The General Plan



*The General Plan guides growth over the long term; the Annual Growth Policy is concerned with the timing of development and public facilities.*



*O*ur roads and schools do not have the capacity to support additional growth, but some growth is necessary to safeguard the economic well-being of our residents. To minimize the effect of growth on public facilities, the AGP should set an overall limit on the pace of development, permitting the most efficient land uses to move forward first. All new development should help pay for new roads and schools through an impact tax.

## Growth Policy Concept

The Montgomery County Planning Board's new approach for the Annual Growth Policy comes from the following findings:

**Our roads and schools do not have the capacity to adequately support additional growth.** This argues for...

...a total moratorium on new development until we can "catch up" with new transportation options and new schools. **But the County needs to allow some growth to safeguard the economic well-being of our residents.** So the Planning Board recommends that...

...the **AGP set an overall limit on the pace of approving preliminary plans** that is a reduction from the current pace but sufficient for economic vitality. The growth rate would be reviewed and set biennially; the Board recommends that the initial rate be set at 1 percent of existing development: 5,800 jobs and 3,625 housing units per year. To minimize the impact of development on congested facilities, the Planning Board recommends...

...**permitting the most efficient pattern of land use to move forward first.** This means concentrating development near transit and balancing jobs with nearby housing, and putting the lowest priority on approving development in rural areas, where auto use is highest and where people live the farthest from the daily destinations.

**Because every new development project adds congestion** to congested roads, and (with the exception of senior housing) all residential development adds students to a crowded school system...

...**all development should help pay for new roads and schools:** "everybody pays." The Planning Board proposes...

...**reformulating the existing development impact tax for transportation and adding a new development impact tax for schools.** For transportation, there would be a **base impact tax rate that all development would pay**, regardless of location. There would also be...

...**a second tier of the development impact tax for transportation** that would charge the most transportation-efficient development the least, and the least transportation-efficient development the most. Development near Metro stations might be charged a very low rate for this second tier of the development impact tax for transportation, while rural development might be assessed the highest rates. On the school side...

...the Planning Board is recommending that **there be a single Countywide development impact tax for schools.** With the possible exception of senior housing, all residential development would pay the impact tax for schools. With the institution of this tax, the Board proposes...

...**eliminating the current test for school adequacy.** Although school adequacy is extremely important, none of the many options for testing the adequacy of schools proved satisfactory. The Board believes that a development impact tax for schools is the best way to assess new development for its effect on school enrollment. The alternative, a moratorium on new residential construction, would be less

## A New Approach

effective and have negative side effects, such as worsening the County's job-housing balance and potentially increasing the price of housing.

The revenues from both the transportation and school impact tax would be **dedicated to building transportation and school capacity improvements.**

The Planning Board believes **some concepts in the current AGP are effective and should be retained.** These concepts include...

...testing development projects for their effect on nearby intersections (currently called "Local Area Transportation Review"). The Board believes this test has required developers to make intersection improvements that are generally reasonable in cost and benefit the community. Another AGP concept worth saving is...

...allowing developers to provide the transportation infrastructure needed to support their project. Developer-funded infrastructure has been an important benefit, and the Planning Board recommends that this continue. Finally, the Planning Board also recommends that...

...the AGP should continue to give preference to a very narrow set of land uses. Preferential treatment is justified when development projects help meet County policy objectives, such as providing affordable housing and strategic economic development opportunities, or concentrating growth near transit. The exemptions supported by the Board are both narrower and fewer than those currently in effect.

### Roads and Schools: At Capacity

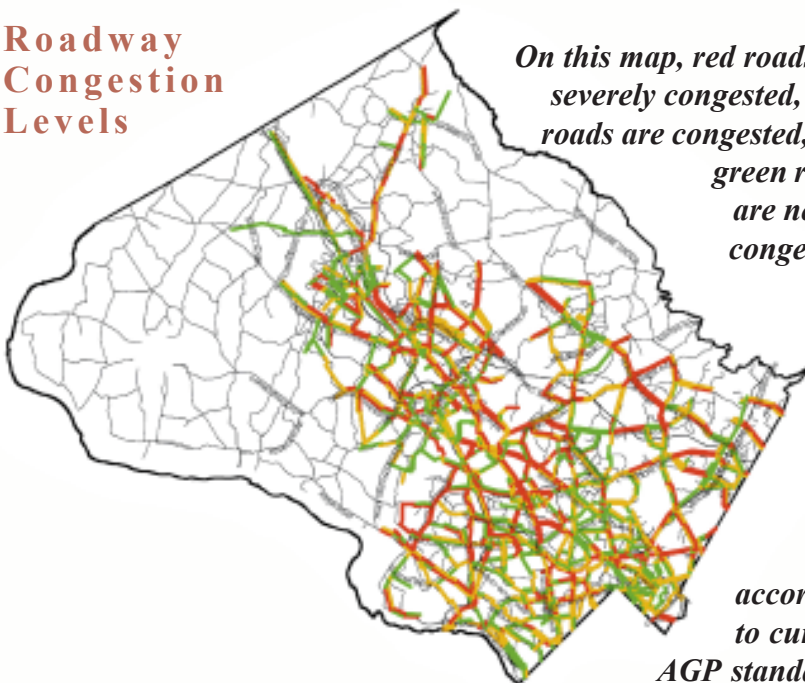
Based on their comprehensive review, and through the public testimony received, the Montgomery County Planning Board has determined that congestion on the County's transportation network and enrollment in the County's public schools have both reached capacity. To effectively implement the Adequate Public Facilities Ordinance, the AGP should use a definition of "adequate" that conforms with the reasonable expectations of most County residents. The Planning Board believes that the County has reached or exceeded those levels for transportation and schools Countywide.

When the current AGP sets "staging ceilings," it is determining the amount of new development that the transportation network can handle, called "net remaining capacity." If net remaining capacity is a negative number, it means that transportation facilities are inadequate – transportation improvements should be made before additional development is approved. The amount of transportation capacity available Countywide is the total of the areas with positive net remaining capacity and all of the areas with negative net remaining. This is the same as treating the County as a single area for setting staging ceilings. The result: if Montgomery County were treated as one big "policy area" under the AGP, it would be over-capacity for jobs and close to capacity for housing. The net remaining capacity for non-residential development is -10,115 jobs and +1,259 housing units. This is based on the ceilings in the FY 2004 AGP and approval activity through July 31, 2003.

*To effectively implement the adequate public facilities ordinance, the AGP should use a definition of "adequate" that conforms with the reasonable expectations of most County residents. The Planning Board believes that the County has reached or exceeded those levels for transportation and schools Countywide.*

Countywide, the FY03 AGP's "net remaining capacity" (how much new development the transportation network can support) is -10,115 jobs and 1,259 housing units.

## Roadway Congestion Levels



*On this map, red roads are severely congested, gold roads are congested, and green roads are nearly congested,*

*according to current AGP standards.*

## Roads and Schools: At Capacity

The map on this page shows congestion levels on Montgomery County roadways. The roads are colored red when their congestion levels are considered "severely congested." The roads colored gold are congested. Green roads are "nearly congested." The map shows that congested roads are found in all parts of the County (rural roads were not measured for this map).

The current AGP suggests that congestion varies widely by policy area when, in fact, congestion levels in around the County are fairly similar. The measure used by the AGP, the "average congestion index," can theoretically range from 0 to 1. However, most County areas score in a very narrow range, from 0.54 to 0.59.

Testimony at the Planning Board's public forums, as well as public com-

ments made during the AGP focus groups, other AGP public meetings, and other public planning meetings, have all strongly shown that the public believes Montgomery County roads are congested. The AGP's standard of what is "adequate" must reflect how willing the public is to accept additional levels of congestion.

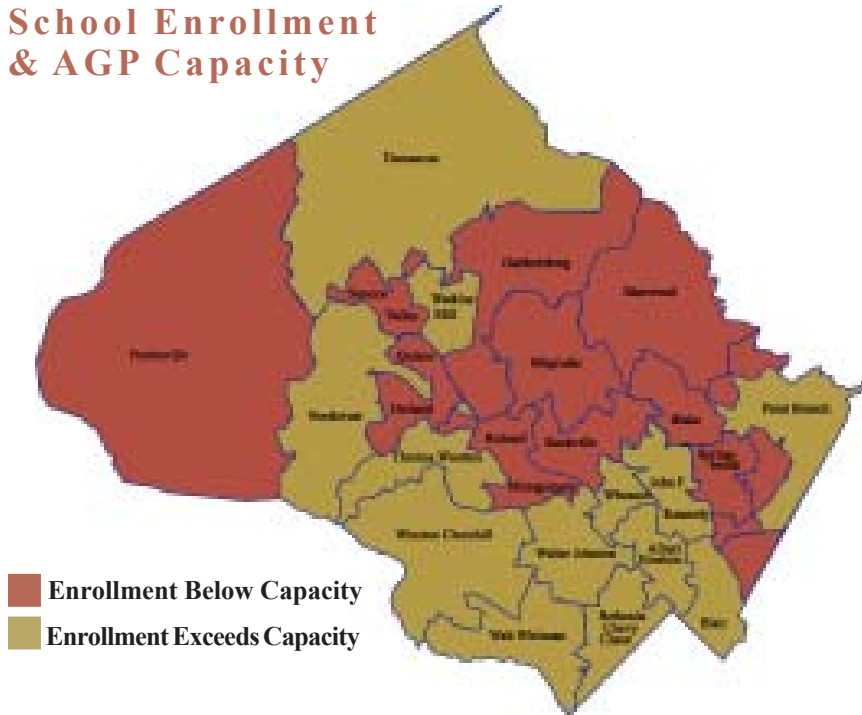
Public testimony also makes it clear that many parents do not consider their schools to be adequate. Although there is widespread recognition that new development is responsible for only a fraction of the County's enrollment growth, there is nevertheless also a strong belief that new development exacerbates an already difficult situation, and therefore must contribute toward new school buildings and classrooms.

The maps on the opposite page show, in orange, high school clusters where enrollment exceeds capacity at one or more levels (elementary, middle or high). The maps do not reflect the current AGP test's practice of "borrowing" capacity from an adjacent cluster to make up deficits. The maps suggest to the Montgomery County Planning Board that schools are generally over-capacity in Montgomery County.

### Determining an Optimal Preliminary Plan Approval Rate

Although it finds that roads and schools cannot adequately support additional development, the Planning Board believes that a total moratorium on new development isn't feasible or smart (see "Why Grow?" on page 5). The Board therefore recommends that the new growth policy set a limit for the

## School Enrollment & AGP Capacity



### “AGP Capacity”

The AGP counts the capacity of a school using a standard multiplier for each classroom; for example, the capacity of all classrooms at the elementary level is 25.

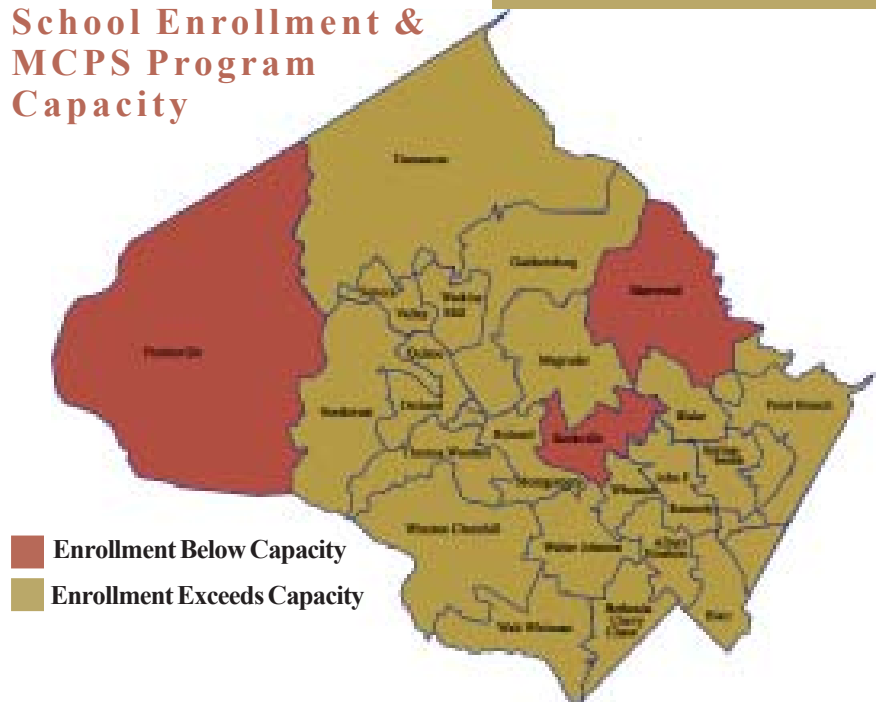
### “Program Capacity”

Montgomery County Public Schools uses “program capacity” for planning purposes. With “program capacity,” the capacity of a classroom depends on its use; that is, how it is programmed. On average, *program capacity* is about 94% as large as *AGP capacity*.

*These maps compare the 2008 school enrollment forecast with two measures of classroom capacity. The top map uses “AGP capacity,” while the lower map uses Montgomery County Public Schools “program capacity.” These terms are explained in the box on the upper right.*

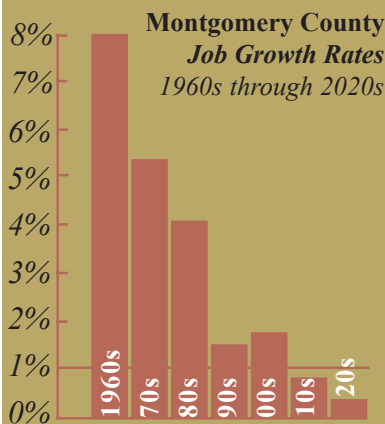
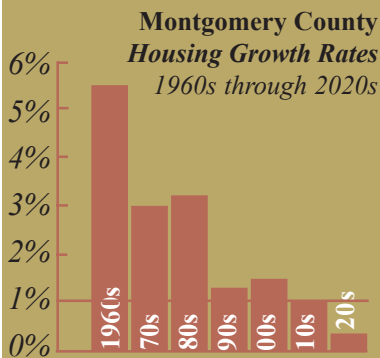
*If enrollment exceeds capacity at any level (elementary, middle or high), the cluster is shown in the orange color. If enrollment does not exceed “program capacity” at any level, the cluster is shown in dark red.*

## School Enrollment & MCPS Program Capacity





To put a 1 percent preliminary plan approval rate in perspective: growth is now averaging about 1.3-1.5 percent but will decline to under 1 percent in the next decade.



## Limiting Preliminary Plan Approvals

rate of approving new development (preliminary plans of subdivision). This rate would be reviewed on a biennial basis, taking into account current transportation and school conditions, prospects for new transportation and school facilities, and development that has already been approved or is not controlled by Montgomery County's APFO.

The Planning Board recommends that the initial growth rate be 1 percent. More specifically, the non-residential preliminary plan approval rate would be 1 percent of the current existing base of jobs. The residential development approval rate would be slightly more than 1 percent to achieve a balanced ratio of 1.6 jobs per housing unit.\*

To put the 1 percent approval rate into perspective, it is useful to keep the following facts in mind:

- A 1 percent approval rate would allow enough non-residential development for 5,800 new jobs per year. Montgomery County averaged about 7,200 jobs per year in the 1990s and is forecast to add about 8,500 jobs per year between 2001 and 2010.
- The Board's recommendation would allow 3,625 new housing units per year. In the 1990s, Montgomery County averaged about 3,800 units per year. Between 2001 and 2010, the annual average (without limits) is expected to be 4,500 units.
- By the end of the decade, Montgomery County's market-driven growth rate for non-residential development is expected to average 1 percent, even without

growth limits. On the housing side, a market-driven 1 percent growth rate is expected in about 2015.

The positive effects of the Planning Board's proposed limit on preliminary plan approvals are two-fold:

- in the near future, it will have a dampening effect on the pace of growth (over time, though, the County's natural growth rate will be less than 1 percent); and
- it will help smooth the market's tendency toward boom-bust cycles that hurt residents and business alike and add to the challenge of providing public facilities.

The Planning Board emphasizes that the preliminary plan approval rate would be reconsidered every other year. The County Council might decide to increase or decrease the annual growth rate after reviewing a "report card" of a variety of factors:

- Measures of transportation congestion and school crowding;
- Availability of money to construct new public facilities;
- Economic conditions, including recession;
- Changes in enrollment or transportation use;
- The pace of growth in nearby localities that will generate demand for County facilities;
- Demographic trends, such as providing jobs and housing for Montgomery County residents reaching adulthood who want to remain in the County; and
- The amount and character of already-approved development.



# Efficient Land Uses First

The Planning Board envisions that the biennial reconsideration of the target growth rate will provide a new and much-needed forum for the public, development industry representatives, and public officials to engage in a true dialog about growth. It will allow the AGP to become a true “growth policy” where the County can take into account all of its growth-related policies when setting growth limits.

## Allocating Limited Growth: How and Where?

Key to the Planning Board’s concept is the idea that, because transportation facilities are overutilized, the growth policy’s allocations should give preference to the most efficient land use patterns first.

From a transportation perspective, the most efficient land use patterns include a balanced mix of jobs and housing in proximity to each other served by as many transportation options (roads, transit, pedestrian) as possible. The least efficient land use

pattern is characterized by low densities of similar land uses.

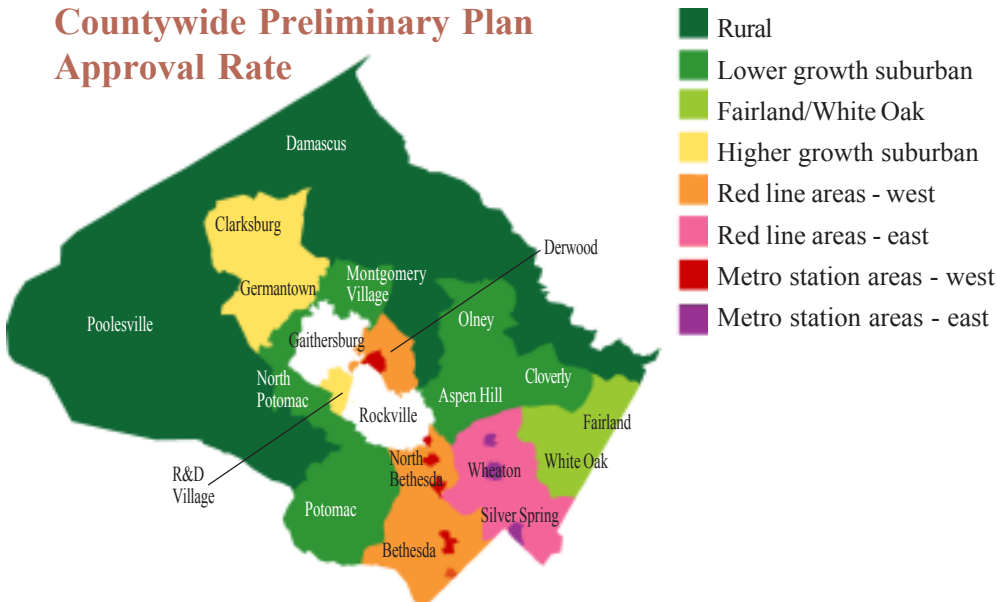
Therefore, a mixed-use development project near a Metro station will be more efficient than a similar project that is not well-served by transit, and both of these are more efficient than a low-density residential development located among similar developments.

To give priority to the most efficient land uses, the Planning Board has developed a set of geographic subareas that would receive varying shares of the Countywide preliminary plan approval rate. These subareas are shown on the map below.

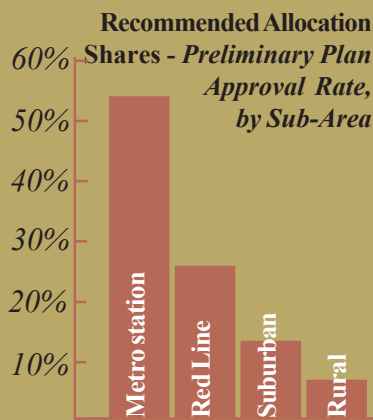
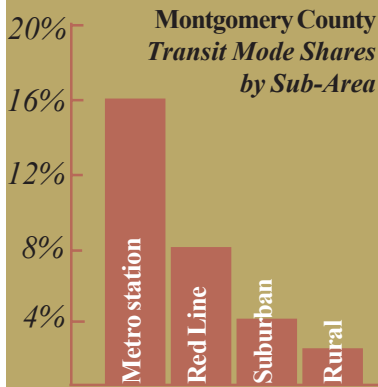
Some of the criteria that the Planning Board used to determine the appropriate geographic boundaries are:

- the boundaries portray the relative transportation efficiency of locations within the County;
- the boundaries recognize that land within the same boundary will be competing for a limited growth allocation;

## Subareas for Allocating the Countywide Preliminary Plan Approval Rate



*The most efficient land use patterns include a balanced mix of jobs and housing in proximity to each other served by as many transportation options (roads, transit, pedestrian) as possible.*



**Recommended Allocations:  
One Percent Approval Rate**

Area	Jobs	Housing
Metro Station Areas	3,100	1,925
Red Line Areas	1,550	950
Suburban Areas	775	475
Rural Areas	375	275
<b>Total</b>	<b>5,800</b>	<b>3,625</b>

## Limiting Approvals by Area

- the boundaries permit allocations that encourage a jobs/housing balance in the area; and/or
- the boundaries encompass areas with similar transportation characteristics, such as transit mode share or are part of the same “traffic shed.”

One of the main tasks of the biennial growth rate review would be the determination of how much of the allowed growth would be allocated to each geographical area. The Planning Board suggests that the primary criterion for making these allocations would be transportation efficiency as represented by transit mode share; that is, percentage of commuters using transit rather than automobiles to get from home to work and back again. Currently, Metro station areas have twice the transit mode share as Red Line areas; the Red Line areas have twice the transit mode share as the suburban areas (higher-growth suburban, lower-growth suburban, and Fairland/White Oak); and the suburban areas have twice the transit mode share as the rural areas. As a starting

point, then, the Planning Board recommends that the largest number of annual preliminary plan approvals be allocated to Metro station areas. Preliminary plan approvals allocated to Red Line areas would be about half that allocated to Metro station areas; approvals allocated to suburban areas would be about half that allocated to Red Line areas; and approvals allocated to rural areas would be about half that allocated to suburban areas.

The Planning Board recommends allocating the preliminary plan approval rate of 5,800 jobs and 3,625 jobs to the recommended geographies in proportion to transportation efficiency, as represented by the transit mode share. Using a proposed preliminary plan approval rate of 1 percent would result in the allocations shown in the box on this page. These approvals would be available to development on a first-come, first-served basis.

The biennial review could modify this basic allocation strategy based on a number of factors, including factors similar to those used to develop the overall growth rate (economic conditions, already-approved development, planned capital expenditures) as well as those that were used to determine the geographical boundaries. So, for example, while the transportation efficiency criterion would support allocating most new development approvals to Metro stations, the jobs/housing balance criterion might suggest that more jobs be allocated to the east and more housing to the west.

### When Approvals Reach the Limit

Because a limited amount of new development will be permitted to be approved under the Board’s proposal, there will be instances when an area’s allocation will be drawn down to zero by development approvals. When this happens, the Planning Board would suspend preliminary plan approvals in that area until the next allocation occurs. If, for example, a proposed development consists of 300 housing units and there are only 200 housing units available under the current year’s

## Approvals Above the Rate

allocation, the development would be able to reserve the 200 units and be first in line for the next year's allocation. When there is an insufficient number of jobs or housing units remaining in an area, a developer would have the option of moving ahead more quickly if he or she agrees to mitigate 100 percent of the transportation impact of the proposed development -- either by providing transportation facilities or reducing trips or a combination of the two.

The Planning Board recommends continuing a limited set of provisions that would allow more jobs or housing units to be approved than the annual preliminary plan approval rate. These limited circumstances are:

- *Affordable housing:* The Planning Board recommends allowing a limited number of housing units to be approved above the annual allocation if the developer agrees to provide a substantial component of affordable housing. The Board's proposal is virtually the same as the current growth policy's affordable housing provision, although some modest changes will need to be made to conform to the new geographies.
- *Economic Development:* The Planning Board recommends continuing most of the current growth policy's provisions for economic development projects. These allow approvals above the annual allocation in very limited circumstances for only the most desirable economic development projects, such as expansion of major headquarters facilities and

specially-designated strategic economic development projects. The Board would eliminate the no-longer-needed provision for hotels supporting headquarters, and would eliminate the hospital and child day care provisions as lacking sufficient justification.

- *Metro station areas:* The Planning Board recommends continuing, with modification, the current growth policy's provision for Metro station area development. This provision allows approvals above the annual allocation at Metro stations if the developer mitigates 50 percent of the automobile trips and makes a payment toward transportation facility improvements. The Board believes that without this provision, the growth policy would undermine the County's smart growth objectives. However, the Board recommends suspending residential approvals under this provision in any Metro area where schools are at capacity and there is no feasible school capacity improvement. The Board also suggests replacing the requirement for a government-funded comprehensive traffic study with a requirement that each developer submit a traffic study to identify needed transportation improvements.

### Size of the Pipeline of Approved Development

The amount of development in Montgomery County that has already been approved (the "pipeline of approved development") considerably limits the ability of the new growth

*The Planning Board recommends some very limited provisions that give approval preference to development projects that implement the County's goals for affordable housing, provide special economic development opportunities, or support smart growth.*

*Impact taxes or fees charged by other Maryland counties range from \$1,500 to \$12,000 per detached home and from \$750 to \$1,789 per 1,000 square feet of office space.*

**Impact Tax/Fee Rates For a Single Family Detached Home**

County	Rate
Prince George's	\$7-12,000
Charles	\$9,700
Frederick*	\$7,446
Queen Anne's	\$5,744
Carroll	\$4,774
St. Mary's	\$4,500
Anne Arundel	\$4,069
Calvert	\$3,950
Howard	\$2,640
Caroline	\$1,500

**Impact Tax/Fee Rates For a Square Foot of Office Space**

County	Rate
Queen Anne's	\$1.27-1.53
Anne Arundel	\$1.11-1.79
Howard	\$0.80
Frederick	\$0.75

*\*estimated. Frederick applies a per-square-foot rate.*

**“Pipeline” Development**

policy to pace development. The County's pipeline contains over 77,000 jobs and about 24,000 housing units, not counting development approved in Gaithersburg, Rockville, and in adjacent counties. All of this development will have an impact on a transportation network and school system that the Board finds to be at capacity.

The Planning Board considers this a major issue and believes that all aspects of the pipeline should be reviewed. However, because so many growth policy issues are on the table this year, the Board was persuaded to recommend that pipeline issues be addressed comprehensively in 2004. The Board is especially interested in considering further reductions in the time limit for a finding of adequate public facilities, in applying a time limit to pre-1989 residential approvals, and in reviewing whether the extension provisions are working as intended.

**Development Impact Taxes for Transportation and Schools**

Park and Planning staff estimate that the current cost for planned transportation improvements in Montgomery County is \$5.9 billion. If all of that cost were allocated to the 146,000 jobs and 78,000 housing units to be built between now and 2030, the per-job and

per-unit cost of that infrastructure would be about \$26,000.

The cost to build school buildings for the 31,200 public school students living in those 78,000 housing units is \$808 million, or about \$10,300 per housing unit. The Planning Board recognizes that \$26,000 per job and \$36,300 per housing unit is not a feasible impact tax, but notes that these figures demonstrate the magnitude of the challenge.

Currently, Montgomery County imposes an impact tax on new development to fund transportation improvements. The tax is applied Countywide, including on development within the cities of Gaithersburg and Rockville. Rates vary by area and by land use type and are shown in the table below. In the spring of 2003, the Montgomery County Council reviewed proposals to increase the transportation impact tax and to institute a school impact tax. The Council decided to defer discussion of impact taxes until the fall review of the Annual Growth Policy.

The Planning Board's growth policy strategy depends not only on moderating the rate of development approvals but also increasing the financial resources available to construct needed facilities. The Planning

**Current Impact Tax Rates in Montgomery County**

Area	Residential			Non-Residential		
	Detached	Town	Apt.	Office	Retail	Indust.
Eastern Montgomery	\$1,727	\$1,727	\$1,243	\$2	\$1.50	\$1.00
Clarksburg	\$2,753	\$2,753	\$1,981	\$2	\$5.61	\$1.00
Germantown	\$2,492	\$2,492	\$1,794	\$2	\$5.08	\$1.00
Metro station areas	\$1,050	\$1,050	\$550	\$0.75	\$0.75	\$0.50
Balance of County	\$2,100	\$2,100	\$1,100	\$1.5	\$1.5	\$1.00

*Residential rates per unit; non-residential rates per square foot*

## Impact Taxes

Board, therefore, recommends that the County increase the rates of development impact tax for transportation and establish a development impact tax for schools. The Board strongly recommends that these new revenues be dedicated to funding transportation and school capacity improvements. The Board further recommends that the increase in the recordation tax be dedicated to school construction.

The Planning Board's recommended impact tax rates are shown in the table on this page. The Planning Board is sensitive to the effect of additional taxes on the cost of development, especially housing affordability, and the Board understands that there are a host of other factors contributing

to traffic congestion and school enrollment growth in addition to new development. However, the Board notes that each additional increment of new development will require additional transportation and school facilities, and the Board's proposed rates provide an appropriate balance between needed revenues and ability to pay. The Board's rates also provide a balance between jobs and housing so that, even with the school impact tax, both residential and non-residential development are paying a similar percentage of sales prices or rents in impact taxes.

The Planning Board recommends a new structure for the transportation impact tax that reflects the relative impact of new development on the

*The Planning Board strongly recommends that these new impact tax revenues be dedicated to funding transportation and school capacity improvements. The Board further recommends that the increase in the recordation tax be dedicated to school construction.*

### Proposed Transportation Impact Tax Rates

Area	Detached	Residential			
		Town	Apt.	Senior	MPDUs
Metro station area	\$1,500	\$1,500	\$1,000	\$500	\$0
Red Line area	\$3,000	\$3,000	\$2,000	\$1,000	\$0
Suburban area	\$4,500	\$4,500	\$3,000	\$1,500	\$0
Rural area	\$6,000	\$6,000	\$4,000	\$2,000	\$0

*Residential rates per unit; "Senior" means multi-family senior housing; "MPDU" means "moderately-priced dwelling unit" as defined by County law.*

Area	Non-Residential				
	Office	Retail	Indust.	Bio/Hosp	Other
Metro station area	\$2	\$3	\$2	\$0	\$2
Red Line area	\$4	\$6	\$4	\$0	\$4
Suburban area	\$6	\$9	\$6	\$0	\$6
Rural area	\$8	\$12	\$8	\$0	\$8

*Non-residential rates per square foot; "Bio/Hosp" means bioscience facilities or hospitals.*

### Proposed School Impact Tax Rates

Area	Detached	Town	Residential			
			Garden	High-rise	Senior	MPDUs
All areas	\$8,000	\$6,000	\$4,000	\$1,600	\$0	\$0

*Residential rates per unit; "Senior" means multi-family senior housing; "MPDU" means "moderately-priced dwelling unit" as defined by County law.*



## Dedicated Revenues For New Facilities

transportation network. Under the Board's proposal, the transportation impact tax rates would be lowest in Metro station areas and highest in rural areas, consistent with the relative transit use of development in these areas.

The Board would continue to apply the tax at building permit to all approved development, and would not expand the credit provisions of the impact tax.

When housing developments contain a threshold number of affordable units, both the affordable and market rate units are currently exempt from the transportation impact tax. The Board recommends that in the future only the affordable units themselves be exempted from the transportation and schools impact taxes.

The Planning Board is recommending that school impact taxes be the same countywide, but they would vary by

housing type. The Planning Board's proposal is very similar to school impact tax legislation introduced this spring, with the exception that the Planning Board's recommended rates are significantly higher.

An issue that is ordinarily outside the purview of the Planning Board is whether the proceeds from the recent increase in the recordation tax should be dedicated to school construction. However, several Councilmembers and the Board of Education have requested that the Planning Board consider the issue, and the Board's recent growth policy review has given the Board extensive information about both the need for new school infrastructure as well as the increase in school enrollment due to housing turnover. Therefore, the Planning Board is comfortable recommending that the recordation tax increase be dedicated to school construction.

### Get Involved

Montgomery County's growth policies affect the quality of life of every resident and business. For that reason, the Planning Board urges everyone who can do so to get involved by following the discussions and submitting their comments and questions. The Planning Board recognizes that changes of this magnitude require careful thought and comprehensive public input. While the Board believes we have made an excellent start, we are looking forward to the Executive's comments on our proposal, to participating in the County Council's scheduled public outreach efforts, and to responding to questions and issues raised by public officials and residents. The public is welcome to contact the Planning Board by mail at the address on this page or through our website.

## County Council to Hold Growth Policy "Teach-in"

*continued from page 1*

Subin. "In order to make these decisions, we need to hear from as many County residents as possible and make sure that everyone knows what's at stake. This teach-in will represent the start of that process."

A tape of the event will be aired on County Cable Montgomery, Channel 6.

Following up on the teach-in, the Council has scheduled public hearings on the Annual Growth Policy on the evenings of September 16 and 18. Growth Policy revisions will also be on the agenda when the Council holds the next of its "Town Hall" meetings on September 24, this time in Friendship Heights/Chevy Chase.

Council worksessions on the Annual Growth Policy will begin in late September with final Council approval expected in late October.

### Growth Policy Review Coming Events

**September 13 (day)**

*Growth Policy Teach-in*

**September 16 and 18 (evening)**

*County Council's Growth Policy Public Hearings*

**September 22 and 29 (day)**

*Council's Planning, Housing and Economic Development Committee*

**September 24 (evening)**

*Council "Town Hall" Meeting in Friendship Heights/Chevy Chase*

**September 25 (day)**

*Council's Management & Fiscal Policy Committee*

*All events are tentative. Please check schedule by calling the Count Council at 240-777-7900 or check the County Council website at [www.montgomerycountymd.gov](http://www.montgomerycountymd.gov).*



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Planning Board  
Maryland-National Capital Park  
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September 1, 2005

## Memorandum

To: Montgomery County Planning Board

From: Karl Moritz, Research & Technology Center, 301-495-1312

Re: Approvals Under the New Growth Policy

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This memorandum reviews approval activity before and after the new growth policy went into effect on July 1, 2004. The memo begins with an overview of the 2003 growth policy discussion that resulted in the adoption of major changes to the growth policy. Then the memorandum makes a general comparison of approval activity before and after the new policy went into effect.

Finally, the memo reviews each subdivision in policy areas that would have been in moratorium and gives an overall estimate of the impact of that development on public facilities (transportation and schools).

***History***

In 2003, Montgomery County engaged in a top-to-bottom review of the Annual Growth Policy that resulted substantial changes to the growth policy and to impact taxes. The changes included:

- *For transportation:* the elimination of Policy Area Transportation Review, the strengthening of Local Area Transportation Review, and an increase of development impact taxes for transportation.
- *For schools:* revisions to the school test that generally made the test more stringent, and the imposition of development impact taxes for schools for the first time.

This memo will briefly discuss issues that led the County Council in 2001 to call for a “top-to-bottom” review of the growth policy, the components of the top-to-bottom review, and some of the alternatives discussed during the 2003 growth policy review.

## *Policy Area Transportation Review – The Basic Process*

From the 1980s until 2004, development approvals were staged in each subarea of the County (“policy area”). Every year, the Council would adopt limits on the amount of development that could be approved in each policy area, and these limits were called “staging ceilings.”

Although the calculation of staging ceilings was fairly complicated, it basically involved the following steps:

- A simple formula was used to determine how much auto congestion would be permitted in the policy area. The congestion level was based on the availability of transit service – the more transit available, the higher the permitted congestion level.
- A transportation model was used to determine how much development could be approved under permitted congestion levels (staging ceilings).
- If the Planning Board had already approved development equal to, or in excess of, the staging ceilings in a policy area, the policy area was put in moratorium for new approvals.<sup>1</sup>
- When a new transportation improvement was funded, the staging ceilings could be increased.

### *2001: Updates to Staging Ceilings Reveals Some Methodology Problems*

For the 2001 Growth Policy discussion, Park and Planning staff updated all of the data underlying the Policy Area Transportation Review process. These data included traffic counts and transit service. These data had not been comprehensively updated since 1994, when the latest method for setting staging ceilings was adopted.

Park and Planning staff updates resulted in very different staging ceilings in some areas. Some areas that were in moratorium would have been permitted to receive more approvals; some areas that had been open to new approvals would have gone into moratorium. As a result, public officials (including the County Council, County Executive, and Planning Board) looked closely at the methodology for calculating staging ceilings and decided a “top-to-bottom” review of the growth policy was needed.

The 1994 methodology made significant changes to the calculation of transit service levels. As noted, transit service levels are used to determine how much traffic congestion is permitted in a policy area. By 2001 it was clear that there were problems with the 1994 method for calculating transit service.

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<sup>1</sup> Approvals could occur in “moratorium” areas under certain circumstances. These included: an applicant could provide the transportation facilities needed by the development, mitigate the effect of the development on traffic, or follow one of a set of special provisions, such as the Special Ceiling Allocation for Affordable Housing.



Prior to 1994, a much simpler method was used to relate auto congestion standards and transit service levels. One of the options that was explored in 2003 was a return to that simpler method.

### *Summer of 2002*

During the summer of 2002, Park and Planning staff released a report entitled “Assessing the Effectiveness of Montgomery County’s Adequate Public Facilities Ordinance.” The report attempted to summarize the history of the APFO, issues that have been the subject of debate over time, and how these issues could be addressed during a “top-to-bottom” review of the AGP.

### *2003: The Top-to-Bottom Review Begins*

In the period leading up to the start of the 2003 growth policy review, Park and Planning staff conducted research and analysis on growth policy issues. The resulting reports were presented to the Planning Board and County Council in February 2003. These reports consisted of:

- An update/revision of the summer 2002 paper, consisting of an in-depth review of growth policy-related issues and a list of alternative approaches that staff would explore in the *Staff Draft 2003-2005 AGP*;
- A review of how adequate public facilities ordinances are administered in other jurisdictions around the country,
- A review of the “effectiveness” of Policy Area Transportation Review in slowing development;
- A report of two growth policy “focus groups” designed to elicit concerns about the current approach;
- Impact of the AGP on traffic congestion; and
- Factors affecting school enrollment changes.

Park and Planning staff released the *Staff Draft 2003-2005 AGP* on May 1, 2003. Among the recommendations in the Staff Draft:

- *Transportation*: Staff explored three options for reforming Policy Area Transportation Review: (1) keeping the current system but fixing the main problem: how to calculate transit service; (2) change to a new and much simpler system for setting staging ceilings; and (3) eliminate Policy Area Transportation Review and strengthen Local Area Transportation Review. Of these, staff recommended option 2.
- *Schools*: Staff recommended the changes that were ultimately adopted by the County Council.
- *Impact taxes*: A bill to expand and increase impact taxes had previously been introduced and staff endorsed the basic properties of that bill.

### *2003: Planning Board Recommendations*

On May 15, the Planning Board held a public forum on the growth policy and began a series of public worksessions that lasted through July. The Planning Board began by asking basic questions about growth and its implications for the County. The Board reviewed the County's plans and policies related to growth and developed a policy framework that would support those policies and plans.

Before this, the administration of the adequate public facilities ordinance was primarily focused on detailed measurements and standards of infrastructure availability and usage. These measurements and standards were adjusted from time to time to account for County policies. The result was a very complicated system with many individual calculations being conducted --- and, critics charged, not always adding up to a coherent growth policy for the County.

The Planning Board broke with tradition by suggesting that an APFO, once justified by sufficient objective analysis, could then be administered without a complicated system of measurements and standards that only a few people fully understood. The Board recommended that the County use all of its traffic counts, transit service measurements, analysis of past and future growth, the likely pace of construction of new infrastructure, and other calculations to identify an overall pace of growth that the County could absorb without further strain on public facilities. Once that overall pace of growth was identified, the Board suggested that a relatively simple process could be used to determine where new development could take place, as long as it was consistent with the County's General Plan and land use policies. The Board's approach prioritized development approvals based on transit service – more approvals would be permitted in metro areas, fewer in other areas.

The Planning Board also endorsed increased/expanded transportation impact taxes and a new school impact tax.

The Planning Board released these recommendations to the public and transmitted them to the County Council and County Executive on August 6, 2003.

### *2003: County Council Consideration*

The County Council's review of the Annual Growth Policy began with a public "teach-in" on Saturday, September 13, 2003 in the Council Office Building cafeteria. The County Council then held public hearings on September 16 and 24. PHED Committee worksessions were held on September 22, 29, October 7 and 14. The MFP Committee held a worksession on proposed impact taxes of October 16. The full Council held AGP and impact tax worksessions on October 21 and 23.

During the Council's review, Council staff expressed the viewpoint that "staging ceilings are no longer warranted." Among the reasons cited in their October 21, 2003 memo to the Council:

- Staging ceilings measure the capacity of roadway links, but “today the biggest source of travel delay is at intersections, which is measured by Local Area Transportation Review” and
- “Most important, with the possible exception of Clarksburg, no policy areas are left with extensive amounts of master planned development that doesn’t already exist or is in the pipeline. Therefore, there is not much more upstream/downstream effect about which to be concerned. Even Clarksburg is not a central issue: its employment will draw traffic mainly from either outside the County or in a reverse commute from downcounty, and most of its housing will be built as part of development districts.”

The County Council took action on the growth policy on October 28, 2003. Attached is a detailed review of the changes to the growth policy approved by the Council. The changes to the impact tax went into effect on March 1, 2004 and the new growth policy went into effect on July 1, 2004.

***Summary of Approval Activity***

The following section compares development approval activity in Fiscal Year 2005 (July 1, 2004 to June 30, 2005) to Fiscal Year 2004. FY 2005 is the first full year that the revised growth policy was in effect, and FY2004 was the last full year that former growth policy was in effect. The data do not include approvals in the cities of Rockville and Gaithersburg because the growth policy does not apply in those municipalities.

During FY05, 4,388 housing units were approved by the Planning Board, compared with 6,514 units approved by the Board in FY04. Year-to-year comparisons by unit type are difficult, however, because 1,600 of the units approved in FY2004 are in the Cabin Branch project on the west side of I-270 in Clarksburg. The unit mix for this project was not determined at the time of subdivision.

	<i>Detached</i>	<i>Townhouse</i>	<i>Multi-family</i>	<i>Total</i>
FY2005	1,249	813	2,262	4,388
FY2004	588	483	3,828	6,514 <sup>2</sup>

Measured in jobs, the amount of non-residential development approved by the Planning Board in FY05 was also less than in FY04. The growth policy has traditionally measured non-residential development in “jobs” because it is a better measure of traffic impact than square footage. The Planning Board approved 14,644 jobs in FY05, down from 15,192 in FY04.

	<i>Jobs</i>	<i>Total SF</i>	<i>Office SF</i>
FY2005	14,644	4,298,859	1,850,698
FY2004	15,192	4,022,276	2,900,798

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<sup>2</sup> The 6,514 figure includes the 1,600 housing units for which a unit mix has not been determined.

However, the square footage of non-residential development increased from FY04 to FY05. The disparity is because in FY05, there was a higher proportion of non-residential development approved that yields fewer jobs, such as warehouses, and a lower proportion of high job-generating land uses, such as office. In fact, the square footage of office space approved by the Planning Board dropped from 2.9 million square feet in FY04 to 1.85 million square feet in FY05.

Attached are lists of subdivisions approved in FY04 and FY05.

***Policy Areas That Would Have Been In Moratorium If the Growth Policy Were Not Changed***

In order to get some perspective on the effect of the changed growth policy, staff reviewed subdivisions approved in FY05 in policy areas that “would have been” in moratorium if the old growth policy had been continued.

This approach may provide the best understanding of the effect of the new policy but it is not without flaws. The main flaw is that the old policy’s staging ceilings were out of date. In staff’s view, it is probable that even if Policy Area Transportation Review had been retained, some fundamental aspect of the test would have been changed. Additionally, FY04 was not necessarily a typical year, because the volume of approvals was high and because programmed transportation improvements had reduced or eliminated some moratoriums. Finally, the applications for several FY05 approvals were filed prior to the July 1, 2004 effective date of the new growth policy and were therefore subject to the “old rules.”

The policy areas that would have been in moratorium in FY05 if the old policy had continued are listed below. The deficit is the amount by which existing and approved development exceeds the amount that can be supported by the transportation network. Also included are policy areas that had a very small amount of positive capacity.

- *Housing*: Aspen Hill, with a deficit of 7,215 housing units; Clarksburg, with a deficit of 6,628 units; Fairland/White Oak, with a deficit of 3,557 housing units; Germantown West, with a positive capacity of 161; Montgomery Village/Airpark, with a deficit of 5,524 units; Olney, with a positive capacity of 2 units; and White Flint, with a positive capacity of 1,233 units.
- *Jobs*: Bethesda/Chevy Chase, with a positive capacity of 57 jobs; Clarksburg, with a deficit of 811 jobs; Cloverly, with a deficit of 22 jobs, North Bethesda, with a positive capacity of 6 jobs; Montgomery Village/Airpark, with a positive capacity of 37 jobs, and R&D Village, with a deficit of 5,925 jobs.

### *Subdivision Approvals In Moratorium Areas*

The following section reviews subdivision approval activity in areas that would have been in moratorium under the old growth policy.

#### *Aspen Hill*

Aspen Hill was in moratorium for new housing approvals because of a capacity deficit of 7,215 housing units. During FY04, the last year of the old growth policy, 3 housing units in two projects were approved in Aspen Hill.

In FY05, 14 units in two projects were approved. The smaller project consisted of 3 housing units and therefore could have been approved under the de minimis provisions of the old growth policy. The larger project, the “Atwood Road Property,” consists of 11 units, and it would not have been approved under the old policy.<sup>3</sup>

#### *Bethesda/Chevy Chase*

Bethesda/Chevy Chase had capacity for 57 jobs under the old policy. In FY04, there was one approval: 333 jobs at the Howard Hughes Medical Institute. In FY05, there were no non-residential approvals.

#### *Clarksburg*

Clarksburg was in moratorium for both housing and jobs under the old growth policy. Clarksburg’s deficits were 6,628 housing units and 811 jobs.

In FY04, the last year of the old growth policy, the Planning Board approved the Cabin Branch project which consists of 1,600 housing units and 6,300 jobs. The Cabin Branch project was approved despite the moratorium because the developer committed to provide the transportation improvements needed to support the development. The Board also approved three other projects totaling 126 housing units. One of the projects, a 4-unit subdivision, met the criteria for a de minimis approval. A Clarksburg elementary school was also added to the pipeline at this time (50 jobs) but was not subject to the adequate public facilities ordinance.

In FY05, there were no non-residential approvals in Clarksburg. Seven residential projects were approved, including a revision to the Clarksburg Village approval. These include 253 single family detached units in the Linthicum West project; 59 single family detached and 27 townhouses in the Woodcrest project; 11 single family detached units in the R.T. Shaffer project; 3 single-family detached units in the Radwick Lane project; 2 single-family detached units in the Lopatin project; and 2 single-family detached units in the Boyds Highlands project.

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<sup>3</sup> Developers in moratorium areas had the option of building required infrastructure or mitigating their trips. It is very unlikely that either option would have been feasible for an 11-unit subdivision in Aspen Hill.

Of these, the larger projects could have been approved under the old growth policy by joining a development district to fund transportation improvements. The projects smaller than 5 single-family units could have been approved under the de minimis provisions of the old growth policy. The mid-sized projects may not have been approved, unless they found a development district they could join.

#### *Cloverly*

Cloverly had capacity for 2 jobs under the old policy and there have been no non-residential approvals in Cloverly under the new policy.

#### *Fairland/White Oak*

Fairland/White Oak was in moratorium for new residential subdivisions with a deficit of 3,557 units. In FY04, there were ten subdivisions approved in Fairland/White Oak. All but one were de minimis, consisting of one or two units. The other project was a 27-unit townhouse subdivision that was approved because they entered into a trip mitigation program.

In FY05, the Planning Board approved twelve residential subdivisions in Fairland/White Oak totaling 611 units. One of these projects was the 396-unit Fairland Golf Community project. This project could have been approved under the old growth policy because of a special provision that had been in the growth policy resolution for approximately a decade. Therefore, this project was not subject to moratoriums even when moratoriums were in effect. Three of the FY05 approvals were for 1-unit subdivisions and these could also have been approved under the old policy. The rest of the subdivisions, totaling 212 units, would likely not have been approved unless the developer was able to mitigate their project's trips.

#### *Germantown West*

Germantown West had positive capacity for 161 housing units in the old growth policy. In FY04, there were 8 projects totaling 296 units approved in Germantown West.

In FY05, four projects totaling 261 units were approved. Because there was capacity for only 161, at least one of the approved projects would not have been approved under the old policy --- possibly the 102-unit Clopper's Mill Manor subdivision, but that project consists of senior multi-family housing. Senior housing has a reduced transportation impact.

#### *Montgomery Village/Airpark*

Under the old growth policy, Montgomery Village/Airpark had a very small amount of capacity for new non-residential subdivisions (37 jobs) and was in moratorium for new residential approvals with a deficit of 5,524 housing units. In FY04, there was one residential approval – the 203-unit Gables Rothbury Square that was approved under

the Special Ceiling Allocation for Affordable Housing. In FY04, there were also two non-residential approvals. One was for just 8 jobs, but the other (for 111 jobs) satisfied Policy Area Transportation Review by agreeing to participate in the widening of Woodfield Road (MD124).

In FY05, there were two residential projects approved, of which one was de minimis. The other was the 32-unit Whetstone Run project, which would not have been approved under the old policy unless the developer agreed to participate in a transportation improvement or to mitigate the project's trips.

In FY05, there was one non-residential project approved, the 3,723-job North Airpark Business Park project on the Webb Tract. This is a project that had been previously approved years ago but for which the APF finding had expired. The project's previous approval was conditioned upon the widening of Snouffer School Road, and the new approval also contained this condition. In other words, even though Policy Area Transportation Review was no longer in effect, the developer is required to make the same roadway improvement that he was required under his earlier approval.<sup>4</sup> At least one of the reasons for this is that the preliminary plan application was filed prior to the new growth policy's effective date.

#### *North Bethesda*

North Bethesda had capacity for 6 jobs under the old growth policy. In FY04, non-residential approvals were two projects totaling 126 jobs.

In FY05, the Planning Board approved the Wilgus East project in North Bethesda, which consists of 952 jobs. Although North Bethesda did not have capacity for this project under the old policy, it would have been "approvable" anyway because it was eligible to use the old "pay-and-go" provisions of the growth policy. The Wilgus East project has a complex set of transportation requirements due to its location along the Montrose Parkway right-of-way.

#### *Olney*

Under the old growth policy, Olney had the capacity for 2 additional housing units. In FY04, there were five residential subdivisions approved in Olney totaling 136 units.

In FY05, there were also five subdivisions approved, this time totaling 29 units. Of these, three were de minimis and two were 12 units each. One of these is the Washington Christian Society and the housing is located on school grounds. Because this project's application was filed prior to the effective date of the new growth policy, Policy Area Transportation Review was applied and the applicant was required to mitigate trips.

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<sup>4</sup> In staff's presentation to the Planning Board on July 21, 2005, staff did not make it clear that the Policy Area Transportation Review requirements for this project were continued in the second approval.

### *R&D Village*

The R&D Village policy area was in moratorium for new non-residential approvals in FY04. There was one approval, Shady Grove Adventist Hospital, for 407 jobs, which include a traffic mitigation requirement. There were no non-residential approvals in the R&D Village in FY05.

### *White Flint*

The White Flint Policy Area had capacity for 1,233 housing units under the old growth policy. There was one residential approval in White Flint in FY04: the 235-unit White Flint Place.

In FY05, the North Bethesda Town Center project was approved. It consists of 1,350 housing units and 5,743 jobs. Although there was capacity for all of the jobs, there was capacity for only 1,233 of the 1,350 units. However, the Northern Bethesda Town Center project was approved under the Alternative Review Procedure for Metro Station Policy Areas. This option was available in both FY04 and FY05. Additionally, it requires the developer to mitigate 50 percent of the project's trips. That level of trip mitigation would likely have allowed the developer to meet Policy Area Transportation Review even without the Alternative Review Procedure.

### *Local Area Transportation Review*

The new growth policy eliminates Policy Area Transportation Review but strengthens Local Area Transportation Review (LATR). LATR is more stringent in these ways:

- Intersection congestion standards are lowered by 50 CLV in all policy areas except Metro station policy areas. Transportation Planning staff estimates that of 30 traffic studies reviewed in FY05, six were affected by the lowered congestion standards – that is, staff believes that the required transportation improvement was either due to or changed because of the more stringent standard.
- The threshold for requiring LATR from 50 trips to 30 trips. In other words, projects that generate 30 trips are now required to submit a traffic study and may be required to mitigate trips, make transportation improvements, or make a payment equal to 50 percent of the impact tax. Transportation Planning staff estimates that of 30 traffic studies reviewed in FY05, three were for subdivisions generating 30-49 trips.
- The Planning Board may require larger subdivisions to test more distant intersections.
- Programmed transportation improvements are “countable” only if fully funded in the first four years of the CIP (rather than first 5 years, as in the past).



*Summary of Approval Impacts*

It is difficult to summarize the impact of the new growth policy because, as demonstrated above, many of the major projects approved in FY05 were either still subject to the old rules or took advantage of provisions that were available under the old rules. Overall, there were 1,323 housing units and 4,675 jobs approved in areas that would have been in moratorium under the old growth policy.

However, about one-third (510) of the housing units approved in FY05 in former moratorium areas were approved using the same rules as were available in the FY04 growth policy. This is either because the application was filed in FY04, or because the particular provision that they used was available in both FY04 and FY05<sup>5</sup>.

In addition, while two FY05 jobs (non-residential) projects were approved in areas that were in moratorium in FY04, both were approved using provisions that were in effect in FY04. The Airpark North Business Park (Webb Tract) project was filed prior to the new growth policy and was approved under the old growth policy's rules. As a result, that project was required to make a significant transportation improvement. The Wilgus East project was eligible for pay-and-go under the old policy and continued to be eligible after the new policy went into effect.

This means that the development approved in FY05 that would not have been approved under the "old" growth policy totals 813 housing units and no jobs. This translates into 670 evening peak-hour trips.

	Jobs	Housing Units	Trips
FY04 Approvals			
Total approved:	15,192	6,514	8,300
In moratorium areas:	6,707	1,925	3,560
FY05 Approvals			
Total approved:	14,644	4,388	7,800
In moratorium areas:	4,675	1,323	2,700
As a result of changed policy:	0	813	670

The 813 housing units that were approved under the new growth policy that would not have been approved under the old policy generate about 360 additional school students. No area of the County was in moratorium due to a failing school test in either the FY04 growth policy or the FY05 growth policy.

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<sup>5</sup> These provisions include the de minimis provision, the Alternative Review Procedure for Metro Station Policy Areas, "pay-and-go," the Special Ceiling Allocation for Affordable Housing, and the special provision for golf course development projects.

**Summary of Actions Taken by the County Council  
Related to the Annual Growth Policy (AGP) and Development Impact Taxes**

**I. Annual Growth Policy**

1. The changes to the AGP noted in this section take effect July 1, 2004.
2. The Policy Area Transportation Review (PATR) Transportation Test is eliminated.
  - a. If a preliminary plan approved before July 1, 2004 is modified or withdrawn and replaced with a new application at the same location (or part of the same location) for approval or re-approval after July 1, 2004, the Planning Board must retain any transportation improvement required in the previously-approved plan.
  - b. Annual report on previous fiscal year's approval activity required. Report is from the Planning Board and is due September 15. Must be accompanied by a "prioritized list of road and intersection improvements based on current and projected congestion patterns and additional anticipated development." Must also address development trends that impact school enrollment.
3. The Local Area Transportation Review (LATR) Transportation Test is tightened.
  - a. Intersection congestion standards are tightened by 50 Critical Lane Volume (CLV) in all areas except Metro Station Policy Areas.
  - b. Projects that are fully funded in the first 4 years of the State or County capital improvements programs may be counted for capacity (instead of the first 5 years, as is the current practice).
  - c. Limited LATR applies to subdivisions generating 30-49 peak-hour vehicle trips. The Planning Board must either require the development to meet LATR requirements or, at the Board's discretion, allow the developer to pay a fee equal to 50% of the applicable impact tax.
  - d. The Planning Board has been given explicit authorization to require that larger subdivisions test more distant intersections.
  - e. The Planning Board has more latitude to reject proposed LATR improvements if the Board finds that the proposed improvements (such as additional turning lanes) are not desirable, will have a negative impact on pedestrians, etc. The Planning Board has explicit authorization to require trip mitigation instead of a physical improvement, even if the developer prefers to make a physical improvement.

- f. At the Planning Board's discretion, trip mitigation programs must be at least 12 years but no more than 15 years in duration.
    - g. Three more intersections are added to the list of intersections in the Potomac Policy Area that are subject to LATR.
- 4. The Alternative Review Procedures are modified.
  - a. The Metro Station Areas procedure only applies to LATR now. The fee has changed (now based on impact tax). The Planning Board is no longer required to perform Comprehensive LATR in policy areas where the procedure is used.
  - b. The Special Ceiling Allocation for Affordable Housing is eliminated.
  - c. The Corporate Headquarters procedure was eliminated, except that Lockheed Martin remains eligible to use it for expansion of their headquarters, if needed.
  - d. The Strategic Economic Development Projects procedure is retained, but the fee is changed (now based on impact tax).
- 5. The Development Districts process is unchanged, except that PATR will no longer be a basis for requiring transportation improvements.
- 6. The School Test is tightened.
  - a. The adequacy test (enrollment compared to capacity) is 100% at the high school level and 105% at the middle and elementary school levels. The test continues to look 5 years into the future.
  - b. There is no longer any "borrowing" at the elementary or middle school levels. At the high school level, capacity may be borrowed from one adjacent cluster if needed to meet the 100% standard.
  - c. If enrollment exceeds the standard, but is below 110%, the developer must make a "school facilities payment" to the County. The payment is \$12,500 per student, using the most recent student generation rates. Student generation varies by housing type.
  - d. If enrollment exceeds 110% of capacity at the elementary or middle school level, there is a moratorium on all new residential approvals except senior housing. The same is true at the high school level, except that the capacity borrowing provisions (see "b") apply.
  - e. There is no definitive way to predict which areas might go into moratorium because of schools. However, in FY 2005 no areas would go into moratorium, or be subject to the school facilities payment, if the

projects that add school capacity in the Superintendent's Recommended FY 2005-10 CIP are fully funded.

7. Certain issues are identified for further study.
  - a. The Planning Board must submit an AGP amendment to the County Council by February 1 on the topic of limiting "unmitigated" trips in Metro Station Policy Areas.
  - b. The Planning Board must review, and make recommendations to the County Council, on the time limits of a finding of adequate public facilities, including extension provisions. The AGP does not say when this review is due, but the Board and Council talked about doing it in 2004.
  - c. For the next AGP Policy Element, the Planning Board and relevant agencies must consider potential options for testing the adequacy of public safety facilities.
  - d. For the next AGP Policy Element, the Planning Board and relevant agencies must evaluate how Advance Transportation Management System improvements should be counted in LATR capacity calculations.
8. The Council will soon consider amendments the Growth Policy section of the County Code.
  - a. The Ceiling Element of the AGP would be eliminated.
  - b. The schedule for the biennial Policy Element would be changed. In odd-numbered years starting in 2005, the schedule would be as follows:

Staff Draft due by:	June 15
Planning Board recommendations due by:	August 1
Executive's recommendations due by:	September 15
Board of Education's recommendations due by:	October 1
WSSC's recommendations due by:	October 1
Council action due by:	November 15

## **II. Development Impact Taxes**

1. The impact taxes go into effect for building permits applied for starting March 1, 2004.
2. The transportation impact tax structure is changed and its rates generally are raised.

- a. There are three transportation impact tax areas: Metro Station Policy Areas, Clarksburg, and everywhere else (the ‘General District’).
  - b. The new rates are shown in the attached table. Rates in Metro Station Policy Areas are half those in the General District. Rates in Clarksburg are 50% higher for residential development and 20% higher for commercial development than in the General District.
  - c. Affordable housing units are exempt from the tax. Formerly, all units in a development with a significant percentage of affordable units were exempt.
  - d. The rate for a productivity housing unit is half the otherwise applicable rate.
  - e. The tax does not apply in State-designated Enterprise Zones, of which there are currently two in Montgomery County: the Silver Spring and Wheaton Central Business Districts.
  - f. The new transportation impact tax is anticipated to raise about \$20 million annually. The revenue will be variable depending upon the residential and commercial construction activity, as well as the amount of impact tax credits drawn down in a given year.
  - g. The revenue collected in Clarksburg, Gaithersburg, and Rockville must be spent in the same area from which it is collected. Elsewhere, the revenue collected from a development should be spent on projects that serve the traffic generated by the development, if feasible.
  - h. There is a limited grandfather clause that is expected to allow four projects to pay the old rates: Fairfield development project in Germantown Town Center (residential portion), the Hecht’s site in Friendship Heights, White Flint Place (non-residential portion), and the Air Rights Building project in Bethesda CBD.
3. The credit provisions have been tightened prospectively.
- a. A developer can receive a dollar-for-dollar credit against his impact tax for transportation capacity improvements. Until now, if a developer has spent more for a transportation improvement than the calculated impact tax, not only would there be no impact taxes paid, but the developer could apply the ‘excess’ credit against the impact tax on a future development for which the developer owns at least a 30% interest. New ‘excess’ credits will no longer be applicable, although existing excess credit may still be applied.
  - b. A developer can receive a credit against the applicable impact tax for capacity improvements to County roads, but not to State roads (unless, in

Rockville or Gaithersburg, a Memorandum of Understanding between the City and County allows for a State road credit).

- c. Credits issued after March 1, 2004 expire after 6 years from the date of their issuance.
4. A new school impact tax on residential development is enacted.
- a. The base rates for single-family housing are \$8,000 for a detached unit and \$6,000 for an attached unit. For single-family units there is a surcharge of \$1 per square foot for each square foot of gross floor area above 4,500 square feet to a maximum of 8,500 square feet (gross floor area calculation includes basement). Therefore, the top rate for a single-family-detached unit is \$12,000 and the top rate for a single-family attached unit is \$10,000.
  - b. The rates for multi-family units are \$4,000 for a garden apartment (except 1-bedroom garden apartments) and \$1,600 for high-rise and 1-bedroom garden apartments.
  - c. The rate for senior housing units is zero.
  - d. Affordable housing units are exempt from the tax.
  - e. The rate for a productivity housing unit is half the otherwise applicable rate.
  - f. The school impact tax does not apply in State-designated Enterprise Zones, of which there are currently two in Montgomery County: the Silver Spring and Wheaton Central Business Districts.
  - g. The school impact tax is anticipated to raise about \$25 million annually. The revenue will be variable depending upon residential construction activity.
  - h. There is a limited grandfather clause. This clause is expected to allow three projects to be exempt: Fairfield development project in Germantown Town Center (residential portion), the Hecht's site in Friendship Heights, and the Air Rights Building project in the Bethesda Central Business District.
  - i. Revenue from the school impact tax must be used only for public school projects that add capacity: new schools, additional permanent classrooms, and the portion of modernizations that add permanent classrooms.

## Impact Tax Rates Approved by the Montgomery County Council

Date of Action: October 28, 2003

Land Use	Transportation Impact Tax Rates			School Impact Tax Rates
	Clarksburg	Metro Station Areas	General (rest of County)	Base Rate Per Unit (see note 2)
Single-family detached	\$8,250	\$2,750	\$5,500	\$8,000
Single-family attached	\$6,750	\$2,250	\$4,500	\$6,000
Multi-family garden	\$5,250	\$1,750	\$3,500	\$4,000
Multi-family high-rise (see note 1)	\$3,750	\$1,250	\$2,500	\$1,600
Multi-family senior	\$1,500	\$500	\$1,000	\$0
Office	\$6.00	\$2.50	\$5.00	
Retail	\$5.40	\$2.25	\$4.50	
Industrial	\$3.00	\$1.25	\$2.50	
Bioscience	\$0.00	\$0.00	\$0.00	
Hospital	\$0.00	\$0.00	\$0.00	
Private school	\$0.50	\$0.20	\$0.40	
Place of worship	\$0.35	\$0.15	\$0.30	
Other non-residential	\$3.00	\$1.25	\$2.50	

*Note 1: Includes units in buildings taller than 4 stories and any 1-bedroom garden apartment*

*Note 2: The school impact tax on single family units is increased by \$1 for each square foot of gross floor area that exceeds 4500 square feet up to 8500 square feet.*

*Note 3: Moderately-priced dwelling units are exempt from impact taxes.*

*Note 4: Productivity housing units pay the tax at 50% of the applicable rate.*

*Note 5: Impact taxes are not paid by development in enterprise zones (Silver Spring and Wheaton CBD policy areas)*

*Note 6: These impact tax rates go into effect March 1, 2004.*

**Local Area Transportation Review**

**Congestion Standards by Policy Area**

*adopted by the Montgomery County Council October 28, 2003*

<b>Critical Lane Volume Standard</b>	<b>Policy Area</b>
1400	Rural areas
1450	Clarksburg Damascus Germantown East Germantown Town Center Germantown West Montgomery Village/Airpark
1475	Cloverly Derwood North Potomac Olney Potomac R & D Village
1500	Aspen Hill Fairland/White Oak
1550	North Bethesda
1600	Bethesda/Chevy Chase Kensington/Wheaton Silver Spring/Takoma Park
1800	Bethesda CBD Friendship Heights Glenmont Grosvenor Shady Grove Silver Spring CBD Twinbrook Wheaton CBD White Flint

**Notes**

*Rural areas are: Darnestown/Travilah, Goshen, Patuxent, Poolesville, and Rock Creek.*

*Potomac, Friendship Heights, and Silver Spring CBD have special LATR rules identified in their master plans or in the Annual Growth Policy.*



**FY 2005: Non-Residential Subdivisions Approved by the Planning Board**

*(Does not include approvals in Rockville or Gaithersburg)*

Preliminary Plan	File Name	Policy Area	Total Sq. Ft.	Office Sq. Ft.	Retail Sq. Ft.	Ind./Whse. Sq. Ft.	Other Sq. Ft.	Jobs Added to Pipeline
104031	North Westland Building	Derwood	14,000					56
104074	Bauer Tract Parcel M	Derwood	10,341			10,341		23
S051	Day Care Center	Fairland/White Oak						6
104070	Hahnuri Baptist Church	Fairland/White Oak						5
102003	Germentown Gateway	Germentown Town Center	31,000	31,000				124
103075	Kensington Safeway	Kensington/Wheaton	30,940		30,940			77
105009	Warner's Addition	Kensington/Wheaton	21,600	3,700				55
104018	North Airpark Business Park	Montgomery Village/Airpark	1,229,525	310,870	405,405	17,900	513,250	3,723
199029R	Wigus East	North Bethesda	214,300	214,300				952
*104103	Travilah Quarry	North Potomac	35,000	35,000				140
*104055	Washington Christian Society	Olney						100
*104079	Won Buddhism	Olney						5
105018	Westfield Montgomery Mall	Potomac	500,000		500,000			1,250
100009	Armenian Youth Center	Rural-Darnestown/Travilah						5
S-2636	Falls Creek landscaping	Rural-Patuxent						239
S2626	Community Services for Autistic Adults & Children	Rural-Patuxent						48
SE2608	Calleva, Inc	Rural-Poolesville						10
WS954129	Warehouse	Rural-Rock Creek	10,000			10,000		22
MR-04818	WMATA-1	Shady Grove						75
104087	United Therapeutics Silver Spring Campus	Silver Spring CBD	132,625	107,828	16,000		8,434	604
189288A	Jordan & Smith's Addn to Silver Spring	Silver Spring CBD	1,742		1,742			4
MR04107-MCPS-1	Northeast Consortium Elementary School	Silver Spring/Takoma Park	147,660		3,750	143,910		50
804032	ezStorage	Silver Spring/Takoma Park						10
SE2621	Chesapeake Psychological Services of MD	Silver Spring/Takoma Park	371,000				371,000	5
199043B	Fisher's Place	Twinbrook	115,389				115,389	330
105017	Spring Lake Halpine (US Pharmacopeia)	Twinbrook	3,700		3,700			9
105021	Wheaton Forest	Wheaton CBD	1,430,037	1,148,000	202,037		80,000	5,657
*104049	North Bethesda Town Center	White Flint						
<b>Total:</b>			<b>4,298,859</b>	<b>1,850,698</b>	<b>1,163,574</b>	<b>182,151</b>	<b>1,088,073</b>	<b>14,644</b>

**FY 2004: Residential Subdivisions Approved by the Planning Board**

*(Does not include approvals in Rockville or Gaithersburg)*

Preliminary Plan	File Name	Policy Area	Single-Family	Town-house	Multi-Family	Total Units
103071	Kakar Property	Aspen Hill	1			1
102088	Allanwood	Aspen Hill	2			2
*103078	Woodmont Corner	Bethesda CBD			253	253
*104071	West Virginia Avenue	Bethesda CBD	4			4
*103100	Town at Rosedale Park	Bethesda CBD		6		6
104041	Arlington East	Bethesda CBD			180	180
804009	4933 Fairmont Avenue	Bethesda CBD			2	2
988694	Glen Echo Heights	Bethesda/Chevy Chase	1			1
*978529	Tulip Hill	Bethesda-Chevy Chase	1			1
976821	Martin's Third Addition	Bethesda-Chevy Chase	1			1
*987829P	Kenwood Park	Bethesda-Chevy Chase	1			1
104005	Greenacres	Bethesda-Chevy Chase	2			2
104008	Glen Echo Heights (resubdivision)	Bethesda-Chevy Chase	1			1
*985826P	Glen Echo Heights	Bethesda-Chevy Chase	1			1
*103094	Glen Echo	Bethesda-Chevy Chase	1			1
986805	English Village	Bethesda-Chevy Chase	1			1
103081	Banockburn (resubdivision)	Bethesda-Chevy Chase	1			1
104014	American University Park (resubdivision)	Bethesda-Chevy Chase	1			1
103079	Watkins Property	Clarksburg	4			4
198009A	Highlands at Clarksburg	Clarksburg	43	8	-10	55
803002	Clarksburg Village	Clarksburg	47	28	-8	67
*103110A	Cabin Branch	Clarksburg	--	--	--	1,600
980209	Spencerville	Cloverly	1			1
103101	Lucas Property	Cloverly	4			4
976809	Colesville Park	Cloverly	1			1
103069	Seneca Springs	Damascus	3			3
102111A	Four Chimney Estates	Derwood	1			1
103095	Summer Hill	Fairland/White Oak	3			3
103046	Springbrook Estates	Fairland/White Oak	4			4
*103077	Snowden's Mill	Fairland/White Oak	2			2
104007	Notley Acres	Fairland/White Oak	3			3
104038	Liberty Grove	Fairland/White Oak	2			2
*994571	Hollywood Park	Fairland/White Oak	1			1
982934	Hollywood	Fairland/White Oak	1			1
978019	Hardings	Fairland/White Oak	1			1
197033A	Harding Subdivision	Fairland/White Oak	1			1
103102	Greencastle Towns	Fairland/White Oak		27		27
*985796P	Drumalra Hills	Fairland/White Oak	1			1
*104020	Day Property	Fairland/White Oak		11		11
103091	Colesville Estates	Fairland/White Oak	1			1
979983		Fairland/White Oak	1			1
103067	Mary Boland Subdivision	Germantown East		45		45
104029	Eton Square	Germantown East	126			126
*104052	Liberty Mill	Germantown West	3			3
*104059	Liberty Heights	Germantown West		11		11
897007A/894031C	Kingsview Village	Germantown West			195	195
102084	Kingsview Village	Germantown West	4			4
103085	Kingsview Knolls	Germantown West	4			4
*188216R	Hoyles Mill Village	Germantown West	-32	95		63
*188216R	Hoyles Mill Village	Germantown West		15		15
989256		Germantown West	1			1
*978752	Wheaton Hills	Kensington/Wheaton	1			1
980424	Springbrook Forest	Kensington/Wheaton	1			1
984194P	Kensington View	Kensington/Wheaton	1			1
986591	Kensington View	Kensington/Wheaton	1			1
104065	Hermitage	Kensington/Wheaton	5			5
103093	Gray Estates (resubdivision)	Kensington/Wheaton	2			2
980248	Glenallen	Kensington/Wheaton	1			1
988628	Dresden	Kensington/Wheaton	1			1
104016	Gables Rothbury Square	Montgomery Village/Airpark			203	203
987155	Old Georgetown Estates	North Bethesda	1			1
986105	Old Georgetown Estates	North Bethesda	1			1
196004	Old Georgetown Estates	North Bethesda	1			1
160252A	Alexan Montrose Crossing Phase III	North Bethesda			80	80

**FY 2004: Residential Subdivisions Approved by the Planning Board (Continued)**

*(Does not include approvals in Rockville or Gaithersburg)*

Preliminary Plan	File Name	Policy Area	Single-Family	Town-house	Multi-Family	Total Units
103086	Potomac Country Corner	North Potomac		29		29
986082	Sycamore Acres	Olney	1			1
104002	Olney Manor	Olney			100	100
104011	Meadowsweet	Olney	32			32
989945	James Barnley Addition to Olney	Olney	1			1
*982595		Olney	1			1
982454	Willerburn Acres	Potomac	1			1
104042	The Quarry	Potomac	97			97
*988622P	Seven Locks Hills	Potomac	1			1
986400	Potomac Hills	Potomac	1			1
101066	North Glen Hills	Potomac	2			2
103106	Montco's Addition to Damascus	Potomac	2			2
104021	Giancola Quarry	Potomac	15	15		30
103029	Fortune Parc	Potomac		150	450	600
*103108	Charred Oak Estates	Potomac	1			1
*S-2597	Avalon Bay Communities	R&D Village			196	196
*101071	Seneca Highlands	Rural-Darnestown/Travilah	42			42
*193022	Seneca Highlands	Rural-Darnestown/Travilah	6			6
104023	Schmeisser Property	Rural-Darnestown/Travilah	1			1
104050	Potomac Preserve	Rural-Darnestown/Travilah	11			11
*986147P	Ferris	Rural-Darnestown/Travilah	1			1
*978539	Ferris	Rural-Darnestown/Travilah	1			1
104001A	Edwards Property	Rural-Darnestown/Travilah	1			1
199059	Callithea Ridge	Rural-Darnestown/Travilah	6			6
103080	Ancient Oak West	Rural-Darnestown/Travilah	3			3
103003	Ancient Oak West	Rural-Darnestown/Travilah	1			1
103109	Widow's Purchase, Lot 1	Rural-Goshen	1			1
*104045	White Property	Rural-Goshen	2			2
103053	Silver Crest	Rural-Goshen	3			3
104015	Park Place	Rural-Goshen	2			2
*197002	Marshall Property	Rural-Goshen	3			3
977998	Hyattstown	Rural-Goshen	1			1
*103097	Hill Property	Rural-Goshen	1			1
104043	Carl Property	Rural-Goshen	4			4
104048	Riding Stable Estate	Rural-Patuxent	2			2
103058	Bancroft North	Rural-Patuxent	7			7
104026	Kinzie Property	Rural-Poolesville	5			5
103103	Jamison Property	Rural-Poolesville	5			5
*103059	Baker Property	Rural-Poolesville	4			4
103096	18716 Jerusalem Church Road	Rural-Poolesville	1			1
103105	Griffith Property	Rural-Rock Creek	12			12
*102063A	Fraley Property	Rural-Rock Creek		32		32
804028	Williams and Willste Building	Silver Spring CBD			135	135
104039	Silver Spring Gateway	Silver Spring CBD			471	471
*	Gramax Building	Silver Spring CBD			177	177
	Eastern Village	Silver Spring CBD			55	55
985797P	Woodside Park	Silver Spring/Takoma Park	1			1
982759	Smith's 3rd Addition to Silver Spring	Silver Spring/Takoma Park	1			1
*988129P	Sligo Park Hills	Silver Spring/Takoma Park	1			1
*982560	P&B Addition to Linden	Silver Spring/Takoma Park	1			1
982124	Montgomery Hills	Silver Spring/Takoma Park	1			1
104047	Buckingham Terrace	Silver Spring/Takoma Park		11		11
104013	B.F. Leighton's Addition to Woodside	Silver Spring/Takoma Park	1			1
977205	B F Gilbert's addn to Takoma Park	Silver Spring/Takoma Park	1			1
989315	B F Gilberts Addition to Takoma Park	Silver Spring/Takoma Park	1			1
104054	Twinbrook Commons	Twinbrook			1,114	1,114
101039	White Flint Place	White Flint			235	235
<b>Total</b>			<b>588</b>	<b>483</b>	<b>3,828</b>	<b>6,514</b>

**FY 2004: Non-Residential Subdivisions Approved by the Planning Board**

*(Does not include approvals in Rockville or Gaithersburg)*

Preliminary Plan	File Name	Policy Area	Total Sq. Ft.	Office Sq. Ft.	Retail Sq. Ft.	Ind./Whse. Sq. Ft.	Other Sq. Ft.	Jobs Added to Pipeline
104017	Bethesda View	Bethesda CBD	44,000		44,000			111
*103078	Woodmont Corner	Bethesda CBD	18,808		18,808			47
104041	Arlington East	Bethesda CBD	14,200		14,200			36
804009	4933 Fairmont Avenue	Bethesda CBD	2,625	1,489	1,091			10
*104071	West Virginia Avenue	Bethesda CBD	2,994		2,994			8
*103110A	Howard Hughes Medical Institute Cabin Branch	Bethesda/Chevy Chase Clarksburg	75,000 1,620,000	75,000 1,500,000	120,000			333 6,300
184246A	Clarksburg elementary school	Clarksburg						50
MR 03604-MVA-1	Prop World Headquarters-7th Day Adventist Ch MVA Branch Office	Fairland/White Oak	350,000	350,000				1,400
101010A	Burnt Mills Shopping Center	Fairland/White Oak	15,000	15,000				60
198037B	Middlebrook	Fairland/White Oak	11,392		11,392			28
102068	Fairfield at Germantown	Germantown East	19,409		10,880		8,529	44
*885066A	Germantown Commons	Germantown Town Center	26,015		26,015			472
*100088A	Pita Subdivision	Germantown Town Center	3,062		3,062			104
	Northwest elementary school no. 7	Germantown West						3
802013	Middlebrook Industrial Park	Germantown West	4,200					50
*104077	A Cat Clinic	Germantown West	50,000			50,000	4,200	33
978047	Montgomery County Airpark	Montgomery Village/Airpark						8
801003A	Montgomery County Airpark	Montgomery Village/Airpark						111
100007	Washington Rockville Industrial Park	North Bethesda						8
804016	Wildwood Manor Shopping Center	North Bethesda	609	609				123
*103083	Barnsley's Addition to Olney	Olney	2,500	2,500				3
103029	Fortune Parc	Potomac	850,000	820,000	30,000			10
899024A	Shady Grove Adventist Hospital	R&D Village	203,262				203,262	3,356
101049	Montgomery Airpark Business Center	Rural-Rock Creek						407
SRW-04002	United Therapeutics	Silver Spring CBD	40,000					19
	Silver Spring Innovation Center	Silver Spring CBD	20,000	20,000			40,000	114
*103082	Orchard Avenue Office	Silver Spring CBD	4,000	4,000				89
104054	Twinbrook Commons	Silver Spring-Takoma Park	140,000		140,000			23
	Westfield Shoppington	Twinbrook	275,000		275,000			350
*104025	Woodglen Commons	Wheaton CBD	230,200	112,200	118,000			688
		White Flint						794
<b>Total:</b>			<b>4,022,276</b>	<b>2,900,798</b>	<b>815,442</b>	<b>50,000</b>	<b>255,991</b>	<b>15,192</b>

## FY 2005: Residential Subdivisions Approved by the Planning Board

(Does not include approvals in Rockville or Gaithersburg)

Preliminary Plan	File Name	Policy Area	Single-Family	Town-house	Multi-Family	Total Units
*104056	Atwood Road Property	Aspen Hill	11			11
*104072	Twin Valley Lane	Aspen Hill	3			3
104090	Fellowship Meadows	Bethesda/Chevy Chase	2			2
*105035	Chevy Chase Section 8	Bethesda/Chevy Chase	2			2
WS1006605	Cabin John Park	Bethesda/Chevy Chase	1			1
104062	Longwood Resubdivision	Bethesda/Chevy Chase	1			1
WS1005005	Sligo Park Hills	Bethesda/Chevy Chase	1			1
WS1003947	Chevy Chase Village	Bethesda/Chevy Chase	1			1
WS1010459	Bannockburn	Bethesda/Chevy Chase	1			1
105075	Alta Vista (resubdivision)	Bethesda/Chevy Chase	1			1
105072	Chevy Chase, Section 5	Bethesda/Chevy Chase	1			1
WS996716	Locust Ridge	Bethesda/Chevy Chase	1			1
WS998536	Woodhaven	Bethesda/Chevy Chase	1			1
104032	Chevy Chase(resubdivision)	Bethesda/Chevy Chase	1			1
105003	Linthicum West Property	Clarksburg	253			253
*104019	Woodcrest	Clarksburg	59	27		86
*101030A	Clarksburg Village	Clarksburg		64		64
*104051	R.T. Schaffer	Clarksburg	11			11
*104061	Radwick Lane Property	Clarksburg	3			3
104012	Lopatin Property	Clarksburg	2			2
104088	Boyd's Highlands	Clarksburg	2			2
104100	Hill Property	Cloverly	9			9
104027	Briarcliff Meadows North	Cloverly	9			9
104036	Briarcliff Meadows South	Cloverly	8			8
105015	Nottingham	Cloverly	6			6
WS1007243	Hampshire Hamlet	Cloverly	1			1
WS1007241	Hampshire Hamlet	Cloverly	1			1
104086	Snowden Manor	Cloverly	1			1
104098	Baum Property	Damascus		48		48
104080	Damascus Hills	Damascus	30			30
105043	Damascus Hill	Damascus	2			2
WS1007858	Welsh's Addition to Woodfield	Damascus	1			1
*102022	Casey Property at Mill Creek	Derwood	92	92		184
*105028	Cator Property	Derwood	3			3
WS1002525	Washington Grove	Derwood	1			1
*105020	Fairland Golf Community	Fairland/White Oak	346	50		396
105001	Fairland View	Fairland/White Oak		73		73
871011A	Woodlake	Fairland/White Oak		59		59
104096	Towns of Dogwood	Fairland/White Oak		30		30
*104097	Alpine Forest	Fairland/White Oak		18		18
101064	Deer Park(resubdivision)	Fairland/White Oak	12			12
105002	Verbits Acres	Fairland/White Oak	7			7
*105016	Nottingham Woods	Fairland/White Oak	7			7
105040	Hull Property	Fairland/White Oak	6			6
WS1006553	Hollywood Park	Fairland/White Oak	1			1
104075	Franklin Property	Fairland/White Oak	1			1
P996421	Hillandale	Fairland/White Oak	1			1
105026	The Towns of Boland Farms	Germantown East		24		24
191052	Clopper's Mill Manor	Germantown West			102	102
S-2635	New Covenant Village	Germantown West			88	88
104060	Leaman Farm	Germantown West	42	27		69
105007	Kingsview Knolls (resubdivision)	Germantown West	2			2
104068	Leesborough	Kensington/Wheaton	6	139	45	190
105052	Loneoak Townes	Kensington/Wheaton				6
105037	Kemp Mill Farms	Kensington/Wheaton	4			4
104076	McDonald Knolls	Kensington/Wheaton	3			3
105005	Macon Construction	Kensington/Wheaton	2			2
WS1002569	Capitol View Park	Kensington/Wheaton	1			1
WS1002627	Kensington Park	Kensington/Wheaton	1			1
WS1009234	Forest Grove	Kensington/Wheaton	1			1

**FY 2005: Residential Subdivisions Approved by the Planning Board (continued)**

*(Does not include approvals in Rockville or Gaithersburg)*

Preliminary Plan	File Name	Policy Area	Single-Family	Town-house	Multi-Family	Total Units
*WS997678	Arville	Kensington/Wheaton	1			1
WS985885	North Kensington	Kensington/Wheaton	1			1
105036	Whetstone Run	Montgomery Village/Airpark		32		32
*WS997730	Sharon Woods	Montgomery Village/Airpark	1			1
WS1009401	Lone Oak	North Bethesda	1			1
105059	Travilah Place	North Potomac	2			2
*104081	Frye Estates	North Potomac	2			2
105024	Tong Property	Olney	12			12
*104055	Washington Christian Society	Olney		12		12
105049	Mount Zion	Olney	3			3
105062	4501 Pinetree Road	Olney	1			1
*WS1001216	Timberland Estates	Olney	1			1
103062	Village of Potomac	Potomac	4			4
105011	Falconhurst	Potomac	4			4
*103089	Glen Mill Knolls	Potomac	4			4
105010	Potomac Manors (resubdivision)	Potomac	2			2
105042	Concord	Potomac	1			1
WS1003058	Potomac View Estates	Potomac	1			1
105073	Willerburn Acres (resubdivision)	Potomac	1			1
103007	Glen Falls	Potomac	1			1
*WS1001513	Bradley Farms	Potomac	1			1
WS1000956	Pine Knolls	Potomac	1			1
185245A	Avalon at Decoverly Phase 2	R & D Village			168	168
188264B	Avalon at Decoverly Phase 2	R & D Village			28	28
*104105	Roberts Landing	Rural-Darnestown/Travilah	26			26
105048	Glen Estates	Rural-Darnestown/Travilah	2			2
104066	Great Elm Estates	Rural-Darnestown/Travilah	2			2
105057	Lake Potomac (resubdivision)	Rural-Darnestown/Travilah	1			1
104091	Hutchison Property	Rural-Goshen	2			2
WS1003422	Hyattstown	Rural-Goshen	1			1
*104093	Seitz Property	Rural-Patuxent	9			9
105045	Cromwell Property	Rural-Patuxent	7			7
105058	Ashton Manor	Rural-Patuxent	3			3
104089	Glover Property	Rural-Patuxent	3			3
105014	Ednor Acres	Rural-Patuxent	2			2
*WS995690	Damascus	Rural-Patuxent	1			1
105025	Porter Property	Rural-Patuxent	1			1
*WS1002451	Bloomfield	Rural-Patuxent	1			1
*WS1002452	Bloomfield	Rural-Patuxent	1			1
WS1001061	Sandy Spring Acres	Rural-Patuxent	1			1
105029	Stoney Springs	Rural-Poolesville	15			15
*104095	Black Rock Estates	Rural-Poolesville	1			1
104110	The Reserve at Fair Hill	Rural-Rock Creek	113	20		133
105038	Woodlawn Property	Rural-Rock Creek	24			24
103090	Yinger's Addition to Woodfield	Rural-Rock Creek	4			4
*104040	Portico	Silver Spring CBD			158	158
189288A	Jordan & Smith's Addn to Silver Spring	Silver Spring CBD			143	143
105054	National Park Seminary	Silver Spring/Takoma Park	13	98		169
105013	Woodside (resubdivision)	Silver Spring/Takoma Park	2			2
105068	McNeill's Addition (resubdivision)	Silver Spring/Takoma Park	1			1
*WS1002500	Bonnie View	Silver Spring/Takoma Park	1			1
105021	Wheaton Forest	Wheaton CBD			180	180
105047	Kensington View (resubdivision)	Wheaton CBD	1			1
WS1004025	Kensington View	Wheaton CBD	1			1
704001	North Bethesda Town Center	White Flint			1,350	1,350
<b>Totals</b>			<b>1,249</b>	<b>813</b>	<b>2,262</b>	<b>4,388</b>





THE MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

October 13, 2005

## Memorandum

To: Glenn Orlin, Deputy Staff Director  
Michael Faden, Senior Legislative Attorney

From: Karl Moritz, Research & Technology Center, 301-495-1312  
Jeff Zyontz, Countywide Planning, 301-495-4557

Re: Effect of the 2003-2005 Growth Policy "Fallback Proposal" for Staging  
Development

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At the Growth Policy public hearing, Councilmembers noted that the Planning Board's testimony compared actual development approval activity in the first year of the new growth policy to:

- Development that would have been approvable under the old growth policy, and
- Development that would have been approvable under the Planning Board's recommendation.

Councilmembers also observed that back in 2003 there was a "fallback proposal" for staging development. During the 2003-2005 growth policy worksessions, the Planning Board offered this proposal as a potential compromise.

Councilmembers requested that the Planning staff estimate what would have happened if the "fallback proposal" had been adopted. This memo will attempt to do that, but it should be noted that fallback proposal really never made it past the concept stage, so there are key aspects of the proposal that were never decided. As a result, "what would have happened" requires considerable guesswork by staff, but the exercise does illustrate how the proposal would work.

### ***Fallback Proposal: Simple Staging***

The fallback proposal was one of the options included in the Staff Draft 2003-2005 Annual Growth Policy. It was a simple method for determining how much new development could be approved for every new increment of transportation infrastructure. Basically, the premise is: if the County builds X percentage of the needed transportation infrastructure, the County would allow the same percentage of planned development to move forward.

Some examples cited in the 2003-2005 Staff Draft AGP:

- Building 10 percent of needed transportation facilities in Germantown (about \$23 million) would allow 10 percent of remaining development to move forward (about 750 housing units and 2,000 jobs)
- Building 20 percent of the needed transportation facilities inside the Beltway (about \$15 million) would allow 20 percent of remaining development to move forward (about 2,000 housing units and 4,000 jobs).
- Building 15 percent of the needed transportation facilities in the Georgia Avenue corridor (about \$27 million) would allow 15 percent of remaining development to move forward (about 1,500 housing units and 500 jobs).

In 2003, staff prepared a list of all planned but unbuilt transportation infrastructure estimated the cost of each project. Those costs were added together for various subareas of the County and compared to the amount of development forecast for by 2030.

At least two critical aspects of this approach that were not decided upon:

- *What geographies would be used for staging development?* The text supporting the “simple staging” concept suggested that there would be benefits to consolidating the 25+ policy areas into a few larger areas. At the time, the Transportation Policy Report areas were thought to be a good starting point. The Planning Board’s ultimate recommendation did consolidate policy areas, but in a different way.
- *How much capacity would each area get at the start?* The core objective of simple staging was to easily estimate how much new development capacity is created by each new piece of transportation infrastructure. The proposal did not address, however, how much capacity each area would have at the start.<sup>1</sup> Among the potential methods:
  - Initial ceilings could have been based on average congestion levels in the area compared to an adequacy standard. There were a variety of options for setting congestion standards in these areas and competing this analysis, some of which included using the updated transportation model. The calculations would have been complicated, but they could be based on existing “real-world” conditions, and once set, wouldn’t need to be repeated.
  - Initial ceilings could be developed using the “simple staging” method: comparing the percentage of planned development that has been built to the percentage of planned infrastructure that has been built. For example, if 80 percent of planned development in an area has been built, but only 75 percent of planned transportation infrastructure, then

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<sup>1</sup> Similar to “net remaining capacity” in the old AGP.

the area would be in a moratorium. But if 75 percent of planned development has been built, and 80 percent of planned transportation infrastructure, then there is capacity to approve 5 percent of planned development. However, simple staging is an approximation, and best used to estimate relatively small numbers. In most areas of the County, the amount of already built development and infrastructure is a very large number. Staff has attached an example that should be viewed as illustrative. If there is interest on the Committee to pursue this concept further, staff would be happy to provide more analysis.

- Initial staging ceilings could have been set at so that “net remaining capacity” would be zero.

Today, staff is certain that if this proposal had moved forward, both of these issues would have been the subject of debate. There are a number of decision points that would change the outcome considerably. Probably an array of options would have been prepared and reviewed in detail, and the best option selected for final discussion.

### ***What Would Have Occurred Under Simple Staging***

The purpose of simple staging was to determine how much development capacity is created by each new piece of transportation infrastructure. In FY05, there were no new major transportation improvements added to the CIP, so staging ceilings would not have increased.

In order to provide an example for the PHED Committee, staff looked at the Montrose Parkway West project. This project was counted in the FY04 Annual Growth Policy. Programming of Montrose Parkway West added capacity for 3,120 housing units and 7,600 jobs under the old Policy Area Transportation Review.

The cost of Montrose Parkway West project is \$67,559,000. That cost is about 15 percent of the estimated cost of the I-270 Corridors’ planned transportation program. Under this method, the programming of Montrose Parkway West would allow 15 percent of the I-270 Corridor’s planned development to be approved. Fifteen percent of the I-270 Corridors’ planned development to 2030 is about 6,700 housing units and 12,000 jobs.

Illustrative Example - Revised Friday, October 21, 2005

**One Possible Set of Staging Ceilings  
Under the Proportional Staging Method  
Version A. With Inclusion Of Arterial System Interchanges**

The Staff Draft 2003-2005 Annual Growth Policy contained a concept for staging development that was not fully developed. Among the issues that were discussed but not completed: appropriate geographic areas for staging development, and how to set initial development ceilings in each geographic area.

This chart shows the results of one possible method for setting development ceilings for a possible set of geographic areas. This method compares the percentage of planned development that has been built to the percentage of planned infrastructure that has been built. For example, if 75 percent of planned development in an area has been built, but 95 percent of planned transportation infrastructure has been built, then there is capacity for 20 percent of planned development to be approved.

These figures could change significantly depending on the method chosen for estimating "percent built" for transportation infrastructure.

**Inside The Beltway**

	Housing	Jobs	Transportation
Percent Built	78.7%	85.7%	89.5%
2030 Forecast	93,108	160,821	
Gross Capacity	83,329	143,930	
Existing Development	73,319	137,857	
Pipeline	4,394	6,856	
Net Remaining Capacity	5,616	-783	
<i>Old Growth Policy</i>	4,835	11,783	

**Georgia Avenue**

Percent Built	89.8%	91.2%	77.9%
2030 Forecast	67,090	35,658	
Gross Capacity	52,265	27,778	
Existing Development	60,225	32,511	
Pipeline	965	285	
Net Remaining Capacity	-8,925	-5,018	
<i>Old Growth Policy</i>	4,924	3,929	

**Eastern Montgomery County**

Percent Built	93.8%	69.2%	72.9%
2030 Forecast	31,899	41,796	
Gross Capacity	23,244	30,456	
Existing Development	29,791	28,926	
Pipeline	1,337	6,133	
Net Remaining Capacity	-7,884	-4,603	
<i>Old Growth Policy</i>	1,939	1,245	

**I-270 Corridor**

Percent Built	68.7%	66.3%	70.5%
2030 Forecast	141,911	239,924	
Gross Capacity	100,003	169,072	
Existing Development	97,486	159,135	
Pipeline	16,214	46,094	
Net Remaining Capacity	-13,697	-36,157	
<i>Old Growth Policy</i>	14,270	11,281	

**Rural**

Percent Built	84.6%	89.8%	75.6%
2030 Forecast	43,300	23,564	
Gross Capacity	32,727	17,810	
Existing Development	36,635	21,160	
Pipeline	1,336	1,053	
Net Remaining Capacity	-5,244	-4,403	
<i>Old Growth Policy</i>	4,539	3,950	

**Countywide**

Percent Built	78.6%	74.6%	75.8%
2030 Forecast	377,308	501,763	
Gross Capacity	291,568	389,046	
Existing Development	297,456	379,589	
Pipeline	24,246	60,421	
Net Remaining Capacity	-2,938	-15,590	
<i>Old Growth Policy</i>	28,715	28,588	

Illustrative Example - Revised Friday, October 21, 2005

**One Possible Set of Staging Ceilings  
Under the Proportional Staging Method  
Version B. Excluding Arterial System Interchanges**

The Staff Draft 2003-2005 Annual Growth Policy contained a concept for staging development that was not fully developed. Among the issues that were discussed but not completed: appropriate geographic areas for staging development, and how to set initial development ceilings in each geographic area.

This chart shows the results of one possible method for setting development ceilings for a possible set of geographic areas. This method compares the percentage of planned development that has been built to the percentage of planned infrastructure that has been built. For example, if 75 percent of planned development in an area has been built, but 95 percent of planned transportation infrastructure has been built, then there is capacity for 20 percent of planned development to be approved.

These figures could change significantly depending on the method chosen for estimating "percent built" for transportation infrastructure.

**Inside The Beltway**

	Housing	Jobs	Transportation
Percent Built	78.7%	85.7%	90.4%
2030 Forecast	93,108	160,821	
Gross Capacity	84,198	145,431	
Existing Development	73,319	137,857	
Pipeline	4,394	6,856	
Net Remaining Capacity	6,485	718	
<i>Old Growth Policy</i>	4,835	11,783	

**Georgia Avenue**

Percent Built	89.8%	91.2%	80.9%
2030 Forecast	67,090	35,658	
Gross Capacity	54,290	28,855	
Existing Development	60,225	32,511	
Pipeline	965	285	
Net Remaining Capacity	-6,900	-3,941	
<i>Old Growth Policy</i>	4,924	3,929	

**Eastern Montgomery County**

Percent Built	93.8%	69.2%	78.1%
2030 Forecast	31,899	41,796	
Gross Capacity	24,913	32,642	
Existing Development	29,791	28,926	
Pipeline	1,337	6,133	
Net Remaining Capacity	-6,215	-2,417	
<i>Old Growth Policy</i>	1,939	1,245	

**I-270 Corridor**

Percent Built	69.7%	66.9%	73.2%
2030 Forecast	141,911	239,924	
Gross Capacity	103,823	175,530	
Existing Development	97,486	159,135	
Pipeline	16,214	46,094	
Net Remaining Capacity	-9,877	-29,699	
<i>Old Growth Policy</i>	14,270	11,281	

**Rural**

Percent Built	84.0%	85.9%	75.6%
2030 Forecast	43,300	23,564	
Gross Capacity	32,727	17,810	
Existing Development	36,635	21,160	
Pipeline	1,336	1,053	
Net Remaining Capacity	-5,244	-4,403	
<i>Old Growth Policy</i>	4,539	3,950	

**Countywide**

Percent Built	78.6%	74.6%	78.0%
2030 Forecast	377,308	501,763	
Gross Capacity	299,951	400,268	
Existing Development	297,456	379,589	
Pipeline	24,246	60,421	
Net Remaining Capacity	826	-9,325	
<i>Old Growth Policy</i>	28,715	28,588	

Illustrative Example - Revised Friday, October 21, 2005

**One Possible Set of Staging Ceilings**

**Under the Proportional Staging Method**

**Version C. With Inclusion Of Arterial System Interchanges, but Removal of Remaining US 29 Interchanges From Plan**

The Staff Draft 2003-2005 Annual Growth Policy contained a concept for staging development that was not fully developed. Among the issues that were discussed but not completed: appropriate geographic areas for staging development, and how to set initial development ceilings in each geographic area.

This chart shows the results of one possible method for setting development ceilings for a possible set of geographic areas. This method compares the percentage of planned development that has been built to the percentage of planned infrastructure that has been built. For example, if 75 percent of planned development in an area has been built, but 95 percent of planned transportation infrastructure has been built, then there is capacity for 20 percent of planned development to be approved.

These figures could change significantly depending on the method chosen for estimating "percent built" for transportation infrastructure.

**Inside The Beltway**

	Housing	Jobs	Transportation
Percent Built	78.7%	85.7%	89.5%
2030 Forecast	93,108	160,821	
Gross Capacity	83,329	143,930	
Existing Development	73,319	137,857	
Pipeline	4,394	6,856	
Net Remaining Capacity	5,616	-783	
<i>Old Growth Policy</i>	4,835	11,783	

**Georgia Avenue**

Percent Built	89.8%	91.2%	77.9%
2030 Forecast	67,090	35,658	
Gross Capacity	52,265	27,778	
Existing Development	60,225	32,511	
Pipeline	965	285	
Net Remaining Capacity	-8,925	-5,018	
<i>Old Growth Policy</i>	4,924	3,929	

**Eastern Montgomery County**

Percent Built	93.8%	69.2%	78.3%
2030 Forecast	31,899	41,796	
Gross Capacity	24,969	32,716	
Existing Development	29,791	28,926	
Pipeline	1,337	6,133	
Net Remaining Capacity	-6,159	-2,343	
<i>Old Growth Policy</i>	1,939	1,245	

**I-270 Corridor**

Percent Built	69.7%	66.9%	70.5%
2030 Forecast	141,911	239,924	
Gross Capacity	100,003	169,072	
Existing Development	97,486	159,135	
Pipeline	16,214	46,094	
Net Remaining Capacity	-13,697	-36,157	
<i>Old Growth Policy</i>	14,270	11,281	

**Rural**

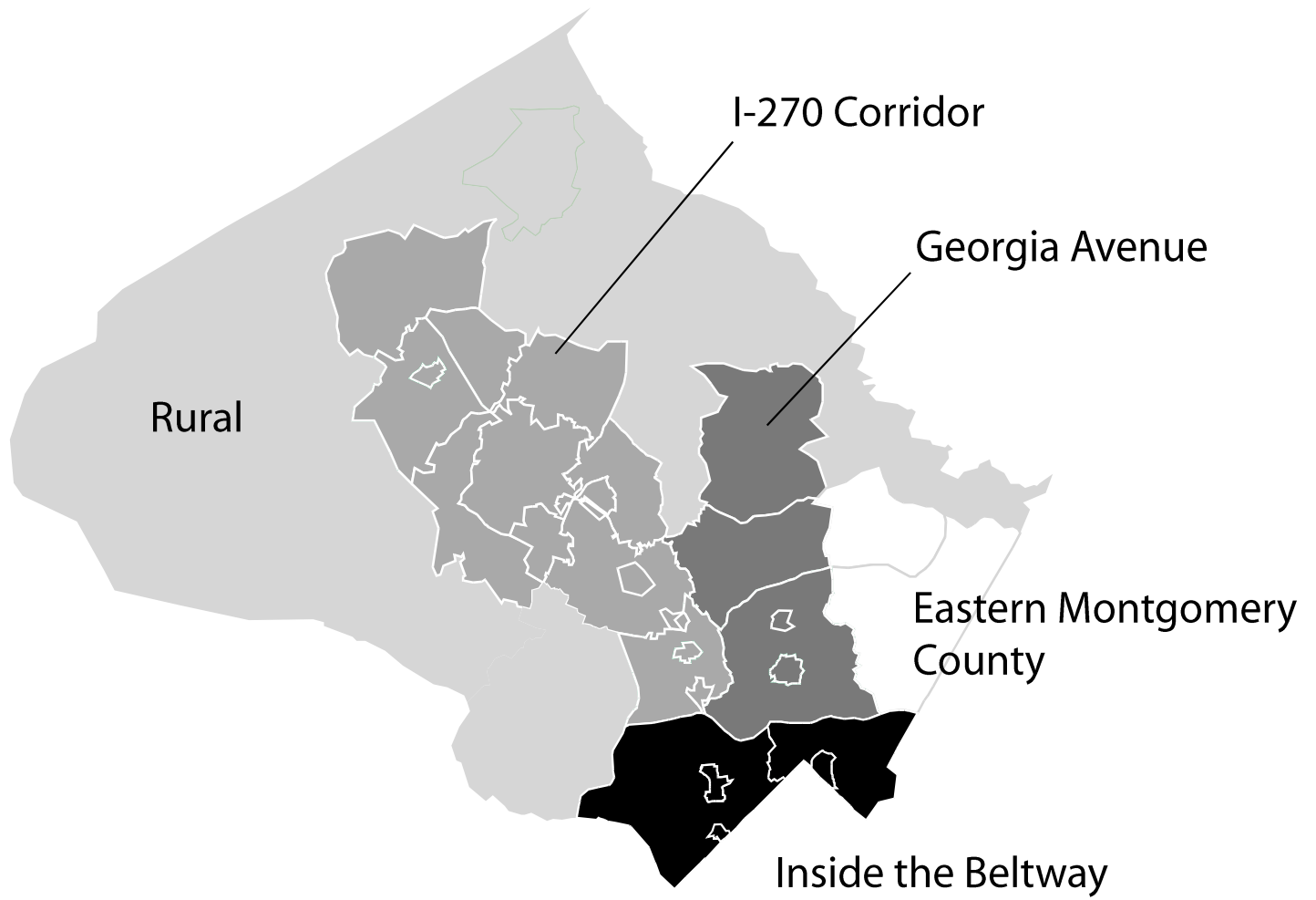
Percent Built	84.0%	85.9%	75.6%
2030 Forecast	43,300	23,564	
Gross Capacity	32,727	17,810	
Existing Development	36,635	21,160	
Pipeline	1,336	1,053	
Net Remaining Capacity	-5,244	-4,403	
<i>Old Growth Policy</i>	4,539	3,950	

**Countywide**

Percent Built	78.6%	74.6%	76.3%
2030 Forecast	377,308	501,763	
Gross Capacity	293,292	391,306	
Existing Development	297,456	379,589	
Pipeline	24,246	60,421	
Net Remaining Capacity	-2,938	-13,331	
<i>Old Growth Policy</i>	28,715	28,588	



# Proportional Staging Geography for Scenarios



Adequate Public Facilities Standards

Rockville, Maryland

Dated October 27, 2005

Adopted

November 1, 2005

By Resolution 27-05

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## I. Introduction

One of the goals of the Mayor and Council Strategic Plan for 2005-10 is the adoption of an adequate public facilities provision in the Zoning Ordinance. The following document, in conjunction with attached adopted text amendment to the Zoning Ordinance [commonly referred to as the Adequate Public Facilities Ordinance (APFO)], will establish procedures and standards necessary to ensure that adequate public facilities and services are provided concurrent with new development and redevelopment.

The Adequate Public Facilities Ordinance (APFO) tests the capacity of public facilities based on current and projected data available at the time of development application, as outlined in Table I. Net available system capacities<sup>1</sup> will change as 1) new projects come into the system, 2) other projects are completed, 3) some projects are abandoned, and 4) new facilities are programmed in capital budgets. APFO provisions are integrated into the development review process to establish a benchmark for the availability of capacity at the time of project review. Once a development project is approved, capacity of public facilities required by that project is reserved, provided the project remains on its service commitment, as determined at the time of project approval.

The Mayor and Council has developed the following mission statement to guide administration of the APFO:

*The City of Rockville is experiencing substantial interest in redevelopment of older areas into mixed use, dynamic centers. This pressure has raised concerns regarding public infrastructure capacity because of the expected increase in commercial/office square footage and residential dwelling units. The Mayor and Council have expressly stated that they want to provide opportunities to revitalize certain areas of the city in insure that all attributes needed for modern urban living are provided. Additionally, they want to provide for long term economic vitality.*

*The Mayor and Council have adopted an ordinance to ensure that the necessary public facilities will be available to serve new development and redevelopment. Developers may be permitted to mitigate the impact of their development projects. The Mayor and Council will periodically review the adequate public facilities standards and modify them as deemed necessary.*

The APFO will be applied to all development projects Adequacy shall first be considered at the earliest stage in the application process so as to assure adequacy of public facilities for the project and to provide guidance to the applicant as to how the APFO requirements can be met if deficiencies are identified.

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<sup>1</sup> Net available system capacity is the total amount of capacity minus all existing background development, development with building permits, and development approved but not yet permitted.

**TABLE I: APFO Approval Types**

Type	Application	Scope of Review
<b>Initial</b>	Concept Plans for Comprehensive Planned Developments (CPDs), and Planned Residential Unit developments (PRUs), Preliminary Development Plans (PDP), Some Special Exceptions (SPXs)	Transportation Impact (may exclude some site-specific design review that requires more detailed design), Schools, Fire/emergency, Water, and Sewer.
<b>Detailed</b>	Use Permit (USE), some SPXs, Detailed Applications, Preliminary Subdivision Plans	Requirements of Initial Approval (if not previously approved) plus transportation analyses that require detailed site-specific design.
<b>Final</b>	Building Permit	Water and Sewer evaluated by City to ensure that capacity is still available. Other detailed approval elements are not retested.

All new development applications filed after the effective date of the Ordinance<sup>2</sup> are subject to its provisions. Any development applications filed prior to the effective date will be reviewed based on the standards and requirements in effect at that time, except as provided in section II.B below.

## **II. Process**

Determining whether or not a development project provides “adequate” public facilities is dependent on the City’s standard level of performance of a public facility, which is referred to as a Level of Service (LOS). The impacts of a development project must not be so great that they negatively impact citizens’ quality of life beyond certain thresholds. The thresholds, or standards, have been established by the City for various public facilities (transportation, schools, fire protection, water supply, and sewer) and are outlined in detail in the following sections.

The following are procedures used by the City to ensure that adequate public facility systems exist during and after a development project:

- During review of any development project, the City will check to ensure that capacities of public facility systems are adequate, as defined in this document, through all phases, including at the completion of the development.
- To ensure that approved but not yet built development does not use all of the available capacity required to maintain adequate LOS, the City will approve firm schedules for the implementation of multi-phase development projects. In other cases, the expiration dates established in the Zoning Ordinance for the particular type of development application will determine the service commitment.
- If a development project does not provide adequate public facilities, it is either denied or approved with special conditions.

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<sup>2</sup> The effective date of the Ordinance is November 1, 2005

This general framework is described in further detail in the body of this document.

***II.A. Development Projects and Capacity Schedules***

Table II outlines the stages at which different public facilities are evaluated against prior approvals and when capacity is reserved. If a developer fails to meet the predetermined service commitment for use of reserved capacity, APFO approval lapses.

**TABLE II: Facility Capacity Schedules**

<b>Facility Type</b>	<b>Capacity Schedule</b>
Transportation	Application approval reserves transportation capacity; capacity moves from the reserved to the used category once staff determines that the site is fully operational.
Schools	Project approval, subdivision approval or use permit approval reserves the capacity; at the building permit stage capacity is moved from the reserved to the used category.
Fire/Emergency	Application approval reserves the capacity; at the building permit stage capacity is moved from the reserved to the used category.
Water	Project approval, subdivision approval or use permit approval reserves the capacity; at the building permit stage capacity is moved from the reserved to the used category.
Sewer	Project approval, subdivision approval or use permit approval reserves the capacity; at the building permit stage capacity is moved from the reserved to the used category.

A binding service commitment attached to the validity periods, as defined in the Zoning Ordinance or as approved for multi-phase projects, is a critical component of the system for reserving capacity for proposed projects. The consequence of failure to comply with the validity period or service commitment is that the developer is required to reapply for that capacity before proceeding with the project or with the uncompleted portions of the project.

For a multi-phase project, the service commitment allocates the capacity for a set period of time for specific phases. Capacity allocations expire automatically according to the service commitment unless the original approving body determines that an extension is warranted.

***II.B. Approved, Not-Completed Development Projects***

There are several multi-phase projects in the City that have received development approvals prior to this APFO. At the time these projects were approved, there was no requirement for a completion schedule.

Development projects approved under a special development procedure (CPD, PDP, RTH, PRU, Cluster Development, Variable Lot Size, I-3 Optional Method of Development) is subject to review and implementation of adequate public facilities as specified in the following provisions. The length of time for which facilities are deemed adequate under these approvals may vary for each public facility. The validity period for determining the adequacy of public facilities is as follows:

- a. The number of years specified in the original approval, if explicitly stated; or

- b. If the original approval does not specify the number of years that public facilities are deemed adequate, the validity period ends twenty-five (25) years from November 1, 2005 if all required public infrastructure have not been provided. The Mayor and Council may approve one five-year extension to implement the approved development project when the applicant demonstrates that development has proceeded with due diligence but that factors beyond the control of the developer such as a economic conditions or change in governmental regulations have precluded development of the property within the approved time frame or that the project is substantially complete.

If the adequate public facility approval is no longer valid, then the development must retest the relevant public facilities, with credit for provided facilities, prior to approval of subsequent detailed applications, use permits, or final record plats.

### ***II.C. Waiver Provisions<sup>3</sup>***

Certain classes of uses are deemed to have little or no impact on public facilities. As such, the deciding body may waive full compliance with the APFO provisions if it finds that there will be minimal adverse impact resulting from such a waiver. Such a waiver does not exclude any project from the final adequacy check for water and sewer service, if needed for the project.

The following uses or classes of uses are eligible for a waiver from the APFO requirements:

- Accessory Apartments
- Houses of Worship
- Personal Living Quarters
- Wireless Communications Facility
- Nursing Homes (no waiver from the Fire and Emergency Service Protection provision)
- Housing for the Elderly and Physically Handicapped, or for other age-restricted residential uses (no waiver from the Fire and Emergency Service Protection provision)
- Publicly-owned or publicly operated uses
- Minor subdivisions (up to 3 residential lots)

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<sup>3</sup> Section 25-800(a) of the City's Zoning and Planning Ordinance provides the following: "A waiver of the requirement to comply with one or more of the Adequate Public Facilities Standards may be granted only upon a super-majority vote of the approval body. For purposes of this Article, a super-majority vote shall be 3 votes for the Board of Appeals, 5 votes for the Planning Commission, and 4 votes for the Mayor and Council. The Chief of Planning may not grant a waiver."

### **III. Levels of Service**

#### ***III.A. Transportation***

Currently, mobility throughout the City of Rockville is limited due to traffic congestion generated by local and regional trips. Regional growth, combined with anticipated development activity within the City will stress the existing and proposed infrastructure. In addition, Rockville's roadway system is essentially built out. Locations that currently contain the worst congestion levels generally require multi-million dollar improvements to solve the problem. Alternatively, these areas will require an increased reliance on non-vehicular improvements to increase the capacity of a multi-modal transportation system. However, in less densely developed areas of the City where traffic operates at acceptable LOS, many small-scale intersection improvements can still occur.

The City's Master Plan provides a vision for a shift from an auto-centric transportation system to a multi-modal system that serves motorists, bicyclists and pedestrians. Through stated goals and objectives, it aims to create a transportation system that is safe and accessible, provides mobility for all users, and accommodates anticipated local and regional demands. To address all modes of transportation, the City has implemented a Comprehensive Transportation Review (CTR) for new development projects. The CTR focuses on auto, transit, pedestrian, and bicycle levels of service, as well as Transportation Demand Management (TDM) programs. The CTR requires a Transportation Report (TR) be submitted with all development applications. The TR consists of five components: an examination of existing conditions, a site access and circulation analysis, an automobile traffic analysis a non-auto off-site analysis, , and proposed mitigation and credits. The analysis included in the TR is based on the type of development project and projected site trip generation(s). Development projects in the City that generate more than 30 peak hour auto trips, as defined in the CTR, must submit all five (5) components of the TR. Development projects that generate less than 30 peak hour auto trips do not need to provide the automobile traffic analysis and the non-auto off-site analysis. The TR report is used to test if the development project meets APF standards.

The following are principles used by the City to ensure that adequate transportation facilities exist during and after a development project:

- In order to address increased congestion and to encourage development activity where viable transportation options exist, the City has established Transit-Oriented Areas (TOA's) and non-Transit-Oriented Areas (non-TOA's), as approved by the Mayor and Council. Areas defined as TOA's must include existing or programmed facilities that provide multi-modal access. TOA's include areas 7/10ths of a mile accessible walking distance from existing and programmed Metro and MARC stations and programmed fixed-guideway transit stations on dedicated transit rights-of-way. A map of the TOA's is attached in Appendix B and shows walking distances of 7/10ths of a mile from fixed-guideway transit stations.
- Transit-Oriented Areas (TOA's) and non-Transit-Oriented Areas (non-TOA's) have different thresholds. More congestion is allowed in TOA's, where viable multi-modal options exist. Stricter congestion standards are applied in non-TOA's where less congestion is mandated.
- Development projects in TOA's can claim larger amounts of credit for multi-modal transportation improvements and TDM programs and/or contributions than development projects in non-TOA's.



At the preliminary plan, detailed application, or use permit review stage there must be a detailed transportation capacity analysis following the CTR. If transportation facilities are found to be inadequate, as defined in the following sections, the proposed project will be denied. If transportation facilities are found to be adequate, or adequate subject to specified conditions, the project may be approved. Mitigation and other physical improvements may be required to meet APF standards through the normal development review process. Capacity for a development will be reserved after approval.

The Comprehensive Transportation Review Methodology was approved by the Mayor and Council on September 29, 2004. It replaced the Standard Traffic Methodology that had previously been utilized. The CTR policy is included by reference in the Adequate Public Facilities review for purposes of determining the adequacy of transportation facilities.

### ***III.B. Schools***

The Montgomery County Public Schools system has established a method of determining school capacity that it applies and reports as part of its annual Educational Facilities Master Plan (FY2006, App. H, and subsequent amendments). In general, the school system uses a planning capacity of 23 students per section for most K-5 students, with classrooms for special programs considered adequate at capacities ranging from 6:1 to 15:1 (Special Education Program) to 44:1. (1/2-day Kindergarten/Head Start); secondary schools use a capacity ratio of 22.5:1 (see MCPS FY2006, App. H.), which provides an objective basis for determining building capacity.

The APFO test for schools in Rockville is based on the program capacity for each school as defined by MCPS. Program capacity for class size is based on regular and supplemental programs for each school. The supplemental programs may include English for Speakers of Other Languages (ESOL) as well as Class Size Reductions (CSR) to accommodate special populations at individual schools. Six of the elementary schools serving the City are subject to CSR provisions.

School demand is based on actual student census in the most recent complete academic year, adjusted for the following: demographic changes, changes in district boundaries and other changes anticipated by planners with Montgomery County Public Schools; additional demand from approved development; additional demand from the specific development being considered for approval. Developers may be required to obtain current certification of school capacities for individual clusters, because the annual figures reported to the Board of Education can rapidly be outdated.

#### (i) Levels of Service

A determination of the adequacy of public school capacity is based on the following principles:

- The program capacities determined annually by the Superintendent of Montgomery County Public Schools, as reported to the Board of Education, shall be used as the capacity basis for the APFO program, based on 110 percent of program capacity at all school levels within 2 years;
- Within the City, capacity is based on a cluster of schools, using the clusters already established by the Montgomery County Public Schools; however “borrowing” of capacity from adjacent clusters will not be counted towards the adequacy of school capacity within the City. “Borrowing” of capacity within a cluster will not be counted towards adequacy of school capacity;
- Capacity temporarily taken off-line for rehabilitation and remodeling in accordance with the Montgomery County Public Schools Capital Improvements Program shall be considered available;
- Facilities shown on an adopted Capital Improvements Program with identified sources of funding and planned for completion within 2 years or less shall be considered available;

(ii) Regulatory Implementation

Note that school clusters in Rockville draw some of their enrollment from outside the City. Thus, for schools, the tracking system for enrollment – both from dwelling units built since the last annual MCPS capacity report and from pipeline projects – must be coordinated with the MCPS administration and Maryland-National Capital Park and Planning Commission to ensure that the accounting includes new demand from outside the City, as well as the demand from within the City.

Capacities are available from the Montgomery County Public Schools annually and will be made available to prospective developers. It will be necessary to conduct a project-specific review for residential development projects simply to compute the projected demand from each development project.

### ***III.C. Fire and Emergency Service Protection***

Based on Calendar Year 2001 data, the average structure fire response time was 7 minutes and 25 seconds; the average EMS response time was 5 minutes and 56 seconds. Both of these are within the County Fire and Rescue Service goals for response time.

First response to any location in Rockville is possible within established response time goals. A full response calls for the availability of engines from at least 3 separate stations to arrive at the location within 10 minutes. With the programming of a new fire station at the Fire Training Academy, all areas of Rockville are within an 8-minute response time, based on data from the Montgomery County Fire and Rescue Service (MCFRS). The City now requires all new residential units to have sprinklers. Therefore, being on the fringe of the full response areas shall not be a determining factor for adequacy of fire protection for new residential development activity. However, certain sensitive types of uses shall likely be subject to such a standard, as much for ambulance/rescue services as for fire protection.

Certain higher-risk uses shall be allowed only where a full response from 3 stations within 10 minutes is possible. Such uses would include schools, hospitals, nursing homes, and places of assembly seating more than 500. Clearly the public risk issues are much greater in dealing with such uses and there is thus a logical basis to require that an optimal fire or EMS response be available to any such use that is established in the future.

#### **(i) Levels of Service**

The following higher-risk uses shall be allowed only where a full response from 3 stations within 10 minutes is possible: schools; hospitals; nursing homes; commercial buildings over 3 stories high with no sprinklers; places of assembly seating more than 500.

#### **(ii) Regulatory Implementation**

Service areas will be determined based on the latest data provided by MCFRS.

### ***III.D. Water Supply***

The APFO requires denial of any development that would create total water demand in the City that would exceed available supply less a reasonable reserve for fire-flow.

#### **(i) Levels of Service**

Any proposed development that would create total water demand in the City that would exceed available supply less a reasonable reserve for fire-flow shall not be approved.

Any proposed development for which a minimum fire-flow of 1,000 gallons per minute, or where such fire-flow will not be available from hydrants located within 500 feet of any structure within the development not provided with sprinklers, shall not be approved.

#### **(ii) Regulatory Implementation**

Final check-off for adequacy of water service will be determined prior to the issuance of building permits.

### ***III.E. Sewer Service***

The APFO provisions require denial of any development project that would cause the City to exceed the transmission capacity in any part of the sewerage system or the treatment capacity available to it at the Blue Plains Treatment Plant or other facilities provided by WSSC.

#### **(i) Levels of Service**

Any proposed development that would cause the City to exceed the treatment capacity available to it at the Blue Plains Treatment Plant or other facilities provided by WSSC shall not be approved.

Any development for which transmission capacity in the City or WSSC system to Blue Plains or another treatment facility will not be available concurrently with the anticipated demand shall not be approved.

#### **(ii) Regulatory Implementation**

Final check-off for adequacy of water service will be determined prior to the issuance of building permits.

## Sources

Annual Growth Policy (AGP), 2004 (Montgomery County, Maryland-National Capital Park and Planning Commission).

Comprehensive Plan. “City of Rockville Comprehensive Master Plan”, November 12, 2002.

Comprehensive Transportation Review Methodology, September 29, 2004.

Hollida, John, P.E. 2003. Civil Engineer II, City of Rockville, Public Works Department; e-mail communication April 14, 2003.

Ierley, Sarah. 2002. (Montgomery County Fire Department). E-mail to District Chief James Resnick, responding to inquiry from Deane Mellander.

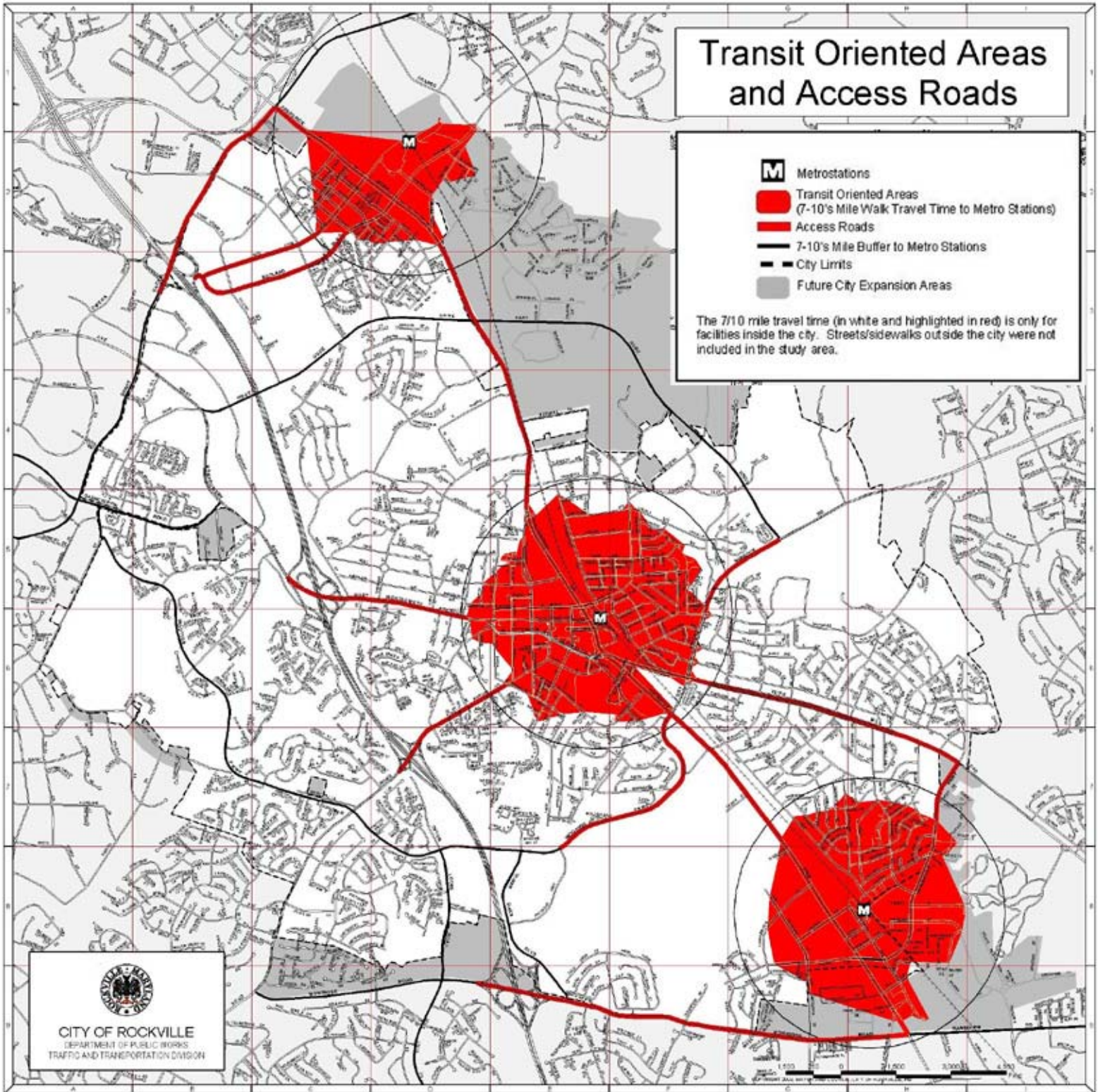
Montgomery County Public Schools (MCPS). FY 2006 Educational Facilities Master Plan and the Amended FY 2005-2010 CIP

Resnick, James. 2002. District Chief, Montgomery County Fire Department. Meeting November 2002; also included Paul Quigley and others.

Rockville Town Center Master Plan. October 22, 2001.

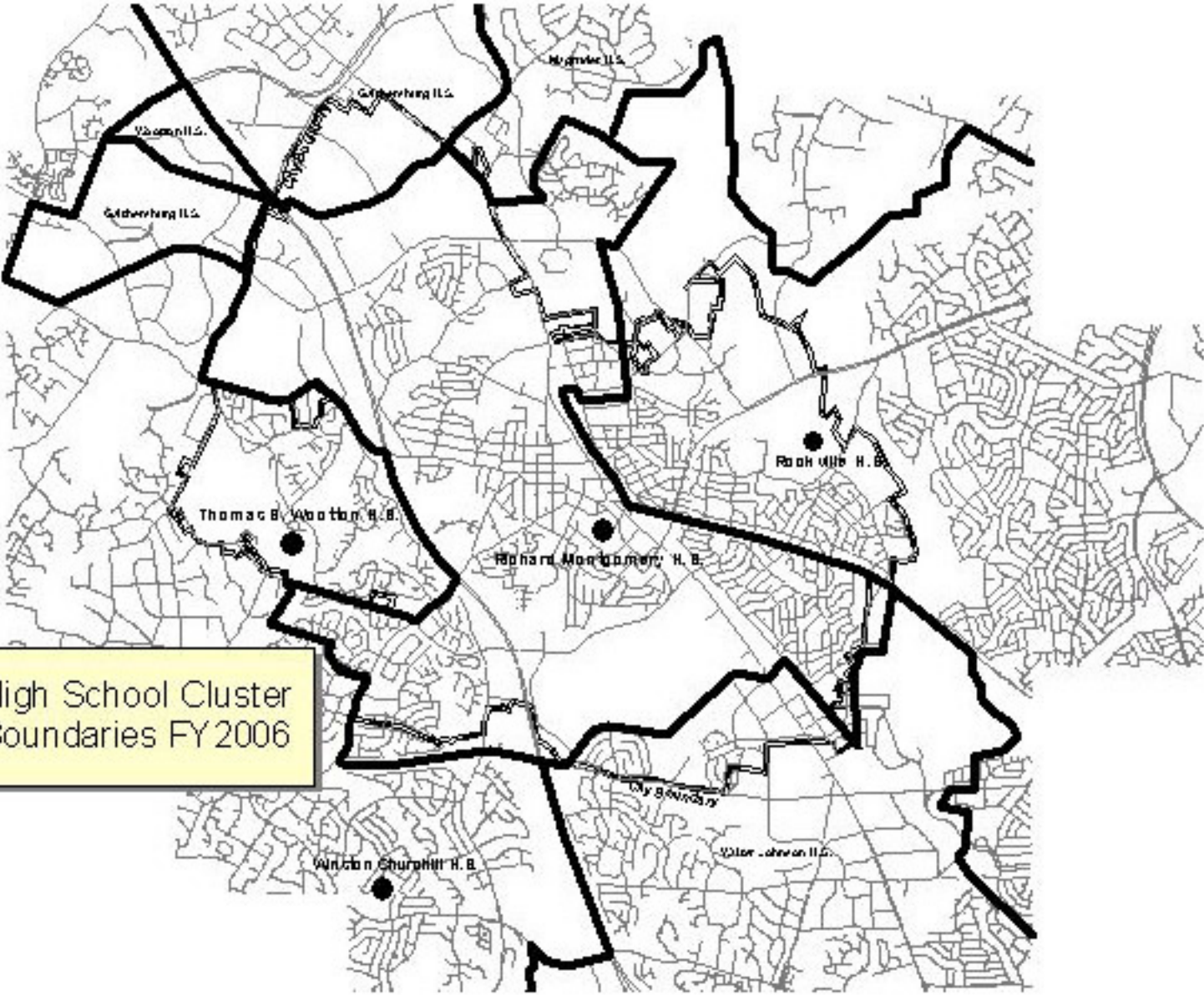
## Appendix A: Definitions

<i>Development Project</i>	Any new development or significant redevelopment project presented to the City after (date of APF adoption).
<i>CTR</i>	Comprehensive Transportation Review describes the process by which to proceed with development or redevelopment within the City. Principles and methodologies explained in the CTR are used by the City to evaluate the transportation impacts of development applications on site access and circulation, multi-modal facilities, and off-site automobile traffic. Mitigation measures to alleviate negative impacts are also addressed.
<i>Transportation Report (TR)</i>	<p>Transportation Report, required by the CTR, is one report that consists of five components:</p> <ul style="list-style-type: none"> <li>• <b>Component A: Introduction and Existing Conditions:</b> Project description.</li> <li>• <b>Component B: Site Access &amp; Circulation:</b> Analysis of internal circulation, entrance configurations, truck access and other relevant access and on-site features.</li> <li>• <b>Component C: Automobile Traffic Analysis:</b> Analysis of auto traffic using the technical guidelines for traffic analysis in the auto study area.</li> <li>• <b>Component D: Non-Auto Off-Site Analysis:</b> Analysis of access to alternative modes of transportation available in the respective study area for pedestrian, bicycle, and transit facilities in the multi-modal study area.</li> <li>• <b>Component E: Summary and Mitigation:</b> Summary of the report findings and recommendations.</li> </ul>
<i>Service Commitment</i>	Public facility capacity reserved as part of project approval
<i>TOA</i>	Areas defined as TOA's must include existing or programmed facilities that provide multi-modal access. TOA's include areas 7/10ths of a mile accessible walking distance from existing and programmed Metro and MARC stations and programmed fixed-guideway transit stations on dedicated transit rights-of-way.
<i>TDM</i>	Transportation Demand Management is a general term for strategies that promote alternatives to travel by single occupancy vehicle.
<i>USE</i>	Use Permit
<i>CPD</i>	Comprehensive Plan Development
<i>PDP</i>	Preliminary Development Plan
<i>SPX</i>	Special Exception
<i>PRU</i>	Planned Residential Unit
<i>Subdivision</i>	The creation of lots, either by dividing existing lots or parcels or combining existing lots, for the purpose of new development or redevelopment





Appendix C  
Public School Data



**Enrollment Trends at Schools With Service Areas Completely or Partly Within the City of Rockville\***

**MCPS Program Capacity Compared to Projected Enrollment**

September 12, 2005

CLUSTER	SCHOOLS	Approx. Percent of Enrollment from Rockville	MCPS PROGRAM CAPACITY	ACTUAL ENROLLMENT 2004-05	PROJECTED ENROLLMENT					
					2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Gaithersburg	Gaithersburg H.S. <i>space available</i> <i>% utilization</i>	3%	1800 / 2143	2174 -374 121%	2174 -374 121%	2202 -59 103%	2246 -103 105%	2190 -47 102%	2181 -38 102%	2190 -47 102%
	Forest Oak M.S. <i>space available</i> <i>% utilization</i>	5%	942	919 23 98%	913 29 97%	920 22 98%	905 37 96%	888 54 94%	881 61 94%	866 76 92%
	Rosemont E.S. (CSR) <i>space available</i> <i>% utilization</i>	20%	271 / 621	489 -218 180%	510 111 82%	504 117 81%	514 107 83%	544 77 88%	558 63 90%	572 49 92%
Walter Johnson	Walter Johnson H.S. <i>space available</i> <i>% utilization</i>	15%	1901 / 2143	1973 -72 104%	1990 -89 105%	2013 -112 106%	2087 -186 110%	2093 -192 110%	2107 47 98%	2137 17 100%
	Tilden M.S. <i>space available</i> <i>% utilization</i>	35%	943	772 171 82%	802 141 85%	791 152 84%	774 169 82%	762 181 81%	767 176 81%	774 169 82%
	Farmland E.S. <i>space available</i> <i>% utilization</i>	50%	433 / 571	564 -131 130%	553 -120 128%	572 -1 100%	564 7 99%	566 5 99%	570 1 100%	582 -11 102%
Richard Montgomery	Richard Montgomery <i>space available</i> <i>% utilization</i>	90%	1562 / 1966	1916 -354 123%	2002 -440 128%	2000 -438 128%	1951 15 99%	1959 7 100%	1941 25 99%	1909 57 97%
	Julius West M.S. <i>space available</i> <i>% utilization</i>	90%	1044	1061 -17 102%	1050 -6 101%	1024 20 98%	1001 43 96%	951 93 91%	976 68 93%	1018 26 98%
	Beall E.S. (CSR) <i>space available</i> <i>% utilization</i>	100%	504	601 -97 119%	614 -110 122%	608 -104 121%	640 -136 127%	653 -149 130%	659 -155 131%	682 -178 135%
	College Gardens E.S. (CSR) <i>space available</i> <i>% utilization</i>	70%	476 / 615	484 -8 102%	509 -33 107%	531 -55 112%	547 68 89%	589 26 96%	603 12 98%	601 14 98%
	Ritchie Park E.S. <i>space available</i> <i>% utilization</i>	80%	377	381 -4 101%	391 -14 104%	423 -46 112%	449 -72 119%	483 -106 128%	491 -114 130%	497 -120 132%
Twinbrook E.S. (CSR) <i>space available</i> <i>% utilization</i>	80%	497	577 -80 116%	559 -62 112%	576 -79 116%	594 -97 120%	609 -112 123%	617 -120 124%	633 -136 127%	
Rockville	Rockville H.S. <i>space available</i> <i>% utilization</i>	35%	1633	1224 409 75%	1296 337 79%	1370 263 84%	1329 304 81%	1273 360 78%	1215 418 74%	1233 400 76%
	Wood M.S. <i>space available</i> <i>% utilization</i>	35%	1030	985 45 96%	915 115 89%	902 128 88%	926 104 90%	923 107 90%	953 77 93%	916 114 89%
	Maryvale E.S. (CSR) <i>space available</i> <i>% utilization</i>	90%	571	622 -51 109%	622 -51 100%	633 -62 102%	629 -58 99%	635 -64 101%	634 -63 100%	639 -68 101%
	Meadow Hall E.S. (CSR) <i>space available</i> <i>% utilization</i>	100%	339	385 -46 114%	366 -27 108%	380 -41 112%	386 -47 114%	397 -58 117%	400 -61 118%	420 -81 124%
WOOTTON	Wootton H.S. <i>space available</i> <i>% utilization</i>	15%	2050	2349 -299 115%	2366 -316 115%	2371 -321 116%	2337 -287 114%	2322 -272 113%	2294 -244 112%	2289 -239 112%
	Frost M.S. <i>space available</i> <i>% utilization</i>	15%	1134	1205 -71 106%	1121 13 99%	1140 -6 101%	1148 -14 101%	1130 4 100%	1087 47 96%	1064 70 94%
	Fallsmead E.S. <i>space available</i> <i>% utilization</i>	70%	425 / 380	535 -110 126%	511 -86 120%	519 -139 137%	522 -142 137%	526 -146 138%	518 -138 136%	529 -149 139%
	Lakewood E.S. <i>space available</i> <i>% utilization</i>	30%	630 / 595	577 53 92%	572 58 91%	589 41 93%	590 5 99%	610 -15 103%	627 -32 105%	628 -33 106%

Second capacity figures at some schools reflect additions or full-day kindergarten programs beginning:

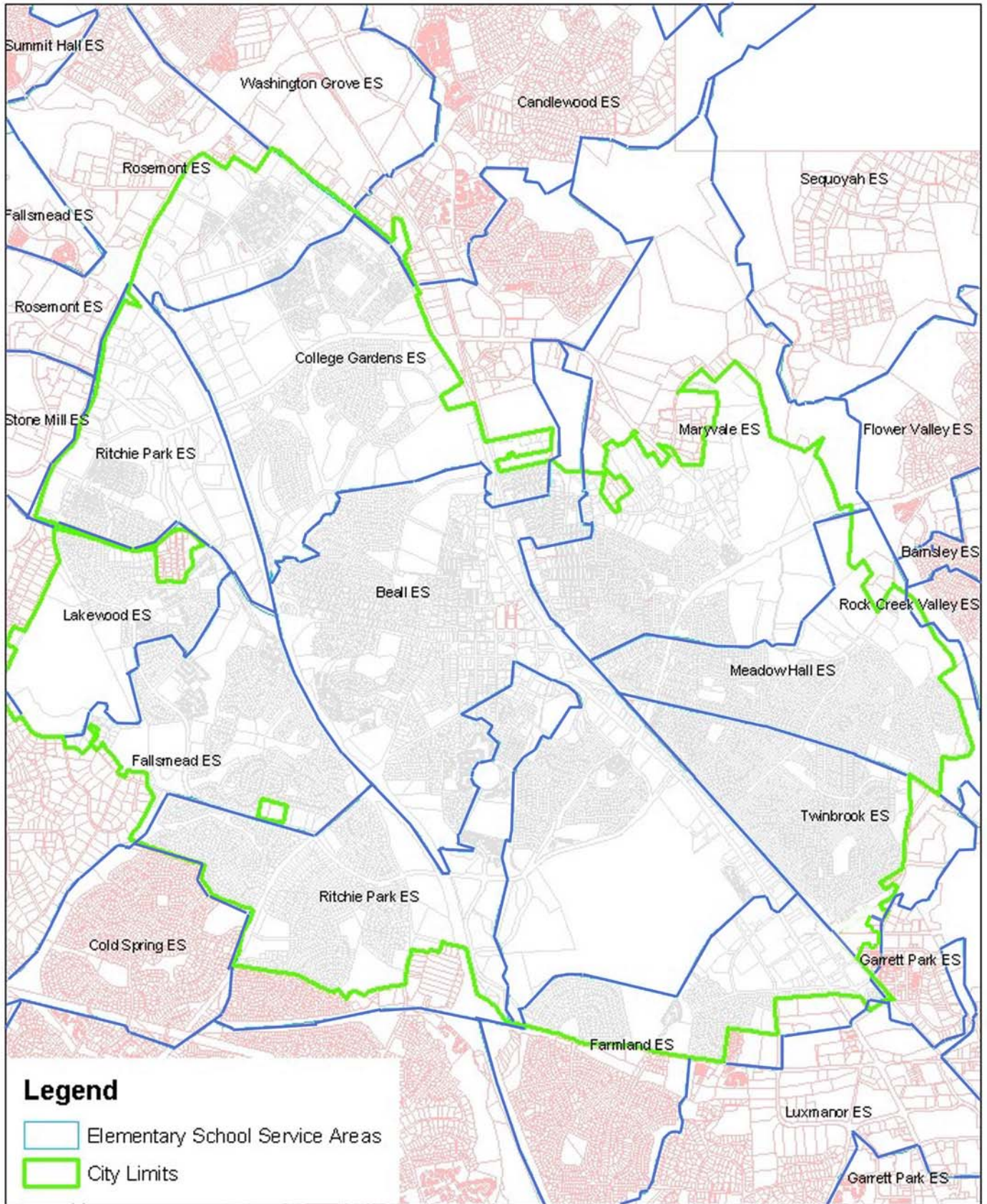
Gaithersburg HS 16 rooms opening in August 2006. Rosemont ES 16 rooms opened August 2004. Walter Johnson HS modernization complete August 2009.

Farmland ES 8 room addition opening August 2006. Richard Montgomery HS modernization complete August 2007. College Gardens ES modernization complete January 2008.

Fallsmead ES offering full-day kindergarten beginning August 2006. Lakewood ES offering full-day kindergarten beginning August 2007.

CSR indicates schools that have class-size reductions in Grades K-2, with Kindergarten at 15:1 and Grades 1 and 2 at 17:1.





**CITY OF ROCKVILLE**  
 DEPARTMENT OF COMMUNITY PLANNING  
 AND DEVELOPMENT SERVICES

**Elementary School Boundaries  
 FY2006**





**Montgomery County Student Generation Rates for New Housing by Type**  
2003 Census Update Survey

<b>NORTH</b>				
Housing Type	Factors (number of students generated per unit)			
	Elementary	Middle	High	Total K-12
Single Family	0.415	0.150	0.145	0.710
Townhouse	0.246	0.087	0.160	0.493
Multi-Family	0.153	0.072	0.069	0.294
<b>SOUTHWEST</b>				
Housing Type	Factors (number of students generated per unit)			
	Elementary	Middle	High	Total K-12
Single Family	0.384	0.149	0.131	0.664
Townhouse	0.252	0.112	0.160	0.524
Multi-Family	0.078	0.019	0.016	0.113
<b>EAST</b>				
Housing Type	Factors (number of students generated per unit)			
	Elementary	Middle	High	Total K-12
Single Family	0.303	0.114	0.152	0.569
Townhouse	0.179	0.160	0.205	0.544
Multi-Family	0.145	0.128	0.065	0.338
<b>COUNTYWIDE HOUSING STUDENT YIELD FACTORS</b>				
Housing Type	Factors (number of students generated per unit)			
	Elementary	Middle	High	Total K-12
Single Family	0.354	0.133	0.140	0.627
Townhouse	0.226	0.108	0.168	0.502
Multi-Family	0.133	0.084	0.056	0.273
High Rise*	0.081	0.039	0.042	0.162

Source: 2003 Census Update Survey, M-NCPPC Dept. of Park and Planning.

Single family, townhouse, and multi-family rates based on "mover households" (moved in within 5 years.)

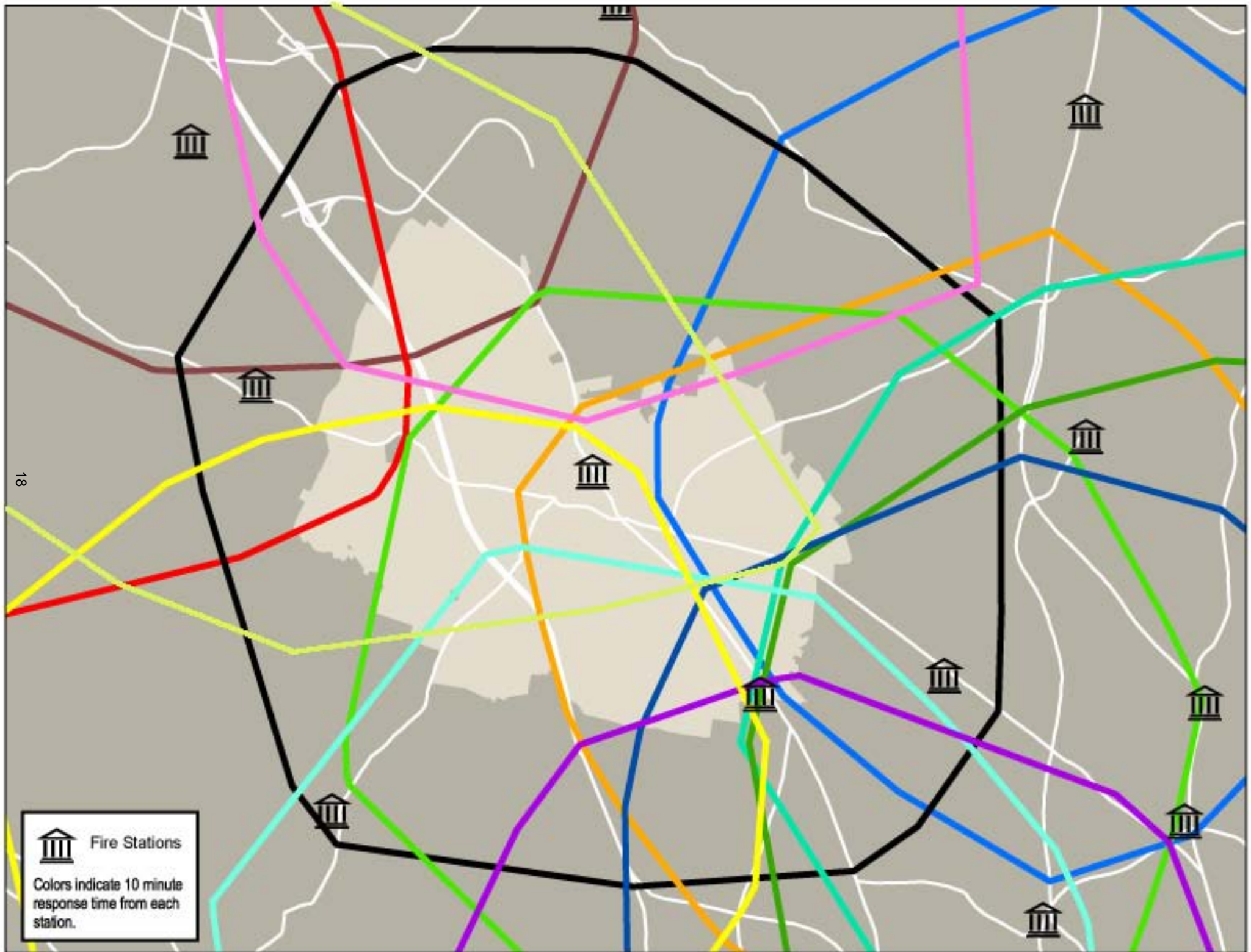
High rise rates based on "all households" due to small sample size.

High rise rates based for sub-areas of county not available due to small sample size.

NORTH includes general "upcounty" areas including following clusters: Damascus, Gaithersburg, Magruder, Northwest, Poolesville, Quince Orchard, Seneca Valley, Sherwood, and Watkins Mill.

SOUTHWEST includes following clusters: Bethesda-Chevy Chase, Churchill, Einstein, Walter Johnson, Richard Montgomery, Rockville, Wheaton, Whitman, and Wootton.

EAST includes following clusters: Northeast Consortium (Blake, Paint Branch and Springbrook), Blair, and Kennedy.



# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**

October 9, 2006

**CALL TO PODIUM:**

**Fred Felton**  
**Assistant City Manager**

**RESPONSIBLE STAFF:**

**Fred Felton**  
**Greg Ossont**  
**Ollie Mumpower**

**AGENDA ITEM:**  
 (please check one)

	Presentation
	Proclamation/Certificate
	Appointment
<b>X</b>	<b>Public Hearing (Joint)</b>
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

Introduced	n/a
Advertised	9/20/06
	9/27/06
	9/29/06
Hearing Date	
Record Held Open	
Policy Discussion	

<b>TITLE: T-377</b>
A Consolidated Public Hearing On An Ordinance To Amend Chapter 24 Of The City Code Entitled "Zoning" So As To Create New Article XV Entitled "Adequate Public Facilities" So As To Require That Public Facilities Be Deemed Adequate To Serve Development Which Is Subject To Various Land Use And Development Approvals And To Set Forth Applicable Procedures And Standards For The Determination Thereof And A Regulation Establishing Traffic Impact Study Standards

<b>SUPPORTING BACKGROUND:</b>
During the January 24, 2006 work session, the Mayor and city Council gave guidance on the draft Adequate Public Facilities Standards for traffic impacts, school capacity, water and sewer, and fire and emergency services.
The draft ordinance addresses school capacity, water and sewer, and fire and emergency services standards; however, due to the level of complexity, the decision was made to handle traffic impact standards through a regulation as authorized by Section 2-10 of the City Code.
A key issue that was not resolved during the work session was how budgeted, but unbuilt, school capacity is credited. The Rockville APFO gives capacity credit only to projects that are programmed to be built within two years; however, MCPS staff believes this standard is too restrictive and has recommended that the City's APFO recognize capacity for any project included in the six year MCPS Educational Facilities Master Plan and Capital Improvements Program.
The attached draft incorporates the two year standard, but because it would be less restrictive, the Mayor and City Council could change this standard during the public hearing process to recognize capacity that is scheduled to be constructed in the MCPS Capital Budget out years (up to six (6) years).

<b>DESIRED OUTCOME:</b>
<b>Staff recommends that the Planning Commission hold the record open until 5:00 pm on October 25, 2006 in anticipation of making a recommendation during the November 1, 2006 Planning Commission meeting. Staff recommends that the Mayor and City Council hold their record open until 5:00 pm on November 2, 2006 with policy discussion anticipated on November 6, 2006.</b>

# GAITHERSBURG TRAFFIC IMPACT STUDY STANDARDS AND REGULATION

## Intent

The City of Gaithersburg recognizes the direct correlation between land use decisions and traffic operations. The intent of this document is to permit accurate evaluation of expected impacts of proposed projects.

This document is further intended to help achieve the following objectives:

1. Allow the City of Gaithersburg to assess the effects that a proposed project may have on the community by outlining information needed and evaluation procedures to be used.
2. Provide a standard set of analytic tools and a format for preparing traffic impact studies.
3. Help ensure that traffic operating conditions on streets and intersections will be safe and reasonable after development of a proposed use.
4. Mitigate the negative traffic impacts created by individual developments, by helping to ensure the transportation system can accommodate the expected traffic safely and efficiently.
5. Implement a comprehensive, rather than a piecemeal, approach to determine the impacts of developments.
6. Provide direction to City officials, transportation agencies and developers of the expected impacts of a project.

## Definitions

1. Adequacy - Sufficiency to satisfy minimum transportation standards
2. Applicant - Any individual, association, firm, partnership, corporation, government agency, or duly authorized representative submitting a development application
3. Background traffic – includes traffic generated from all nearby developments approved, but not yet built, prior to the submission of a development application
4. Capacity - Maximum number of vehicles that can pass a given point during one hour under prevailing traffic conditions
5. Central Business District (CBD) - A downtown commercial area .
6. Congestion standard - A rating system used by traffic engineers to determine a roadway's ability to provide adequate capacity for the volume of traffic (number of vehicles) using the road
7. Diverted trips – traffic shifted from one route or time period to another
8. Existing traffic – an assessment of present day peak hour traffic volumes based on recent traffic counts



9. Final TIS - Technical traffic study required in conjunction with schematic development plans, preliminary plan and/or final site plan submissions, as well as amendment to final site plan, if applicable
10. Intersection Capacity Analysis - Evaluation of existing traffic conditions, background traffic conditions, and of forecast year traffic conditions with the subject development project
11. Intra site – trips that occur internal to the site and do not travel on the surrounding road network
12. Level of Service - A set of operating conditions describing the ability of a transportation network to handle traffic
13. Non-Auto Facility - Non-motorized networks or systems, including walkways, sidewalks, crosswalks, path, pedestrian plazas, bike lanes, and street shoulders
14. Pass-by Trips - Trips that would have traveled on a street adjacent to the subject development even if it had not be constructed; results in a reduction of new trip attributable to subject development
15. Peak Hour Site Trips - Total number of trips (i.e., inbound plus outbound) generated by the development project during the busiest one-hour peak within the peak periods
16. Peak Period - These are times when a highway carries its highest volume of traffic, usually the morning or evening “rush” period when commuters travel to and from work. Typically, peak periods are defined as weekday hours from 7-9 AM and 4-6 PM.
17. Preliminary TIS - Technical traffic study required for concept, or sketch plan submission
18. Queuing analysis – A traffic study performed to determine the amount of traffic waiting to proceed thru an intersection. This information is used to determine length of turn lanes
19. Scoping meeting - Meeting with applicant and City staff to discuss the detailed TIS requirements as they apply to the subject development
20. Standard Traffic Methodology - The methodology used to analyze and evaluate the traffic impacts of development applications
21. Site traffic – traffic generated by a proposed development
22. Total traffic – the sum of existing traffic, background traffic and site traffic
23. Traffic Impact Study – is an analysis which assesses the effects that a particular development’s traffic will have on the transportation network in the community
24. Traffic Control Device - Any sign, signal, marking or device placed or erected for the purpose of regulating, warning, or guiding vehicular traffic and/or pedestrians
25. Transportation Demand Management - General term for strategies that promote alternatives to travel by single occupancy vehicle
26. Trip - A one-way movement
27. Trip generation rates – a planning tool used to determine the amount of traffic produced by and attracted to various sites



28. Trip mitigation - Specific design commitments made during the study process that serve to moderate or lessen impacts deriving from the proposed action.

### **Applicability**

1. A traffic impact study (TIS) shall be required and shall be submitted, as part of each development application, as defined in subsection (7) of this section, by an applicant for any new development or redevelopment application that generates 30 or more total (i.e., existing, new, pass-by, intra site and diverted) weekday trips during the peak hour of the morning (6:00 a.m. to 9:00 a.m.) and/or evening (4:00 p.m. to 7:00 p.m.) peak period of the adjacent roadway traffic.
2. The intent of the 30 trip requirement may not be circumvented through the submission of piecemeal development and permit applications or other approval requests.
3. In certain circumstances, City staff may, in consultation with the applicant, require analysis of traffic conditions during a different or additional peak period to reflect the location or trip-generation characteristics of the site, existing conditions or background development as generators of traffic.
4. An application will not be considered complete until the applicable traffic study required under paragraph 7 and/or 8 below is submitted and is deemed approved by the City of Gaithersburg.
5. Staff will determine the acceptability of the conclusions and recommendations of a traffic study in consultation with the applicant, and other impacted agencies as part of the review process
6. Any modifications in the TIS identified by staff's review are the responsibility of the applicant, after appropriate oral and/or written notice of the issues identified or change(s) required.
7. As part of the development approval process, an approved preliminary TIS will be required for concept, or sketch plan submissions.
8. An approved final TIS will be required in conjunction with schematic development plans, preliminary plan and/or final site plan submissions, as well as amendment to final site plan, if applicable.
9. An approved preliminary TIS or final TIS are considered valid for a period of two years from date of acceptance. After this time the City of Gaithersburg will determine if a new TIS is be required.
10. If significant changes in the site characteristic occur: such as changes in development size, land use mix, or access configuration the City of Gaithersburg will determine if a new TIS is required notwithstanding the validity period described in paragraph #9.

### **Scope of Traffic Impact Study**

Once it is determined that a TIS is required, a scoping meeting is required to be held with the developer's traffic consultant and the appropriate Gaithersburg

staff. It will be the responsibility of the consultant to initiate this meeting. At this meeting the following aspects of the traffic study will be proposed by the applicant and/or provided by staff and agreed upon:

1. Intersections that are to be included in the traffic study -The number of intersections to be included will be based upon the trips generated by the development under consideration. As a general guideline, the following indicates the number of significant signalized intersections from the site in each direction to be included in the traffic study. This is based on the number of peak-hour site trips...

<b>Peak hour trips</b>	<b>Number of signalized intersections in each direction</b>
<b>30-249</b>	<b>1</b>
<b>250-749</b>	<b>2</b>
<b>750-1,249</b>	<b>3</b>
<b>1,250-1,749</b>	<b>4</b>
<b>&gt;1,750</b>	<b>5</b>

2. For large projects, i.e., greater than 750 peak-hour site trips, the number of intersections shall reflect likely future signalized intersections as determined by staff and the applicant:
  - a. Staff, in cooperation with the applicant, will use judgment and experience in deciding the significant intersections and links to be studied.
  - b. Interchanges will be afforded special considerations, including ramps/termini being treated as signalized intersections.
  - c. Staff will consider other factors in reaching a decision regarding the number of intersections to be included in the traffic study, such as:
    - i. geographic boundaries; e.g., parks, interstate routes, railroads
    - ii. contiguous land under common ownership
    - iii. the type of trip generated; e.g., new, diverted, pass-by
    - iv. the functional classification of roadways
3. Approved but unbuilt (i.e., background) development.
  - a. As a general guideline, background development to be included in the traffic study will be in the same geographic area as the intersections to be studied.
  - b. Staging of large background developments beyond the typical time period for a traffic study will be considered on a case-by-case basis.
4. Active trip mitigation programs, or physical improvements not completed, that have been required of other developments included in background traffic.
5. The adequacy of existing turning movement counts and need for additional data.
6. Trip generation rates for the proposed development
7. The directional distribution and assignment of trips generated by the proposed development and developments included as background.

8. Transportation projects fully funded for construction within four years in the County's Capital Improvement Program (CIP), the State's Consolidated Transportation Program (CTP), or in Gaithersburg or Rockville's Capital Improvement Program (CIP) are to be included in the analysis, along with techniques for estimating traffic diversion to major new programmed facilities.
9. Special attention will be given to traffic circulation and/or safety concerns related to site access to public or private facilities with 800 or more seats or which can otherwise accommodate 800 or more people during an event.
10. A feasible range of types of traffic engineering improvements or trip mitigation measures associated with implementing the development
11. The number, size, and use of buildings or types of residential units on the site
12. Queuing analysis, if required
13. A pedestrian and bicycle analysis at all intersections studied to assure safe and efficient pedestrian and bicycle access and circulation to and within the site, including:
  - a. pedestrian and/or bicycle counts at intersections
  - b. pedestrian and bicycle accommodations including location and type of crosswalks, pedestrian signals and push buttons, pedestrian refuges, and ADA-compatible ramps
  - c. when pedestrian signals are present the timing provided for each crossing is to be provided
  - d. lead-in sidewalks to the site and connectivity to the local area
  - e. existing and/or proposed bus stops, shelters and benches, including real time transit information
  - f. bicycle racks and/or lockers
  - g. recognition of peak pedestrian and/or bicycle activity periods; e.g., evenings related to restaurants.

Following the scoping meeting staff will prepare a scoping summary letter. This summary will include all details to be included in the traffic study as agreed upon in the Scoping Meeting. All interested parties should receive copies of this letter.

### **General Criteria and Analytical Techniques**

The following information is to be used by all applicants to demonstrate the expected impact on intersections of public roadways by the trips generated by the proposed development.

1. Existing traffic requirements -Traffic counts are required for each intersection to be analyzed.
  - a. Generally, traffic counts less than one year old when the traffic study is submitted are acceptable.
  - b. Traffic counts should not be conducted on a Monday or a Friday, during summer months when public schools are not in session, on federal and/or state and/or county holidays, on the day before or after federal holidays, during the last two weeks of December and

the first week of January, or when weather or other conditions have disrupted normal daily traffic.

2. Existing traffic analysis
  - a. All intersections will be analyzed using the critical lane volume method as detailed in the latest edition of the Local Area Transportation Review guidelines of the Maryland–National Capital Park and Planning Commission (M-NCPPC)
  - b. In certain circumstances other methodologies, including the Highway Capacity Manual (HCM), may be required to identify operational problems.
  - c. If requested, link analyses will be performed using HCM procedures.
  - d. For analysis of freeways and interchanges, including merge, diverge and weaving areas, the HCM will be used.
3. Background traffic
  - a. Must include all developments approved and not yet built prior to the submission of an application. City staff will provide a list of locations within the city limits. It will be the applicant's responsibility to obtain this information for locations outside the city limits.
  - b. In addition staff may require that applications in the immediate vicinity of the subject application and filed simultaneously or within the same time frame be included in background traffic, even if these developments have not yet been approved.
  - c. Growth in existing traffic is described as a factor representative of travel growth outside the study area. This factor should be applied to the existing through traffic, and appropriate turning movements, before approved development traffic is applied. The volume should be compounded to the reasonable build out years, typically 3-10 years, depending on the build out schedule. For developments with a build out of less than 3 years, growth in existing traffic need not be applied.
4. Background traffic analysis
  - a. This analysis should take into consideration all transportation improvements expected to be in place within the study area. These improvements should include those which are already programmed or bonded by the State, County, the City of Gaithersburg, the City of Rockville or developer(s). These improvements should be documented in the TIS.
5. Site generated traffic - is described as traffic which will be generated by the development.
  - a. Site traffic estimation should include the following:
    - i. Trip generation - the number of trips shall be calculated using the following sources:
      1. For general office, general retail, residential, fast food restaurant, private school, child day-care center, automobile filling station, senior/elderly housing, or

mini warehouse, use the formulas provided the latest edition of the Local Area Transportation Review guidelines of the Maryland–National Capital Park and Planning Commission (M-NCPPC)

2. For other land uses, use the latest edition of the *Trip Generation Report* published by the Institute of Transportation Engineers (ITE).
3. For some land uses of a specialized nature, appropriate published trip-generation rates may not be available. In such cases, City staff may request that determination of rates for these land uses be a part of the traffic study. If special rates are to be used, staff must approve them prior to submission of the traffic study.

ii. Trip reduction

1. Total trip generation may be reduced by considering significant on-site existing land use activities that are to be eliminated via redevelopment. Such reductions may be incorporated into the total generated traffic volume. To be eligible for this reduction, the existing land use must be active at the time that traffic counts are performed in the area.
2. Potential reductions in trip generation for pass-by and/or intra site trips should also be computed at this stage in the Automobile Traffic Analysis.
  - a. Pass-By Trip Reduction - For commercial retail development only, the applicant may make reasonable assumptions regarding pass-by traffic, consistent with guidance provided by ITE. Pass-by trips are those that would have otherwise traveled on a street adjacent to the subject development even if the subject development had not been constructed.
    - i. Pass-by reductions will be selected after consultation and approval by the City staff.
    - ii. Pass-by volumes may be used to reduce the gross generated traffic volume.
    - iii. Pass-by percentages may not be used to reduce parking or other on-site requirements.
  - b. Intra site Trip Generation Reduction- Reduction in trip generation within mixed-use developments should be computed consistent with guidance provided by ITE.

- iii. Trip Distribution - Regional trip tables produced by the M-NCPPC are the preferred source for the distribution of trips. Copies of these tables can be found in the latest edition of the LATR guidelines. City staff may approve or require the applicant to use an alternative methodology as deemed necessary.
  - iv. Traffic Assignment - Site-generated traffic volumes should be assigned to the roadway network within the traffic study area using the distribution factors previously developed. Assignments should initially be made according to “shortest path” methods. Reassignment using multiple routings to balance traffic flows may be used with the approval of City staff.
- 6. Site generated traffic analysis – Total traffic
  - a. Total traffic is to be calculated after the site traffic is projected.
  - b. After total traffic is developed, an analysis of traffic operations, with projected future roadway improvement in place (i.e. improvements addressed in the background analysis), is to be performed.
- 7. Other Studies - As part of the traffic evaluation it may be necessary to perform additional special studies, as determined by City staff, in order to identify roadway deficiencies not directly evident from the level of service calculations. All studies must be noted in the TIS.
  - i. Neighborhood Impact Studies - Special studies may be required if neighborhoods are affected by a proposed development project due to cut-through traffic or other potential impacts.
  - ii. Average Daily Traffic (ADT) Study -If existing residential streets are affected by the subject development project, an ADT analysis may be required. Proper methodology will be determined City staff.
  - iii. Traffic Calming Study - may be required to determine ways to reduce speeds in the general study area. Proper methodology will be determined by City staff.
  - iv. Accident Studies - may be necessary at locations with a history or expectancy of safety problems, as identified by City staff. The applicant will be expected to identify suitable counter-measures to deal with potential safety problems.
  - v. Traffic Signal Study
    - 1. A traffic signal study may be required to determine the need for a traffic signal at access points or other nearby non-signalized locations. Proper methodology will be determined by City staff.
    - 2. At access points where a traffic signal already exists, the applicant will be responsible for determining all necessary modifications to the existing signal due to

site-generated traffic so that it operates in a safe and efficient manner.

3. Traffic Timing Study – may be required to determine ways to move traffic more efficiently thru a series of traffic signal. Proper methodology will be determined by City staff.
- vi. Turning Lane Study - may be necessary to determine the need and/or adequacy of turning lanes for handling forecasted traffic volumes without interference to adjacent travel lanes. The need for right turn lanes may also be reviewed.
- vii. Interchange Capacity Study - If an interchange capacity study is required, proper methodology will be determined by City staff.

Other - Other special traffic studies may be necessary in order to address potential traffic problems.

### Conclusions/Recommendations

1. After all analysis is completed, all intersections and/or links within the study area resulting in a Level-of-Service worse than the City's congestion standard (LOS=1450) must be identified and improvement(s) recommended.
2. In order to be considered acceptable these improvements must provide sufficient capacity to:
  - a. result in a CLV for the total traffic condition that is less than the City congestion standard (LOS=1450), or
  - b. mitigate the traffic impact if the calculated CLV in the total traffic condition exceeds the City congestion standard. Mitigation is achieved when the CLV in the total traffic condition with the improvement is equal to or less than the CLV in the background traffic condition without the improvement.
3. Physical road improvements, participation in improvements that would benefit the general transportation study area, trip mitigation agreements, non-automobile transportation amenities, or a combination thereof, may be used to resolve this issue. The City of Gaithersburg may select any or all of these solutions as the required means to achieve this requirement.
  - a. Physical improvements:
    - i. Any improvements proposed to be done by the developer should include a discussion of the feasibility of construction. The traffic analysis should be detailed enough to confirm the feasibility and establish the cost of proposed mitigating actions and should present the commitment of the applicant to provide these measures as appropriate. Final functional plans for roadway improvements should be submitted at the

- detailed engineering stage in the development review process.
- ii. any improvement suggested as being implemented by "others" should indicate by whom. If funded by a public agency then a copy of the page from the appropriate document should be included in the report. If funded by another developer, then documentation should likewise be included.
  - iii. when development is conditioned upon improvements, those improvements must be bonded and under construction or under contract for construction prior to the issuance of building permits for new development.
- b. Participation in improvements that would benefit the general transportation study area - In some cases it is of benefit to both the developer and a public agency for the developer to participate in transportation projects that would help to improve traffic in the general study area but may not be required as part of the requirements of a traffic study.
- 1. To do this the applicant would be required to enter into a legally-binding agreement (or contract) with the appropriate agency that detailed the participation level of the developer as well as the impact to the transportation system that would derive from this agreement.
  - 2. This process could be used in lieu of specific improvements required by the TIS or may be used to mitigate the impact of an intersection where other solutions have failed to improve the intersection sufficiently.
- c. Trip mitigation agreements (TMA)
- i. If an applicant enters into a TMA with a public agency to mitigate the impact of all or a part of their site-generated trips, they will be required to do so by entering in to a legally binding agreement (or contract).
  - ii. Each traffic mitigation program will be required to operate for at least 12 years once the trip reduction requirements have been met, but, at the discretion of the City, no longer than 15 years.
  - iii. The following are examples of the measures that could be included in a TMA:
    - 1. Subsidizing transit fares to increase ridership on existing or other transit bus routes
    - 2. Providing the capital and operating costs to add a new bus/transit route, extend an existing bus/transit route, or improve service (frequency or span) on an existing route



3. Constructing a new park-and-ride facility
  4. Providing funds to increase use of an existing park-and-ride facility
  5. Funding a private shuttle service; e.g., to and from the site to a nearby Metrorail Station or to a park-and-ride facility
  6. Constructing queue-jumper lanes, providing traffic signal pre-emption devices and other techniques to improve bus travel times
  7. Parking management activities
  8. Live-near-your-work programs
- iv. A TMA may require monitoring. If monitoring is required, it shall be done on a quarterly basis at the applicant's expense to ensure compliance with the conditions of the contract. If the goals are not being met, monthly monitoring will be required until such time as the goals are met for three consecutive months. Staff will work with the applicant to seek additional measures to ensure compliance during periods when the goals are not being met.
  - v. Up to a 10% (15 % in the CBD) reduction in new peak hour trips may be allowed for a TMA. These reductions are taken after pass-by trip reductions and before any other reductions or credits are applied. Trips are credited against the total trip generation for the site and not at specific intersections unless agreed upon and deemed in the best interests of the City.
  - vi. However, mitigation will be targeted toward intersections that are impacted by the new development
- d. Non-automobile transportation amenities
- i. Applicants are encouraged to mitigate transportation impacts and bring their impact level to acceptable levels, by providing non-auto improvements and modifications to the transportation system.
  - ii. Applicants may receive trip credits only for off site non-auto improvements approved by the City.
  - iii. Trip credits will generally be applied as mitigation according to the rates outlined in the latest edition of the City of Rockville's Comprehensive Transportation Review Methodology. and may include a combination of facilities, recognizing that certain facilities and programs are more effective in reducing trips than others.
  - iv. Up to a 10% (15 % in the CBD) reduction in new peak hour trips may be allowed for the non-auto improvements. Generally, these reductions are taken after pass-by trip reductions and before any other reductions or credits are applied. Trips are credited against the total trip generation

for the site and not at specific intersections unless agreed upon and deemed in the best interests of the City.

- v. Mitigation involving transit facilities must be done in coordination with DPW&T and WMATA, taking into account the effects such facilities may have on operational costs and transit planning.
4. Coordination with Other Jurisdictions - Auto and non-auto improvements that are within the study area(s) of the development but are outside of City boundaries, or are not controlled by the City, will require coordination with other jurisdictions. If commitment is not guaranteed during the development review process, then the Planning Commission and/or Mayor and Council may or may not grant approval for the development, may approve the development with conditions, or may waive the requirement with full and informed consent.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE TO AMEND CHAPTER 24 OF THE CITY CODE ENTITLED "ZONING" SO AS TO CREATE NEW ARTICLE XV ENTITLED "ADEQUATE PUBLIC FACILITIES" SO AS TO REQUIRE THAT PUBLIC FACILITIES BE DEEMED ADEQUATE TO SERVE DEVELOPMENT WHICH IS SUBJECT TO VARIOUS LAND USE AND DEVELOPMENT APPROVALS AND TO SET FORTH APPLICABLE PROCEDURES AND STANDARDS FOR THE DETERMINATION THEREOF

TEXT AMENDMENT T-377

BE IT ORDAINED, by the Mayor and Council of the City of Gaithersburg, Maryland, in public meeting assembled that Chapter 24 of the City Code (City Zoning Ordinance) is hereby amended to create New Article XV entitled Adequate Public Facilities", Section 24-243 through Section 24-247 to read as follows:

ARTICLE XV. ADEQUATE PUBLIC FACILITIES

**Sec. 24-243. Purpose and Intent.**

It is the purpose and intent of this Article to:

- (1) Implement the authority granted to the City of Gaithersburg pursuant to Article 66B, §10.01, Md Code Ann.
- (2) Control and manage growth in an orderly, efficient, cohesive and safe manner consistent with the economic and land use planning policies of the City and for the health, safety and welfare of its inhabitants.
- (3) Provide a mechanism and standards to evaluate and ensure that the public facilities hereafter specified are adequate or will be adequate to serve the needs generated by land use development in the development approval process.
- (4) Provide for the phasing or staging of development, conditional approvals including but not limited to requiring provision of public facilities and/or traffic mitigation to ensure the adequacy of public facilities.

- (5) Ensure that premature development does not occur and to require that development approvals are not rendered by an approving authority without a determination of the adequacy of public facilities or that such facilities will be made adequate within the reasonable foreseeable future.

#### **Sec. 24-244. Traffic Impact Study Standards**

Applications for development approvals shall be subject to the requirements set forth in the Gaithersburg Traffic Impact Study Standards, to be adopted by regulation pursuant to Section 2-10 of this Code. No application for development approval shall be approved unless it complies with the requirements of the Gaithersburg Traffic Impact Study Standards, or the applicant has obtained a determination from staff that the Standards are not applicable to the applicant's proposed development.

#### **Sec. 24-245 Adequacy of School Capacity**

With the exception of age restricted development, a schematic development plan or preliminary site plan for residential development shall not be approved if the subject property is within the attendance area of a Montgomery County Public School that is forecasted to have a student population that exceeds 110% of Montgomery County Public Schools Program Capacity two years in the future subject to the following:

- (a) The program capacity for each school attended by Gaithersburg residents is determined annually by the Superintendent of Montgomery County Public Schools and reported to the Board of Education in the Educational Facilities Master Plan and Capital Improvements Program.
- (b) Capacity shall be reviewed individually for each elementary school, middle school, and high school. Sharing of capacity between schools shall not be permitted.
- (c) Upon review of the current Communities Facilities Master Plan and Capital Improvements Program, the City Manager shall determine on the first business day of each fiscal year whether or not each public school attended by Gaithersburg residents is forecasted to exceed 110% of program capacity two years in the future.

**Sec. 24-246. Water and Sewer Service.**

- (a) **Water supply.** Development that would create a total water demand that would exceed available supply less an adequate reserve for fire-flow shall not be approved. A minimum of 1,000 gallons per minute shall be deemed adequate for the purposes of this subsection. Final water supply adequacy shall be confirmed by the Washington Suburban Sanitary Commission (WSSC) prior to the issuance of development permits.
  
- (b) **Sewer Service.** Development that would cause the City to exceed transmission capacity available at Blue Plains Wastewater Treatment Plant, Seneca Wastewater Treatment Plant or other facilities as determined by WSSC shall not be approved. Final sewer transmission capacity shall be confirmed by WSSC prior to the issuance of development permits.

**Sec. 24-247. Fire and Emergency Services.**

- (a) **Fire and emergency response.** 10 minute full response availability shall be provided for all proposed development. A full response time is defined as the time required for receiving, processing, and traveling to the site of an emergency call from at least 2 stations. Fire and rescue stations included and receiving funding in the Montgomery County Capital Improvements Program (CIP) shall be countable.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2006 by the City Council of Gaithersburg, Maryland.

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SIDNEY A. KATZ, MAYOR  
President of the Council

## Planning Growth in the 21st Century

We support the concept of redeveloping existing commercial centers as the preferred location of growth in Montgomery County. Properly located and managed, mixed use community centers that are compact and urban in form can embody our vision of sustainable living in the next century:

- Housing and transit designed to work synergistically to reduce the amount of vehicle miles driven. The reduction in vehicle miles driven reduces energy consumption and carbon dioxide emission that contributes to global warming
- Design of centers to reduce water and air pollution and include green areas
- Balance of jobs and housing opportunities within communities or along corridors with efficient transit, to increase the residents' proximity to their jobs and other activities
- Improved housing affordability, and more housing produced for the lower 60% of the market
- Healthier populace due to reduced air pollution, and opportunity to walk and/or bicycle as part of their daily activities
- Preserved agriculture reserve, and healthy ecosystems in natural parklands
- Attractive, pleasant centers that become the focus of the community
- Public infrastructure provided concurrently with redevelopment

A high level of public participation in the process, and community agreement to the final plan.

As many have noted, the location and nature of development are changing: Soon most construction will occur on land that is already developed, and surrounded by other human activity. Public support will be necessary for this development to continue. The development process has proceeded for too long in ways that undermine the public's confidence. The perception today is that development rewards private interests, at the expense of the public interest. To achieve the sustainable development we all support, it is necessary to change that perception.

Thus, we urge County officials to study closely the scheme set out in this paper. It is intended to strengthen the partnership between planning officials and communities in planning their centers, so the neighbors support redevelopment and have confidence it will be implemented as they expect. A major part of our expectation is that the public facilities and amenities included in plans be built concurrent with the redevelopment.

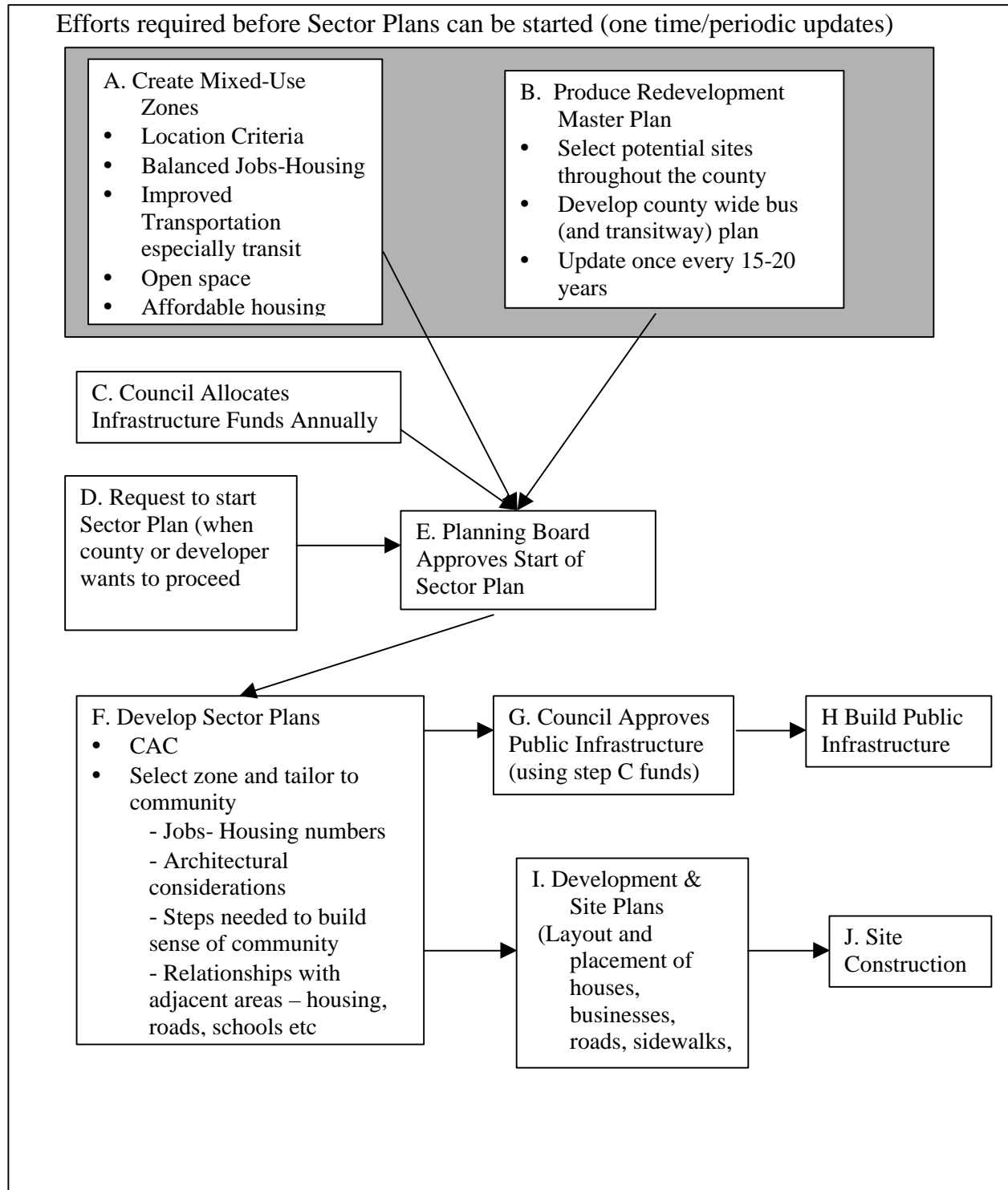
Though the development industry will continue to participate in creating these plans, the final plans must be accepted by the community. This commitment is necessary to secure agreement from many communities to the added development within their midst.

The overall process we propose is illustrated in the attached Chart. It comprises these major components:

- A countywide Redevelopment Master Plan showing which centers can be redeveloped using the new process. The Plan will also lay out the transit plan showing expanded rail lines, and major bus routes and bus service nodes;
- A set of urban mixed use zones to be applied to the centers;
- A method of ensuring public facilities and amenities are funded and available before a center can be redeveloped;
- A process for creating/amending small area sector plans for centers chosen for redevelopment.

This paper lists the goals we expect to achieve in the process of redeveloping centers. For each goal, we lay out a strategy and process for achieving it. This set of goals and process for the County's urban centers is intended to complement work by other bodies that will strengthen protection of the Agriculture Reserve, and develop a plan for Green Infrastructure

# Redevelopment Process



**Goal 1: Decrease vehicle miles driven, avoiding an increase in congestion while allowing increased density. The reduced driving will contribute to reduced air pollution, including the gases that add to global warming.**

**Strategy:** There are four related strategies to achieve this goal.

- Improve transit service throughout the urban ring and major suburban corridors. We prefer to see rail service, but efficient bus service must be provided where rail is not imminent. Transit must be good enough that many of the residents and employees in the redeveloped centers will use it and/or walk or bicycle to their destinations. The improved transit will also accommodate some existing residents who live between the redeveloped centers.
- Use the principles of Transit Oriented Development (TOD) in each redeveloped center to encourage the use of public transportation or walking.
- Improve the local road network, primarily at intersections where transit does not sufficiently reduce congestion. Improvements may include grade separated interchanges at the worst intersections. These interchanges must be designed so as not to increase impervious area or make the intersection harder for pedestrians to cross.
- Urban design, mix of uses, and job/housing balance is addressed by other goals, but these strategies contribute to the reduction in driving and put more destinations within walking or cycling distance of each other.

The bus network needs to be planned as proposed in the Transportation Policy Report, with direct and frequent backbone routes along the major roads, transfer nodes where the major routes cross or meet rail stations, and feeder buses from the transfer nodes into nearby residential, or business areas. The redeveloped centers should initially be located at rail or bus transfer nodes. From these transfer nodes, residents will be within a short walk of the frequent backbone routes. Care must be taken to improve the overall bus service in terms of frequency, hours of operation, shelters, information, comfort of the buses, etc.

**Process:** Box B in the figure shows that one of two initial efforts required to start the redevelopment process is to develop a countywide Master Plan for Redevelopment that selects center locations and transit nodes, in keeping with the Wedges and Corridors general plan. The transportation component of the Redevelopment Plan would identify the major bus routes and define any needed local road improvements.

This goal will also be implemented via land use (See Goal 4), transportation, Traffic Demand Management (TDM), and staging elements in sector plans.

**Goal 2. Reduce water and air pollution.**

**Strategy:** Impervious surface is a major concern in dense urban areas. Redevelopment of shopping centers with mixed use can reduce runoff by reducing impervious surface via green plazas, parking under buildings, and vegetated roofs. Green space and open space must be provided either as part of the redevelopment or in neighborhoods nearby. The green space will provide many environmental benefits:

- Trees will filter the air and keep temperatures cooler.
- The open space will provide areas for children to play.
- The trees, green space and open space help create a pleasant ambience in the center.

**Process.** The sector, development and site plans will address stormwater management, green space, open space and the planting of trees.



### **Goal 3. Complete the set of urban mixed use zones (Box A)**

**Strategy:** Develop a range of mixed-use zones that can be applied to centers of varying size and density. The zones should establish maximum limits in terms of density, height, setbacks, green space and open space. The precise limits and land use for each property would be set within each sector plan to tailor the design to the center's unique conditions.

These zones will regulate development in the entire range of commercial centers designated for redevelopment. New zones would complement and complete the set begun by the Central Business District (CBD) zones, the new TOMX zone applied in the Shady Grove Metro station area, and the MXTC zone applied to Olney and Damascus town centers. The zones can provide for TDR receiving areas in the mixed use centers. Concurrently, the parking chapter of the Zoning Ordinance should be amended to reduce the number of parking spaces required in centers. The zones must be written so that they can not be applied to the agriculture reserve.

**Process:** The zones would be written as part of or parallel to development of the countywide Redevelopment Master Plan (Box B). The zones would be applied to individual centers by the small sector area planning process described under Goal 4.

### **Goal 4. Produce sector plans for individual centers that both implement the countywide goals and individual community goals, and make the development process more efficient and predictable for both citizens and developers.**

**Strategy:** Sector plans (Box F) will be developed in conformance with the goals in this document, with the countywide Redevelopment Master Plan, and with the goals of the community in which it is located. Since the sector plans will cover a small area, the planning process should be faster than current master plans – expected to be less than 24 months, counting approvals by the Planning Board and Council. Some sector plans will cover a center that is currently part an area master plan. The sector plan will supersede the existing master plan for that center. To insure that plans work together to provide a seamless transition, a sector plan may make recommendations that fall just outside its boundaries. For example it may recommend the sharing of parking by a business within the center and religious institution outside the boundary.

**Process:** The chart shows the proposed sector planning process. The target schedule for a center chosen for redevelopment is

- 24 months to develop and approve a sector plan (Box F)
- 12 months to develop and approve development and site plans (Box I)
- 12 months to develop drawings and obtain building permits
- 12-24 months to complete the construction.(Box J)
- Total: 5-6 years

Once a sector plan is completed, development must follow it closely. If a change is proposed, there must be general agreement to amend the sector plan.

The group debated how to determine the sequence of sector plans prepared and centers redeveloped. One view was that the sequence of preparing sector plans for centers should be based primarily where development will likely occur and where the transit service exists or can be implemented within the five years needed to begin construction (Box E). The other view was that the sequence should be based on a public priority setting exercise, with public expenditures programmed to allow redevelopment of the highest priority centers.

## **Goal 5. Commit to adequacy of public facilities**

**Strategy:** The Redevelopment Master Plan must identify major capital improvements and estimate the magnitude of their costs. The Executive and Council should allocate an amount needed to support the centers in the budget each year – focusing five years out. The budget allocation will determine how many sector plans can be started since the number that can be started will be dependent upon the amount of funding approved. The Council would follow a two step budget process. The initial allocation (Box C) would be the total amount available each year to build infrastructure required to support sector plan build-out. Once the sector plan has been developed and approved and the detailed plans developed, they would review and approve the budget for the various items required for each sector plan. (Box G)

The following public facilities and services should be considered in preparing sector plans:

- Transit, including bus service
- School capacity
- System of roads and streets that maintains or improves level of service
- A network of pedestrian and bicycle pathways within the center, and to the center from neighborhoods and along arterial roads connecting centers
- Urban plazas and parks, and greenery from street trees to green courtyards
- Community desired retail like grocery stores and drug stores
- Needed community amenities such as libraries and community centers
- Traffic Demand Management (TDM) plans for all large centers.

**Process:** Sector plans should not be started until the council has budgeted the funds estimated to be needed to provide adequate facilities when the development is constructed 5 to 6 years in the future. Transit, pedestrian/bicycle improvements, and TDM should be the preferred means to manage road congestion. Road improvements should be considered only as if other means are not sufficient. As people grow accustomed to using alternate modes, we should reconsider whether road improvements are desirable.

## **Goal 6. Improve the balance of jobs and housing within regions of the county so that more people can live closer to where they work.**

**Strategy:** As sector plans are created and zoning applied, favor either jobs or housing to improve the balance within the community. Though balance will rarely be achieved, any improvement will reduce the length of work trips and remove some upward pressure on the price of housing.

**Process:** Individual sector plans will specify the amount of job and housing permitted in new development. Each plan will have a mix but the ratios will vary.

## **Goal 7. Expand public participation in developing and realizing master plans and sector plans for redeveloped centers.**

**Strategy:** The local citizens must be heavily represented in the original decision to redevelop a center, and in the development of master plans and sector plans. They must continue to be involved in a substantive way as plans are implemented.

**Process:** Both the Redevelopment Master Plan and sector plans will follow the Concordia process where the objective is to reach a consensus. Where a consensus can not be reached, the staff draft plan that is presented to the Planning Board will present the opposing view points, so that the Planning Board knows to focus on them. The Planning Board approved plan will be presented to the Council for approval. If

DPWT or any other government agency doesn't agree with the Planning Board decision, their position should be highlighted in the Planning Board draft. If citizens, the developer or any other group disagrees with the Planning Board draft, they will need to present their disagreement at the Council public hearing.

The Countywide Redevelopment Master Plan CAC should consist of about 40 people from all areas of the county and include county wide and regional civic groups, environmental groups, developers/business groups and other interested groups. While the Planning Department will be responsible for the overall planning process, it is important that appropriate officials at DPWT be fully engaged in designing the bus system. Individual sector plan citizen advisory groups will consist of 10-20 people composed of local citizens groups, environmental groups, developers and business. The sector plans will be the responsibility of the Planning Department and DPWT will be represented.

### **Goal 8. Improve housing affordability**

**Strategy:** The housing component of redeveloped centers will include affordable housing at a range of price levels. Housing at all price levels will meet high standards for design.

**Process:** Initiate a public process to consider how to increase the share of affordable housing produced. The sector plans for redeveloped centers may identify the amount and type of affordable housing.

Certain centers with high priority for redevelopment should be identified by the Countywide Redevelopment Master Plan. The County should consider acquiring land and working with a developer to carry out the development desired in the highest priority centers. In such cases, a high fraction of housing in the affordable range should be provided, but it must not be so high that people think of it as a center primarily for those with lower incomes.

### **Goal 9. Make the redeveloped center useful, attractive and pleasant for those who live near them.**

**Strategy:** The sector plans will address:

- The design, architecture, public spaces, amenities and needed retail to create a useful and attractive community center for nearby neighborhoods
- Pleasant access to the center by foot or bicycle
- Design that allows students to reach their school by foot or bicycle to the extent possible.

**Process:** Citizens and developers/businesses must be actively involved in the development and implementation of redevelopment plans. Once approved, plans may be changed only by a formal amendment process.