June 30, 2010

MEMORANDUM

TO:

Montgomery County Planning Board

VIA:

Glenn Kreger, Acting Chief

Vision Division

FROM:

Sue Edwards, Team Leader North Central Transit Corridor

Vision Division

₩. Nkosi Yearwood, Senior Planner (301.495.1332)

South Central Transit Corridor

Vision Division

SUBJECT: City of Rockville Maximum Expansion Limits

STAFF RECOMMENDATION:

Transmit the following comments to the City of Rockville Mayor and City Council and Planning Commission as part of the public hearing record.

- 1. Exclude all of the Montgomery County Service Park (CSP) in Shady Grove (Area A) from the City's Maximum Expansion Limits (MEL) because the County has made substantial investments in relocating public uses to create a mixed-use, transit-oriented district.
- 2. The MEL could include properties along Shady Grove Road: United States Postal Service, Great Indoors and vacant Casey 3 site at Rockville Pike (MD 355) and Shady Grove Road.
- 3. The MEL should not include any portion of Rock Creek Regional Park. The MEL in this area should be consistent with the City's 2002 Comprehensive Plan designation.
- 4. No properties south of Montrose Road should be included within the proposed MEL in "Area B". The MEL should maintain the 2002 Comprehensive Plan boundary, which terminated at Montrose Road.
- 5. The City should continue to enforce the July 23, 1992 Urban Growth Areas Memorandum of Understanding between Montgomery County and the Cities of Rockville and Gaithersburg.

6. The City should refer all future annexations to the Planning Board for review prior to any City action. This provides an opportunity to address relevant issues, such as provision of Moderately Priced Dwelling Unit (MDPU) and Workforce Housing requirements, provision of Transfer of Development Rights (TDRs), and Adequate Public Facilities Ordinance (APFO) requirements.

BACKGROUND

The City of Rockville is updating its Comprehensive Master Plan to include Municipal Growth and Water Resources Elements, as required by the State of Maryland. Article 66B of the Annotated Code of Maryland, as amended by House Bill (HB 1141), requires that all municipal comprehensive plans in Maryland include Municipal Growth and Water Resources Elements. The City of Rockville is an independent municipality with its own planning authority.

The new municipal growth element requirement holds municipal comprehensive plans to a greater level of detail than previously. Under the new requirements of Article 66B, municipalities must:

- Provide quantitative and qualitative analysis of the municipality's anticipated growth. The analysis should include a projection of future growth in population and resulting land needs based on a capacity analysis of areas selected for future municipal annexation and growth.
- Address the expected impact and demand for public services, such as fire and emergency medical services, schools, libraries and recreation.
- Identify the infrastructure needed to serve future growth and the anticipated financing mechanisms available to support public services.

PUBLIC HEARING DRAFT PLAN

The Public Hearing Draft of the City of Rockville's Comprehensive Master Plan Amendment proposes to expand the City's MEL beyond the 2002 designation. The 2002 Comprehensive Plan limited the City's future expansion to portions of the Shady Grove Sector Plan and Upper Rock Creek Master Plan areas, as well as portions of the North Bethesda Master Plan area. The Public Hearing Draft identifies "Area A" as the properties in the proposed MEL around Shady Grove and Upper Rock Creek and "Area B" as properties within North Bethesda (see Attachment 1 for Area A and Area B).

The Draft Plan notes that the purpose of the Municipal Growth Element is to examine the interrelationships among land use, population growth, employment growth and municipal boundaries; and the related impacts on public facilities and services (p.3). The City's concept for expansion limits allows the City to enlarge in an orderly manner to guide development, roads and the other public facilities needed for population growth.

The Plan states that "the benefits of including those parcels [Area A and Area B] to the City include positive fiscal impacts, more control over development in those areas, and allowing for a logical expansion of City boundaries. For the residents within the area, benefits include enhanced local representation, City police protection, City maintenance and snow removal, and access to public utilities" (p.38).

A key portion of the Draft Plan is determining future "growth within the existing city limits and within areas where the expansion of municipal boundaries (Maximum Expansion Limits)" may occur in the future (p.12). The forecasts are based on the Round 7.2 Cooperative Forecast. Planning staff provided the City of Rockville with the Round 7.2 Forecasts for the traffic zones in the MEL that are currently outside Rockville's City limits. The MEL area includes all of some traffic zones and parts of others. Staff has determined that the projected growth in Rockville's Comprehensive Plan Amendment Draft Plan is consistent with staff's projections for the MEL areas.

Annexation

No future expansion of the municipal boundary is anticipated at this time. The projected residential and non-residential growth is can be accommodated within the existing City limits and zoning. There is an existing Memorandum of Understanding (MOU) between Montgomery County and the Cities of Rockville and Gaithersburg that provides direction towards future annexations (see Attachment 2). Annexations occur when a property owner in the MEL petitions the City for inclusion into the City's boundary.

RELATIONSHIP OF MUNICIPAL GROWTH TO COUNTY MASTER PLANS

The Public Hearing Draft of the City of Rockville's Comprehensive Plan Amendment will impact the following County master and sector plans:

- 2006 Shady Grove Sector Plan
- 2004 Upper Rock Creek Master Plan
- 1992 North Bethesda Master Plan

2006 Shady Grove Sector Plan

The City of Rockville's Draft Plan recommends that the proposed MEL include a large portion of the Shady Grove Sector Plan area, including the Montgomery County Service Park (CSP). The CSP includes Montgomery County Public Schools Bus Depot; Department of Liquor Warehouse; Department of Transportation Equipment Maintenance and Operation Center; Parks Department Shady Grove Training and Maintenance Facility; and other public facilities (see Attachment 3).

Located along the eastern and western sides of Crabbs Branch Way, the Approved and Adopted (2006) Shady Grove Sector Plan recommends the redevelopment of the CSP into a mixed-use neighborhood with residential and nonresidential development and public facilities, including an elementary school, urban park and library.

Montgomery County Executive Isiah Leggett, in a letter dated June 15, 2010, expressed his opposition to including the Service Park in the MEL. He stated, "we are in the process of relocating several old industrial uses off of this key transit oriented development site as part of the Smart Growth Initiative. In conjunction with that the County is making significant investments and I believe that it is not appropriate for the City to include this property within its maximum expansion limit" (see Attachment 4 for the County Executive's letter).

The Smart Growth Initiative aims to relocate all existing public uses at the CSP to other locations in the County, and to relocate the Public Safety Training Academy (PSTA) and Police 1st District Station and Public Safety Headquarters Building that is located in Gaithersburg. The initiative is included in the County's FY09-14 Capital Improvements Program.

The Planning staff concurs with the County Executive's recommendation.

2004 Upper Rock Creek Master Plan

Unlike the City's 2002 Master Plan, the proposed MEL will include segments of Rock Creek Regional Park, which is in the 2004 Upper Rock Creek Master Plan. The Upper Rock Creek Master Plan notes that Rock Creek Regional Park is a primary component of the park system within the Plan area. A primary goal of the Master Plan is to protect environmental resources and maintain stream quality, forests and wetlands in a natural state. Including two segments of the park within the MEL begins to raise issues regarding ownership, use, and management of the parkland between two independent Parks agencies, the City's parks department and M-NCPPC. Consequently, the MEL should not exceed by extending into the park.

1992 North Bethesda Master Plan

The Public Hearing Draft Plan recommends that the MEL include properties south of Montrose Road and west of "Old" Old Georgetown Road/Hoya Street (Attachment 5, Area B). The Approved and Adopted (1992) North Bethesda Master Plan made specific recommendations for three properties within Area B: Armstrong and Mervis, Maryland National Bank and Wilgus. Both the Armstrong and Mervis, and Maryland National Bank properties have developed with townhouses in the R-200/TDR 11 zone and R-60/TDR-15 zone, respectively.

The North Bethesda Master Plan retained several zones for the Wilgus property, including the multifamily (R-20), Limited Commercial (C-4) and Low–Density Office (C-5). It also recommended the Planned Development (PD-44) and Office-Moderate (OM) zones to encourage redevelopment of the property. A portion of the Wilgus property is vacant, while the other contains a gas station and the Cherington townhouse community.

The 1992 North Bethesda Master Plan made no specific recommendations for the Washington Science Office Park along Executive Boulevard.

The City's Draft Plan notes the positive fiscal benefits, control over future development, and the use of Rockville as an address as the primary reasons for expanding the MEL in this area. However, Montrose Road and Randolph Road remain the most rational boundary. Staff supports the County Executive's position that "Montrose Road continues to be the logical boundary for the City's maximum expansion limits."

Furthermore, the Planning Department expects to begin a sector plan, White Flint Phase II, in the near future that will address gaps and establish linkages in land use, zoning and transportation recommendations between the City of Rockville, Twinbrook Sector Plan area, and White Flint Sector Plan Phase I.

2009 Twinbrook Sector Plan

Although not part of the proposed MEL, the Twinbrook Sector Plan is included in the 2002 Master Plan expansion limits. The 2009 Twinbrook Sector Plan recommends mixed-use development in close proximity to the Metro and the retention of light industrial uses. The Twinbrook Plan also recommended a variety of public facilities and amenities, bikeway connections and streetscape improvements. Any future annexation should be consistent with the recommendations in the 2009 Sector Plan.

FUTURE ACTION

The City of Rockville Planning Commission will render its decision and recommendations to the City's Mayor and Council in July 2010. A public hearing is scheduled for September 13, 2010 with the City's Mayor and Council. The Growth and Water Resources Elements Plan will be transmitted to the State of Maryland Planning Department by November 2010.

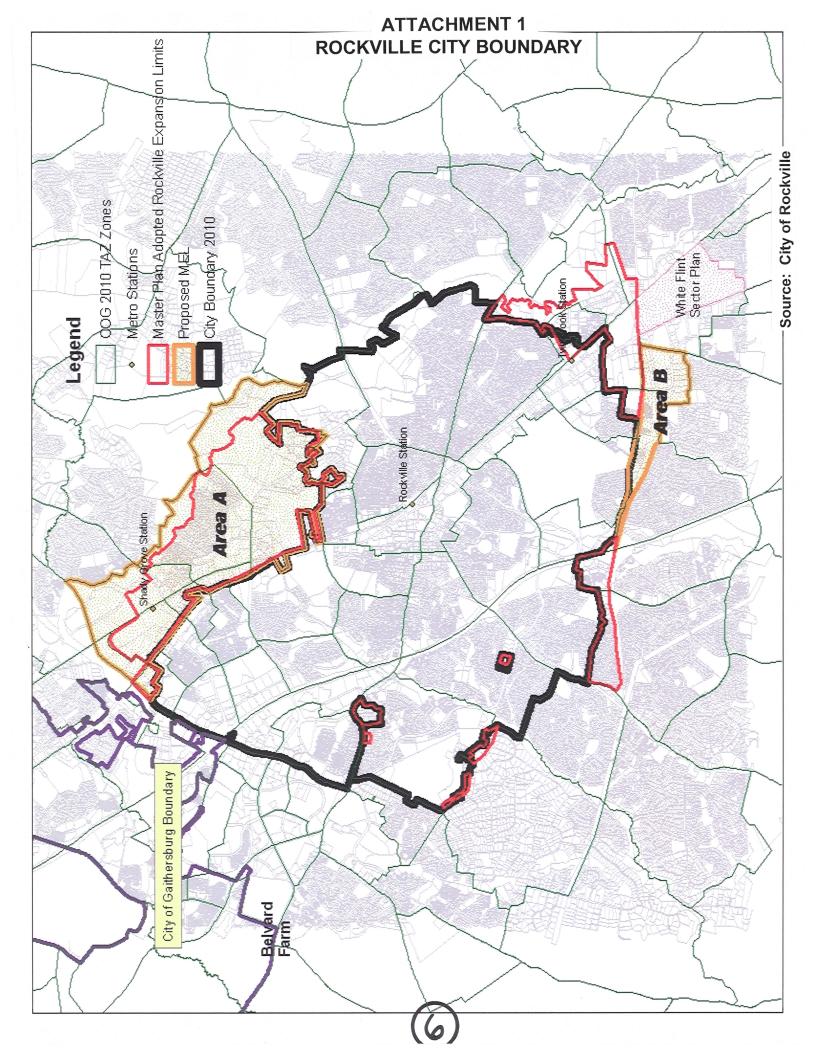
CONCLUSION

The City of Rockville's MEL should be based on logical and natural or physical boundaries that do not threaten the economic growth of Montgomery County. The City should revise the proposed MEL to exclude the County Service Park and Rock Creek Regional Park within Area A. Area B should be revised to exclude properties south of Montrose Road.

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Attachments:

- 1. Overall Rockville City Boundary
- 2. Annexation Memorandum of Understanding
- 3. Proposed Maximum Expansion Limits (MEL)-Area A
- 4. County Executive letter to the Mayor of Rockville and Council
- 5. Proposed Maximum Expansion Limits (MEL)-Area B



FACT SHEET

Memorandum of Understanding Between Montgomery County and the Cities of Rockville and Gaithersburg

The following is the full text of the Memorandum of Understanding about Urban Growth Areas that was signed by the Montgomery County Executive and the Mayors of Rockville and Gaithersburg. This document was signed on July 23, 1992.

All parties to this Memorandum of Understanding share the conviction that the area's quality of life is dependent upon the maintenance of economic vitality. It is the economic base that helps provide the resources to support the services which make living in this area so attractive.

In order for Rockville, Gaithersburg, and Montgomery County to continue to enjoy the quality of life people have come to expect, it is essential that all jurisdictions support well-managed economic development and housing initiatives which will be mutually advantageous to all parties, and agree to the goals and principles of the General Plan.

Therefore, the Montgomery County Executive and the County Council of Montgomery County, sitting as the District Council, the Mayor and Council of the City of Rockville, and the Mayor and Council of the City of Gaithersburg agree to the following:

- 1. The City Councils, the County Council, and the Executive agree to work cooperatively to determine logical urban growth areas and to established boundaries which will serve as guidelines for a twenty-year planning horizon regarding:
 - 1) Land use and required community facilities,
 - 2) Capital investment responsibilities, and
 - 3) Logical and efficient operating service areas.
- 2. Montgomery County will base its position of support on annexations upon the above three considerations and the designation of logical urban growth areas by Rockville and Gaithersburg. The Cities and the County

will develop procedural guidelines for handling annexation agreements.

- 3. Rockville and Gaithersburg recognize the County's goal of requiring adequate public facilities in order to assure managed growth and acknowledge their accountability for the cooperative achievement of such goals. Within its boundaries each City will. however, assume responsibility for and determine how those goals should be measured and attained. It is the mutual intent of all parties that project funding and staging will relate to the timing of public facility availability and to that end will consult with each other as necessary to assure attainment of desired goals.
- 4. The County recognizes the ability of the two Cities to develop and implement public interest solutions to growth management concerns. City or County development plans for land located within the urban growth areas and on adjacent areas should seek to achieve the land use, transportation, and staging objectives of each of the affected jurisdictions, as defined in duly Approved and Adopted master, Sector, or Neighborhood Plans. Every effort should be made by all parties to reconcile any differences in those objectives.
- 5. The City Councils, the County Council, the Executive, and the Montgomery County Planning Board agree to work on a cooperative basis in the development of plans and programs, including development districts, that affect parcels within the

urban growth areas. Changes in land uses, staging, or zoning proposals for parcels within the urban growth areas will only be undertaken after the participation and consultation of the other parties. Any land annexed by either Gaithersburg or Rockville should include a staging component in the annexation agreement.

- 6. Rockville and Gaithersburg endorse the R & D Village concept outline in the Shady Grove Study Area Adopted Plan as being in the best interest of both Cities and the County.
- 7. Rockville and Gaithersburg recognize the importance of creative development initiatives such as Moderately Priced Dwelling Units (MPDU) and Transferable Development Rights (TDR). The Cities will continue to utilize these and other appropriate innovative concepts to further the common development goals for the area.

- 8. The Cities will cooperate in a master traffic control plan and transportation (including transit) system for the County.
- 9. The principles contained within this Memorandum are meant to apply to all future actions pertaining to land in the Cities or on or near the Cities' borders.
- 10. We recognize the importance of moving ahead on an early basis to establish a schedule of action and agree to meet frequently on these important issues.

Source: City of Rockville

ATTACHMENT 4



OFFICE OF THE COUNTY EXECUTIVE ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

June 15, 2010

Mayor Phyllis Marcuccio and Council City of Rockville 111 Maryland Avenue Rockville, Maryland 20850

Dear Ms. Marcuccio:

Thank you for the opportunity to comment on the Public Hearing Draft of the City of Rockville's Municipal Growth Element and Water Resources Element. I commend the Mayor and Council and the City of Rockville Planning staff on preparing a comprehensive and current proposed Municipal Growth Element. I am concerned though with two areas that are proposed for inclusion within the City's maximum expansion limits. The Draft plan proposes to include the County Service Park which is owned by Montgomery County. We are in the process of relocating several old industrial uses off of this key transit oriented development site as part of the Smart Growth Initiative. In conjunction with that the County is making significant investments and I believe that it is not appropriate for the City to include this property within its maximum expansion limit. The second area about which I am concerned, is an area adjacent to the White Flint Sector Plan and on the south side of Montrose Road. I believe that Montrose Road continues to be the logical boundary for the City's maximum expansion limits.

Thank you for the opportunity to present comments on the Public Hearing Draft of the Municipal Growth Element, Comprehensive Master Plan dated April 2010. My staff and I are available to answer any questions that you may have.

Sincerely.

Isiah Leggett

County Executive

cc: Nancy Floreen, Council President

Source: City of Rockville