




MONTGOMERY COUNTY PLANNING DEPARTMENT
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MCPB
Item #
7/22/2010

To: Montgomery County Planning Board
From: Rose Krasnow, Chief of Development Review 
Subject: Establishing Fees for Sketch Plans
Date: July 12, 2010

When submitting an optional method plan under the newly adopted CR zone, both a sketch plan and site plan are required. A site plan has long been in use and must be filed under Division 59-D-3 of the Zoning Code. A sketch plan is a new requirement established in Division 59-C-15.42, which states the following:

- (a) A sketch plan application must contain:
 - (1) A justification statement that addresses how the project meets the requirements and standards of this Division for optional method development and describes how the development will further the objectives of the applicable master or sector plan;
 - (2) An illustrative plan or model that shows the maximum densities for residential and non-residential uses, massing, and heights of buildings, locations of public use and other open spaces; and the relationships between existing or proposed buildings on adjoining tracts;
 - (3) An illustrative diagram of proposed vehicular, pedestrian, and bicycle access, circulation, parking, and loading areas;
 - (4) A table of proposed public benefits and the incentive density requested for each; and
 - (5) The general phasing of structures, uses, public benefits, and site plan applications.

- (b) Procedure for a sketch plan:
 - (1) Before filing a sketch plan application, an applicant must comply with the provisions of the Manual for Development Review Procedures, as amended, that concern the following:
 - (A) Notice
 - (B) Posting the site of the application submittal; and
 - (C) Holding a pre-submittal meeting
 - (2) A public hearing must be held by the Planning Board on each sketch plan application no later than 90 days after the filing of an optional method development application, unless a request to extend this period is requested by the applicant, Planning Board staff, or other interested parties. A request for an extension must be granted if the Planning Board finds it not to constitute prejudice or undue hardship on any interested party. A recommendation

regarding any request for extension must be acted upon as a consent agenda item by the Planning Board on or before the 90 day hearing period expires. Notice of the extension request and recommendation by Staff must be posted no fewer than 10 days before the item's agenda date.

- (3) No fewer than 10 days before the public hearing on a sketch plan, Planning Board staff must submit its analysis of the application, including its findings, comments, and recommendations with respect to the requirements and standards of this division and any other matters that may assist the Planning Board in reaching its decision on the application. The staff report must be included in the record of the public hearing.
 - (4) The Planning Board must act within 30 days after the close of the record of the public hearing, by majority vote of those present and voting based upon the hearing record, to:
 - (A) Approve;
 - (B) Approve subject to modifications, conditions, or binding elements; or
 - (C) Disapprove.
- (c) In approving a sketch plan, the Planning Board must find that the following elements are appropriate in concept and appropriate for further detailed review at site plan:
- (1) The plan: (A) meets the requirements and standards of this Division; (B) will further the objectives of the applicable master or sector plan; and (C) will provide more efficient and effective development of the site than the standard method of development;
 - (2) The proposed building massing and height and public use and other open spaces are located and scaled to achieve compatible relationships with each other and with existing and proposed buildings and open space adjacent to the site and with adjacent communities;
 - (3) The general vehicular, pedestrian, and bicyclist access, circulation, parking and loading areas are adequate, safe, and efficient;
 - (4) The proposed public benefits and associated requested incentive density will further the objectives of the applicable master or sector plan and the objectives of the CR zones; and the general phasing of structures, uses, public benefits, and site plans is feasible and appropriate to the scale and characteristics of the project.

With the anticipated adoption of the White Flint Sectional Map Amendment during the month of July, staff understands that several developers plan to submit applications for optional methods projects within the CR zone quickly thereafter. Since a sketch plan has not existed heretofore, staff must prepare an application checklist outlining all of the information required for submittal of a sketch plan, and the Board needs to approve a fee schedule before these plans can be accepted. While it is anticipated that sites in White Flint will proceed sooner than other areas with a CR designation, these fees would apply to all CR zoned properties in the County.

Staff has held numerous discussions in preparation for this Board item and has determined that a sketch plan, in concept, is similar to a project plan required in the CBD, RMX, TMX, and TOMX zones. Originally, a project plan was supposed to be conceptual in nature; over time, however, it has become so detailed

that it almost makes the need for a site plan irrelevant. Because it has become so specific, staff would argue that our fees for project plans have actually been too low. It is staff's hope to keep the sketch plan at a more conceptual level, with diagrammatic plans showing where buildings, open space, and circulation patterns are intended to be. Nevertheless, many significant issues will have to be resolved during the sketch plan review, including, most notably, whether the package of benefits proposed by a developer is sufficient to "earn" the density desired and whether the development is consistent with the applicable master plan. Staff also recognizes that attention will have to be paid to the proposed project's feasibility in light of the new stormwater management regulations requiring environmentally sensitive design to the maximum extent practicable. In other words, the review of a sketch plan will not be a simple matter. Moreover, since sketch plan approval lays the groundwork for submittal of both preliminary and site plans, the public will clearly want to be very involved in this review process, which will also take considerable staff time.

Staff also took into account that one of the purposes of the CR zone is to encourage greater densities in areas near transit facilities and other existing infrastructure. In the past, even when the allowable FAR was quite high, most applications that were received did not come close to reaching this FAR, in part because height limitations made achieving such densities very difficult. The CR zone actually increases the density achievable and established incentives that provide a number of possible ways to reach the maximum allowable density while also resulting in significant benefits for the public. As a result of this new zone, staff anticipates that many of the applications may be larger in terms of square footage than what was frequently seen before. In other words, it was important to put a fee schedule into place that would cover the costs of review without becoming so high as to be a deterrent to the higher densities desired.

The fees currently charged for project plans for project plans are as follows:

Residential: \$4500 Base Fee plus \$75/du
Commercial: \$4500 Base Fee plus 0.15/sf

Staff has based the proposed fees on the assumption that there needs to be two tiers – those projects that are 500,000 square or less and those that are 501,000 square feet or more. Moreover, it should be kept in mind that, under the CR zone, the **number** of dwelling units is not taken into account in determining application fees at the sketch plan phase because the key factor being analyzed is overall density or FAR. This means that the fee will be based on total proposed square footage, regardless of the use, so in the schedule shown below, there is no fee based on the number of dwelling units. Rather, the square footage of those dwelling units will be charged the same amount as any other square footage in the project.

In light of the above, staff proposes the following fees:

Commercial and residential:

Base Fees:

Up to 20,000 square feet: \$ 5,000

Greater than 20,000 square feet: \$10,000

Plus:

For projects of 0 – 500,000 square feet: 0.20/sf

500,001 – 1,000,000 square fee 0.25/sf

Fees for projects greater than 1,000,000 square feet would be capped at \$260,000.00, which is the fee that would be charged for a project with 1 million square feet. (Base Fee of \$10,000 + 1,000,000 sf/0.25 = \$260,000.)

In an effort to compare the fees with those currently being charged for project plans, staff looked at a number of development scenarios and calculated what the fees would have been under the existing project plan fee schedule vs. the amount that would be collected under the proposed sketch plan fee schedule. Keep in mind that although the fees are higher, staff believes that they are justified by the complexity of issues that will have to be resolved at the sketch plan level. In addition, staff assumes that following approval of a sketch plan, many applicants will seek to have their preliminary and site plans reviewed concurrently. Staff is looking into ways to reduce fees for these later plans when that scenario occurs.

Example 1:

500 Dwelling Units and 59,500 square feet of retail:

Project Plan Fee:

\$4500 Base fee for residential plus \$75.00/du = \$42,000

\$4500 Base for commercial + 59,500 sf of retail/0.15 = \$13,425

Total: \$55,425

Sketch Plan Fee:

\$10,000 Base Fee + 559,500 sf/0.25 = **\$149,875 Total Fee**

Example 2:

7500 square feet of retail plus 125,000 sf of office

Project Plan Fee:

\$4500 base for commercial plus 132,500/0.15 = **\$24,375 Total Fee**

Sketch Plan Fee:

$$\text{\$10,000 Base Fee} + 132,500/0.20 = \text{\$36,500 Total Fee}$$

Example 3:

350 dwelling units plus 800,000 sf of commercial

Project Plan Fee:

$$\text{\$4500 Base Fee for Residential} + \$75/\text{du} = \text{\$30,750}$$

$$\text{\$4500 Base Fee for Commercial} + 800,000 \text{ sf}/0.15 = \text{\$124,500}$$

Total: \\$155,250

Sketch Plan Fee:

1,150,000 square feet (assuming 1000 sf/du):

$\text{\$10,000 Base Fee plus } 1,150,000/.25 = \text{\$297,500}$, however, fee is capped because project exceeds 1,000,000 square feet so **Total Fee = \\$260,000**