

ITEM #3: GROVE SHOPPING CENTER

Staff Recommendation: Revise Public Hearing Draft Recommendation. Rezone to the RMX-2C Zone. Optional method will be considered for only senior housing and no additional commercial uses.

Discussion

This property is suitable for the RMX-2C Zone to achieve mixed-use development with potentially senior housing while allowing for growth of the neighborhood retail center. It is desirable to create a mixed-use center along Shady Grove Road, upgrade the existing center and contribute to creating the Shady Grove Technology Corridor.

The existing C-1 zoned shopping center on a 21-acre site contains 92,000 square feet of commercial uses including a grocery store, day care center, gas station, fast food restaurant, and other small stores and restaurants. It is currently lacking in amenities and mixed uses that would support the vision for this area.

Public Hearing Draft Recommendation

- Retain the existing C-1 zoning and encourage additional mixed-use redevelopment, specifically senior housing.
- Reconfigure parking into a more efficient layout with improved pedestrian access and increased shade trees.
- Provide pedestrian-scaled lighting.
- Landscape the I-370 Corridor and interchange with a significant amount of trees to buffer the sight and sounds of traffic and contribute to reforestation of the right-of-way.
- Extend continuous sidewalks on the south side of Shady Grove Road to connect existing sidewalk segments.
- Participate in providing a pedestrian underpass across Shady Grove Road to make a safe pedestrian crossing to Metro.

Testimony

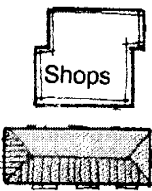
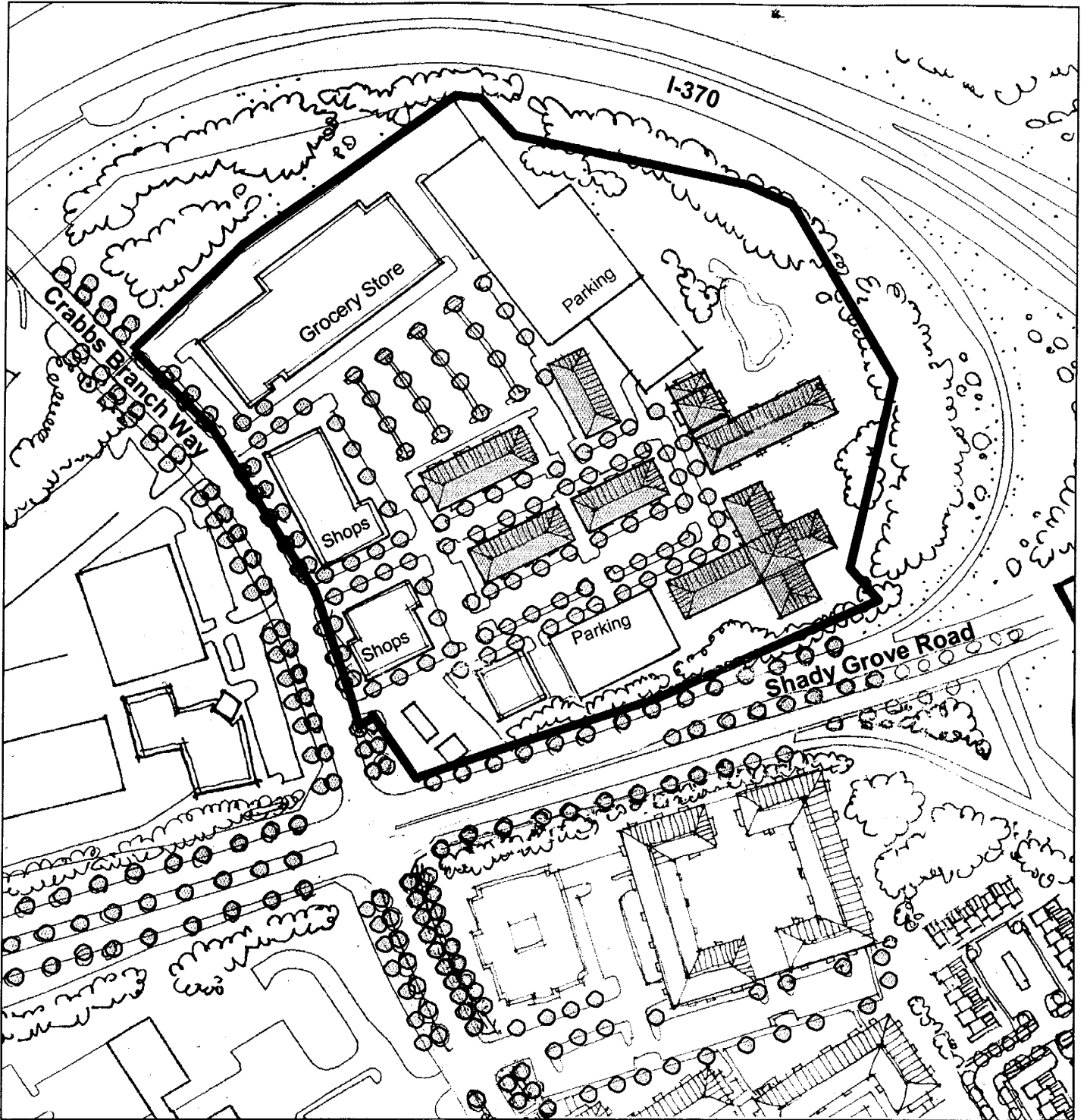
The community supports the Plan's recommendations, especially the pedestrian elements that improve the safety and overall attractiveness of Shady Grove Road. The community has not commented on the revised zoning. The property owner supports the rezoning to the RMX-2C Zone and agrees with the amount of square feet recommended for the center.

Analysis

Land Use

The RMX-2C Zone permits approximately 274,500 square feet of commercial uses, a maximum of .3 FAR of mixed use commercial and a potential 300 units at 14.5 du/ac. The optional method of development allows approximately 457,000 square feet or a .5 FAR of mixed-use commercial and 40 du/ac. Under the current C-1 Zone, there is no FAR limit. Site plan review is required in both zones. In C-1, site plan is required for parcels over 15 acres.

The Grove Shopping Center



Mixed Use Commercial

Mixed Use Residential

Not to Scale

Retail centers in the general vicinity of the Sector Plan include The Grove, Redmill Center at Muncaster and Redland Road, and the mixed-use retail center at King Farm. The amount of existing retail is approximately 338,000 square feet of retail and restaurant uses. Another 170,000 square feet is planned for the Metro Neighborhoods, to be dispersed along main streets and at the Metro station. With .3 FAR on The Grove, the total amount of commercial retail uses serving the vicinity would potentially reach 693,000 square feet.

Existing and Potential Retail in Shady Grove Vicinity

King Farm	201,750 SF
Redmill Center	46,800 SF
The Grove (existing)	92,000 SF
Additional SF under RMX	182,500 SF
Potential in Metro Neighborhoods	<u>170,000 SF</u>
Total	693,050 SF

Staff supports expanding The Grove to create a mixed-use center that supports the vision of the Plan. RMX-2C standard method will result in a mixed-use center consistent with densities appropriate for the Buffer Area, resulting in building heights not to exceed three stories. Site plan is required.

Staff would support the optional method of development under RMX zoning if additional development above the standard method were limited to elderly housing. This type of development would not impact school capacity or add significant traffic congestion. Staff does not support optional method for additional commercial or general housing because the allowable commercial density of .5 FAR and 40 du/ac would exceed school capacity and add significant traffic congestion.

Additional Design Guidelines for RMX-2C development are recommended:

- Create a street system with street oriented development and sidewalks to facilitate circulation and pedestrian access.
- Provide outdoor gathering space within the mixed-use commercial center for public enjoyment and social interaction.
- Integrate residential development within the mixed-use commercial center. Screen residential development from I-370 Corridor and interchange.

Transportation

The increased traffic generated by .3 FAR commercial development and approximately 15 du/ac can be accommodated within the transportation capacity of the street system. A pedestrian underpass across Shady Grove Road will improve Metro Neighborhoods' access to The Grove. The pedestrian underpass will be required prior to Stage 3 after 50 percent build-out of the Plan. The property owner should participate in providing the pedestrian underpass and a sidewalk on the south side of Shady Grove Road where existing sidewalk segments need to be linked into a continuous sidewalk connection.

ITEM #4: CASEY 7 PROPERTY

17 acres, northwest of Shady Grove Road and Crabbs Branch Way

Staff Recommendation: Recommend this property for the relocation of portions of the County Service Park. Approve the I-3 Zone with an option for a PD-18 with a maximum of 300 dwelling units, should the site not be developed with County Services.

Discussion

Staff recommends a reconsideration of the PD zoning for this subject site to achieve an FAR more comparable with adjacent properties and to respond to property owner concerns.

Testimony

Property owners testified that they would support the I-3 Zone for the property and requested a PD Zone that would result in their ability to achieve 300 dwelling units. Recently, they have submitted a request to permit a PD-18 option to achieve 300 dwelling units with the MPDU bonus in addition to the 300 unit yield (see attached letter from Holland and Knight).

Analysis

Land Use

During Worksession #4, staff recommended a PD-15 for the subject property permitting up to 300 units with the MPDU bonus. Without the MPDU bonus, a PD-15 yields approximately 255 units or a .4 FAR, which is lower than recommended for other properties in the Shady Grove Technology Corridor. Across Shady Grove Road, the Department of Liquor Control is recommended for a .5 FAR as are all the technology properties. The Grove, across Crabbs Branch Way is recommended for a .3 FAR with 14.5 du/ac because it is in the Buffer Area.

To be more consistent with recommended FAR within the Shady Grove Road Corridor and to achieve 300 units on Casey 7, staff recommends the PD-18 Zone.

Transportation

Transportation analysis was based upon the potential relocation of the County Service Park. If the properties are developed for housing instead, adequate transportation will be maintained with fewer trips generated.

All other design guidelines for noise and screening remain as approved in Worksession #4 if the land is residentially developed.

ITEM #5: CASEY 3 PROPERTY

Staff Recommendation: Maintain the Plan's recommendation to rezone this site from I-1 to R&D and I-3 with housing option, up to .5 FAR, allowing technology, research and development, and office uses. Housing at a maximum of eight du/ac may be allowed if compatibility can be provided with the Solid Waste Transfer Station (SWTS).

Discussion

This 13.5-acre, vacant site offers significant development potential at a gateway location in the Shady Grove Road Technology Corridor. The site is bisected by a Class IV stream and has associated wetlands on its eastern end. The SWTS is east of the property and The Great Indoors store is immediately to the north.

Public Hearing Draft Recommendations

- Provide technology, research and development, and office uses to create a technology corridor.
- Preserve existing wetlands, provide afforestation along MD 355, and maintain required stream buffers.
- Orient buildings and entrances toward Shady Grove Road and screen all parking facilities from major roads.
- Consider a fire and rescue station on this site.
- Rezone from I-1 to R&D with optional I-3 with housing.

The housing option is included to be consistent with the overall policy to encourage housing in the planning area.

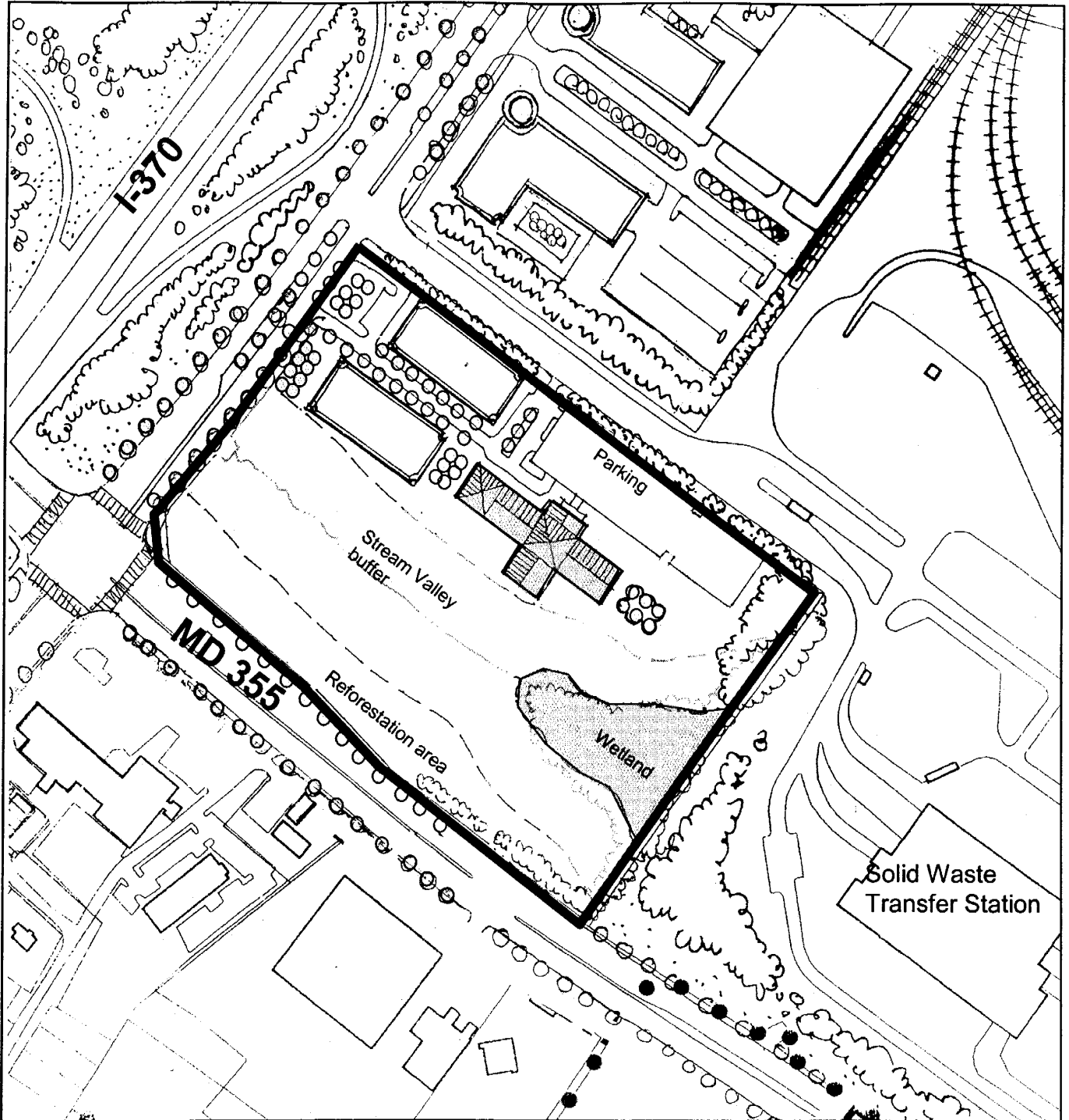
Testimony

The property owner does not object to the R&D Zone or to the optional I-3 Zone if they can achieve a .5 FAR of housing development without staging restrictions. They have requested PD zoning at 22-25 du/acre for residential development. The property owner disagrees with placing this property in Stage 4, the afforestation reserve along MD 355, and any public use, including a fire and rescue station. See attached letter from Linowes and Blocher.

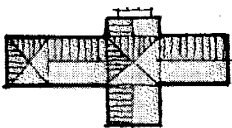
The Montgomery County Fire and Rescue Service requests approximately four to five acres of the site be designated for a new fire station with rescue and emergency medical service units, and other specialized services to meet a current and projected lack of service. MCFRS has submitted a letter noting its intention to purchase the property.

The County Executive supports the Technology Corridor and the location of a fire and rescue station, library, or other public uses such as a neighborhood park on this site.

Casey 3



Not to Scale



Residential Multi Family



Research, Technology, Office

Analysis

Land Use

This highly visible corner property is a gateway site and offers an excellent location for signature technology or office uses. The environmental constraints of stream and wetlands place the site's buildable area on the property's north side. These constraints also limit potential development along MD 355, creating a narrow lot depth, and environmental and access issues.

Technology uses are a compatible land use with the SWTS. Trucks regularly line up, waiting to get into the station along the site's northern boundary, creating unpleasant visual, noise, and odor impacts.

Achieving a compatible relationship with the SWTS will be a challenge. Residential development is feasible, but would be negatively affected by proximity to the SWTS truck access. Mixed-use development, providing both technology and housing, is feasible if garages buffer uses from the noise and odors of the SWTS. Residential development allowed under the I-3 mixed-use housing option at eight du/acre would yield approximately 100 multi-family units. If provided, these units should be sited away from the incompatible northern edge of the site while still achieving technology uses along Shady Grove Road.

The narrow lot depth created by the stream valley buffer and the Plan's recommendations to establish an afforestation reserve restrict redevelopment along MD 355. If afforestation is not approved for this area, there is a potential for limited development between MD 355 and the stream valley buffer. Strip development that such a narrow site would generate along the MD 355 side of the site is not desirable. The frontage depth without afforestation ranges from primarily 80 feet to 120 feet. Also, access is constrained by MD 355's right turn lane.

The Plan's language should be modified to clarify that no development along MD 355 should be permitted, given the access and environmental constraints.

The Plan's recommendations result in the following densities:

R&D Zone	.5 FAR, 294,000 sf
I-3 Zone	.5 FAR, 294,000 sf
I-3 Zone w/ housing, 8 du/acre	108 du, 260,000 sf

Higher housing yields allowed under the I-3 Zone (housing at 12.5 du/acre including TDRs) results in approximately 170 units. This amount of housing developed along with technology uses will exceed five-story buildings. To maintain focus on the Metro station and to be consistent with heights in the area, buildings here should not exceed five stories.

The property owner's requested PD-22/25 option for the site would generate approximately 300 units in buildings of six to seven stories, and would preclude technology uses on the site. Furthermore, this site is not part of a residential

neighborhood and is bordered by industrial uses and transportation barriers. Primarily residential development is not desirable and will not contribute to the creation of a technology corridor. Staff does not support a PD-22/25 development level on this site.

Environment

A Category IV stream bisects this site, running parallel to MD 355 with wetlands located at the eastern property line adjacent to the SWTS. The required 125-foot stream valley buffer leaves approximately 5.8 acres of buildable area on the site's northeast side. The Plan also designates an afforestation reserve along MD 355 to help rebuild the woodland coverage associated with Category IV streams. Access to the remaining 80 to 125-foot deep buildable area is constrained by the MD 355 turn lanes, making afforestation the best use of this area. Building a reserve of forest helps remedy the lack of forest further south in the Metro Neighborhoods.

Public Facilities

The Montgomery County Fire and Rescue Service's request for between four and five acres would allow a Class I or Class II facility of between 15,000 to 18,000 square feet, most likely located on the northern portion of the site. Public use on this site will most likely require acquisition.

This site's location provides access to existing and future service areas and will help reduce response time. It is an appropriate location for this public use. It is not appropriate for a public park because it is isolated from residential communities. Any use on this site would have to respect the stream valley buffer and afforestation requirements.

ITEM# 6: ZONING

Staff Recommendations:

- Create a new transit-oriented mixed-use zone for the Metro Neighborhoods to replace the TS-R or TS-M zones as new master plans and sector plans are created.
- Approve a PD-22 for the Old Derwood Post Office and Store.
- Amend the Research and Development Zone (R&D) to grandfather in The Great Indoors as a permitted use.
- Amend the I-1 Zone to require streetscaping for automobile-related uses.
- Amend the I-1 Zone to permit business service uses.

TRANSIT-ORIENTED MIXED-USE ZONE

Discussion

This transit zone will allow densities and uses that help create new town centers and transit-oriented development outside of Central Business Districts (CBDs), within the I-270 Corridor, and other areas of the County.

The Public Hearing Draft recommends a new zone that would allow redevelopment of Metro Neighborhoods, including Metro North, South and West. This new MXR Zone will serve as the replacement to the TS-R and TS-M zones through sector and master plan amendments.

There are several long-term benefits of replacing the existing transit station zones. First, the long procedural process for applying for a floating zone, which can take six to 12 months or more between application and County Council approval would be eliminated with a Euclidean Zone. The development review process would become more efficient, similar to existing CBD zones.

Second, these standards will allow implementation of transit-oriented development that allows development at transit stations in concert with the urban form, mixture of uses, public use spaces, and densities recommended in a master plan or sector plan.

Third, the proposed zone will improve the TS-R and TS-M development standards by refining design standards, including bonus densities for MPDUs, and requiring public use space and amenities.

Fourth, a new zone is required to equitably distribute densities on the proposed new street network for Metro West, South, and North. A Euclidean Zone provides all property owners the option of developing at higher densities with appropriate uses.

Finally, the proposed zone will have positive Countywide implications for all non-CBD centers, including Shady Grove, Twinbrook, stations along the future Corridor Cities Transitway, and Purple Line stations by supporting transit-oriented development.

Zones for Shady Grove Metro Neighborhoods

Staff has evaluated existing CBDs, mixed-use, and transit station zones and does not recommend these zones due to several limitations.

Central Business Districts

Designating Shady Grove as a Central Business District is a significant land-use policy change and is not appropriate given the major employment focus of CBDs. In lieu of this significant policy and land-use change, staff recommends a new transit station zone that would achieve compact, mixed-use, transit-serviceable centers not only at Shady Grove, but also at Twinbrook and other areas of the County.

Mixed-Use Zones (MXP, MXN, RMX and PN)

Mixed-Use Planned Development (MXP), Mixed-Use Neighborhood (MXN) and Planned Neighborhood (PN) are floating zones that have been used in Clarksburg and other parts of the County to create green-field development. These zones have not been used for development close to transit stations for the following reasons.

First, minimum land area of 20 acres is required for both MXP and MXN. This amount of land is normally under single ownership instead of the multiple owners surrounding transit centers. Additionally, the total density is limited to .3 FAR for the MXN.

Second, the PN Zone requires a calculation to determine minimum land area, and density is determined by the provision of an elementary school and at least one to 15 persons/acre. This density level supports a suburban type of development instead of the mixed-use, higher densities associated with transit areas. Furthermore, these floating zones are process-oriented and require approval by the County Council.

Third, they have a high green area requirement, 50 percent required for both MXP and MXN. Given the multiple ownership that surrounds transit stations, including Shady Grove and Twinbrook, a zone similar to a CBD Zone is the best approach to encourage redevelopment, promote transit-oriented development, and create an efficient review process.

Staff also examined the Residential-Mixed Use (RMX) Zone, which unlike the other zones, is a Euclidean base zone. The 30 du/ac residential density in the RMX zones is not sufficient for transit development. Further, RMX zones are commercially oriented with limited FARs beginning at 0.35 to 0.5 FAR.

The RMX Zone is useful in converting existing commercial centers, such as Cabin John Center in Potomac, Glenmont Shopping Center, and The Grove into mixed-use centers but its lower densities are not appropriate for transit stations.

TS-R, TS-M and PD Zones

Transit Station-Residential (TS-R), Transit Station-Mixed (TS-M), and Planned Development (PD) zones have been used for areas surrounding transit stations, including Grosvenor, White Flint, and Twinbrook. These floating zones require considerable time between the submission of the rezoning petition and County Council approval.

The TS-R and TS-M zones require smaller land areas than other floating zones, 18,000 and 40,000 square feet, respectively. The densities are appropriate for transit areas. The TS-R and TS-M zones do not achieve the public amenities and public use space required for transit development. The lengthy process associated with both zones has limited the potential of the zone. For example, the 1990 Shady Grove Study Area Plan recommended 1,250 dwelling units and one million square feet of development under both zones but no property has redeveloped under this method.

The PD Zone allows densities from two to 100 dwelling units per acre. The process, similar to other floating zones, limits the PD Zone and the amount of green area required to medium density development. The green area requirement for densities between 15 du/acre to 44 du/acre is 50 percent of the gross site area. This amount is difficult to achieve at transit centers. Higher PD densities reduce the green area to 30 percent of the gross area. Additionally, any PD zoned land should be large enough to construct 50 or more dwelling units. PD zones generally do not provide sufficient non-residential floor area to create a desirable mixed-use neighborhood at a Metro station.

Elements of the New Transit Zone

After evaluating the existing zones, staff recommends a new Euclidean transit zone that will begin the process of phasing out the TS-R and TS-M zones through master plan and sector plan amendments. The proposed zone will have the following characteristics:

- A Euclidean Zone with standard and optional method procedures similar to CBD zones
- A range of uses including residential, office, retail, commercial, biotech, and institutional. Residential uses will be the emphasis
- An efficient two-step review process with combined project plan/preliminary and site plan for optional method projects and site plan review for all development
- A range of densities from .05 FAR to 3.05 FAR, the minimum and maximum percentage of commercial and residential development associated with master and sector plan recommendations
- Flexible design standards, including building heights, streetscape, and public use space (a minimum of 20 percent), Redevelopment proposals must comply with guidelines in master plans and sector plans
- Incentives for additional public use space, green building, and affordable housing.

Comparison of Mixed-Use Zones

Standards	Mixed Use Neighborhood (MXN)	Mixed Use Planned Development (MXPDP)	Residential-Mixed Use (RMX)	Planned Development (PD)	Transit Station (TS-M/Ts-R)	Central Business District (CBD)	New Zone
Develop. Procedure	Floating zone (diagrammatic plan) + site plan	Floating zone + site plan Concept plan instead of development plan (optional)	Base zone: preliminary plan and site plan	Floating zone +prelim. & site plan Requires Council & PB approval Time: 6-12 months (rezoning portion)	Floating zone +prelim. & site plan Requires Council & PB approval Time: 6-12 months (rezoning portion)	Project plan/preliminary and site plan No Council or Planning Board action on rezoning Only PB approval	Base zone with project plan + site plan PB approval; No Council approval
Min. Land Area	20 acres	20 acres	20,000 sq. ft. (R-200 standard)	To construct more than 50 dus Extension of planned development of comm. Redevelopment area	18,000 sq. ft.	22,000 square feet	20,000 sq. ft.
Density -Residential -Commercial -Mixed (Comm/Industrial)	.0.3 FAR (Total)	44 du/acre 75 du/acre 75 FAR	30 du/acre(any RMX) 0.35 FAR (RMX-1/TDR) 0.5 FAR (RMX2-3) Max. gross non-residential: 200,000 K sq.ft. (RMX-1) to 1.3 million sq. ft. (RMX-3)	2 du/acre to 100 du/acre	2.5 FAR to 3.05 FAR 150 du/acre	.05 FAR to 6/8 FAR 35 to 80 du/acre (standard) 100 to 200 du/acre (optional)	.5 FAR to 3.05 FAR
Green area requirement (minimum)	50% (Total tract area)	50% (Residential use); 40% (Indust/mixed use)	10-20% (within commercial); 20-50% (resid. area)	30%-50% with assoc. residential densities	10-30%	10-20%	

Standards	Mixed Use Neighborhood (MXN)	Mixed Use Planned Development (MXPDP)	Residential-Mixed Use (RMX)	Planned Development	Transit Station (TSM/TSR)	Central Business District (CBD)	New Zone
Public Use space			None described besides green area	None given	10 % (TSM) 30 % (TSR)	10-20%	20% with potential increase for bonus density
Special Feature	Allows C-1, C-T, O-M and R&D uses	Allows C-2, H-M, I-3 uses	Allows optional method, TDRs, regional scale of development with public	Allows densities from 2 to 100 du/acre; SFD, TH, MF, HR; 50% green area for PD 11-44; 30% for PD 60-100 Non-residential & non-commercial use permitted	The max. building height determined at site plan (TSR)	Optional and standard method; planning board could increase building heights up to 200 feet	Specifically tailored to a transit station based on approved master/sector plan
Type of development	Suburban center	Suburban town center	Mixed-use suburban center	Mixed-use suburban center	Mixed-use urban	Urban, mixed use	Mixed-use center with transit
Examples	Traville (Potomac)	Portions of Clarksburg Rock Spring	Cabin John Center, Glenmont Shopping Center, Montrose	Indigo Crossing (GT Prep), Grosvenor Metro	Twinbrook Commons, Bethesda edge and Friendship Heights edge	Bethesda Silver Spring Friendship Heights	Silver Spring, Twinbrook, Rockville Town Center (redeveloped)

① Within commercial or industrial area

OLD DERWOOD POST OFFICE AND STORE

Staff Recommendation: Revise the Public Hearing Draft to include the Old Derwood Post Office and Store on the *Locational Atlas and Index of Historic Sites*. Rezone the property to R-200/PD-22 to allow a maximum of six units and flexible development standards to redevelop and retain the historic structure.

Discussion

In March 2004, the Planning Board and the Historic Preservation Commission (HPC) placed this property on the *Locational Atlas and Index of Historic Sites*. The three-story structure was built in 1903, as a store and post office, to serve the railroad community of Derwood. The interior of the building was later altered to include multi-family residential units.

Public Hearing Draft Recommendation

The Public Hearing Draft made no specific recommendations for the Old Derwood Store and Post Office. The Plan made specific recommendations for the Old Derwood Neighborhood, which included:

- Maintain the existing interconnected street pattern and deter non-local traffic through the neighborhood with traffic circles at the intersection of Yellowstone Way and Chieftain Avenue, and at Derwood Road and Squire Court.
- Provide new sidewalks along all new development and extend such sidewalks where feasible into the existing community to improve pedestrian safety.
- Create a pedestrian pathway connection from Yellowstone Way to Crabbs Branch Way via a public easement on common green space to improve pedestrian access to Metro.
- Maintain the existing historic resources and develop an interpretive program that celebrates Derwood's history.

Testimony

Several Derwood residents supported the inclusion of the Old Derwood Store and Post Office on the *Locational Atlas and Index of Historic Sites*. They support retaining a visual link to the past and a limited number of units within the redeveloped building. The property owner also has expressed an interest in retaining the building and creating six multi-family units.

Analysis

Land Use

The existing 11,580-square foot lot does not meet the 20,000-square foot minimum lot area of the R-200 Zone.

Staff does not support changing the existing property's R-200 Zone to another residential zone since it would be inconsistent with the existing single-family zoning. An alternative residential zone, such as R-90, would lower the minimum lot area from 20,000 square feet to 9,000 square feet.

The Planned Development (PD) Zone is the preferred method of accomplishing the community's and property owner's desires of redeveloping the property. This floating zone requires County Council and Planning Board approval followed by site plan approval. A criterion for the PD Zone includes preserving an historic structure or site. At PD-22, a maximum of six units can be developed on the property.

Additional Design Guidelines for PD Development

- The Plan supports a waiver provision described in Sec. 59-C-7.15 that allows for reduced setbacks in order to achieve compatibility.

If the property owner were reluctant to pursue the PD option, the Planning Board and the HPC would review any changes to the building. The Montgomery County Department of Housing and Community Affairs has issued a condemnation notice for the building since it has been neglected for several years. The condemnation notice has not been executed.

THE GREAT INDOORS

Staff Recommendation: Approve a grandfather clause in the R&D Zone to allow existing building materials and supplies uses to remain a conforming use after the property is rezoned to the R&D Zone.

Discussion

The Great Indoors property is currently a permitted use in the light industrial (I-1) Zone as a building materials and supplies use. To create the Public Hearing Draft's vision of a Technology Corridor along Shady Grove Road, this property will be rezoned from I-1 to R&D and the I-3 with housing option.

The 13.5-acre Great Indoors is developed with a 210,000-square foot building offering building materials and supplies. This use is not permitted in the R&D Zone. A non-conforming status can create an unreasonable financial hardship on the property owner. Therefore, a grandfather clause allowing the existing use to remain conforming is needed.

It is anticipated that the existing building materials and supplies store will continue to operate for some time. If the use ceases to exist, it could redevelop into research and technology uses under the R&D Zone and mixed-use development in the I-3 mixed use option.

Landscape Requirements for I-1 and Automobile-related Uses

Staff Recommendation: Amend Section C-5-41, Special Regulations for the I-1 Zone and the special provision for automobile-related uses, Section 59-4.367, to include streetscape requirements within the right-of-way as recommended in a master plan or sector plan.

Discussion

In Worksession #3, the Planning Board approved maintaining the I-1 Zone and allowing mixed uses to develop in the long run under the current I-1 Zone provisions for housing. The proposed overlay zone was removed from the Plan's recommendations. The Planning Board also indicated support for streetscape requirements pending a proposed text amendment.

The visual character of MD 355 can be improved over time as properties redevelop or subdivide with a zoning requirement to provide streetscape improvements in accordance with the Sector Plan recommendations.

Section 59-C-5.41, Special regulations for the I-1 Zone should include language that states:

Provide streetscape improvements in accordance with Master Plan or Sector Plan recommendations to improve pedestrian safety, access and convenience. Streetscape improvements are not intended to result in non-conforming building setbacks.

Section 59-C-4.367, Special regulations applicable to designated automobile-related uses should include language that states:

Streetscape improvements should be provided within or along all adjoining street right-of-ways to improve pedestrian safety, access and convenience. Streetscape improvements should be consistent with recommendations and guidelines within relevant master or sector plans. Improvements are not intended to result in non-conforming building setbacks.

OFFICE INDUSTRIAL PARK

Staff Recommendation: Amend the Light Industrial Zone (I-1) to permit banks and financial institutions as permitted uses.

Discussion

The established industrial park along the southern end of Crabbs Branch Way is developed with a variety of technology, biotechnology and light industrial uses. These predominantly office uses require employees to drive for everyday conveniences, such as banking.

The Light Industrial (I-1) Zone allows a variety of uses ranging from automobile repair and services, lumberyards, warehouses to general offices. Amending the zone to permit banking and financial institutions will complement the Crabbs Branch office park, as well as other I-1 zoned office parks, including Fairland and Germantown. Including banks into the zone will begin to create a mixed-use environment and reflects the multiple uses permitted in the zone.

BUSINESS SERVICE USES IN THE I-1 ZONE

Staff Recommendation: Amend the Light Industrial Zone (I-1) to permit banks and financial institutions as permitted uses.

Discussion

The established industrial park along the southern end of Crabbs Branch Way is developed with a variety of technology, biotechnology and light industrial uses. These predominantly office uses require employees to drive for everyday conveniences, such as banking.

Public Hearing Draft Recommendation

The Public Hearing Draft recommends adding appropriate small service uses to serve the surrounding area. The Plan supports:

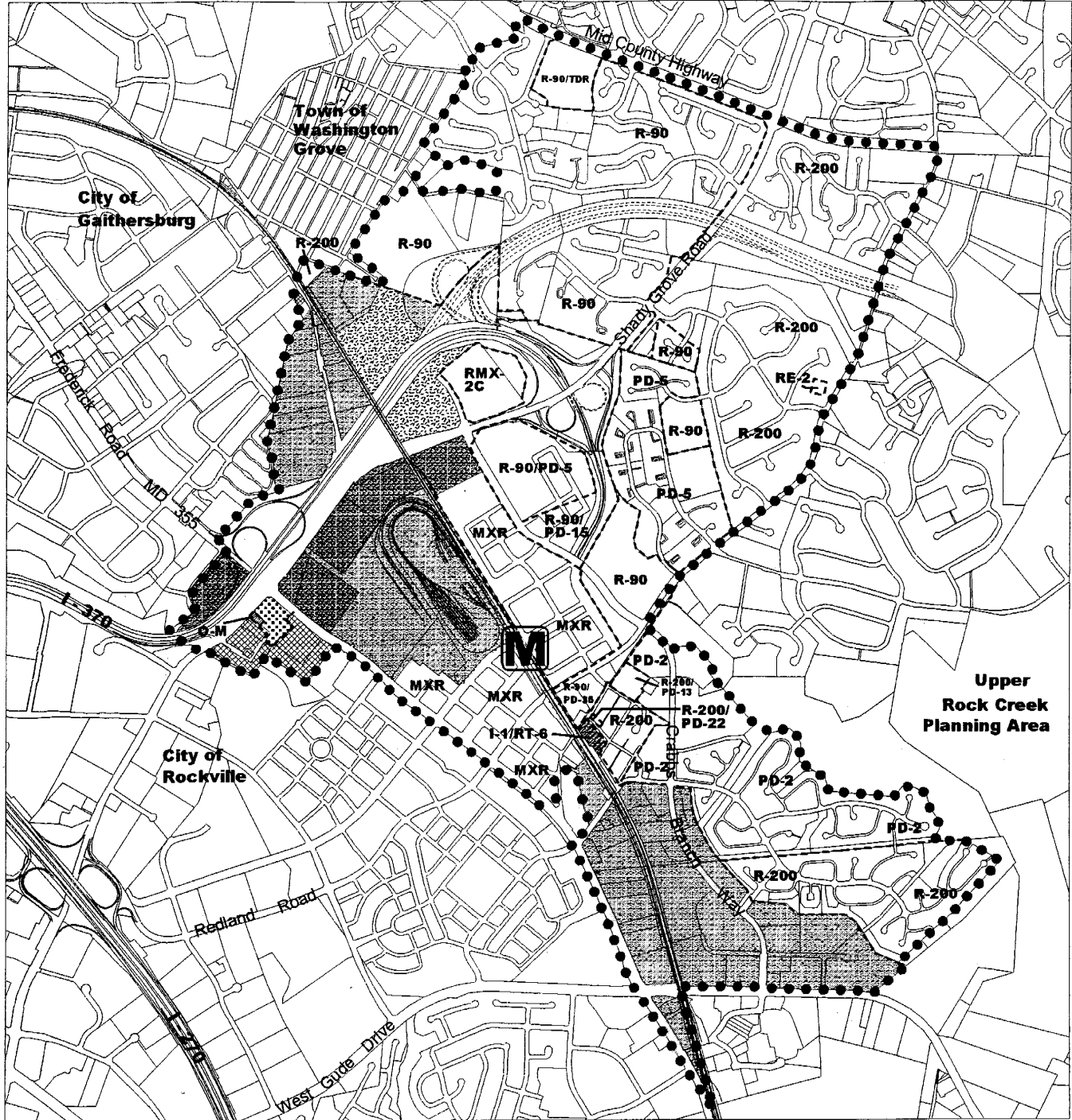
- Maintaining the existing I-1 Zone
- Amending the I-1 Zone to allow additional business support services

Analysis

Land Use

The Light Industrial (I-1) Zone allows a variety of uses ranging from automobile repair and services, lumberyards, warehouses to general offices. Amending the zone to permit banking and financial institutions will complement the Crabbs Branch office park, as well as other I-1 zoned office parks, including Fairland and Germantown. Including banks into the zone will begin to create a mixed-use environment and reflects the multiple uses permitted in the zone.

Proposed Zoning



RE-2	Residential, Single-Family	PD-13	Proposed Planned Development	O-M	Office Building, Moderate Intensity
R-200	Residential, Single-Family	PD-15	Proposed Planned Development	C-3	Convenience Commercial
R-90	Residential, Single-Family	PD-22	Proposed Planned Development	I-1	Light Industrial
R-90/TDR	Residential, Transferable Development Rights	PD-35	Proposed Planned Development	I-3	Proposed Industrial Park
R-20	Residential, Multi-Family	MXR	New Residential, Metro Mixed Use	R&D	Proposed Research & Development
PD-2	Planned Development	RMX	New Residential, Mixed Use	-----	Zoning Boundary Lines
PD-5	Planned Development	TS-M	Transit Station, Mixed		

0 2200'

Proposed Zoning

PROPERTY	ACRES	EXISTING ZONING	PROP. EUCLIDIAN ZONING	PROPOSED FLOATING ZONING	RECOMMENDED DENSITY
Derwood Communities - no zoning changes					
Shady Grove Road Technology Corridor					
Shady Grove					
Plaza	29	C-3, TSM, OM	C-3, TSM, OM		
Casey 6	25	I-1	I-3		.3 FAR, 150 du
Casey 7	17	I-1	I-3	PD-18	300 du
Casey 2	5	R-20	R&D	I-3 w/ housing	.5 FAR
Casey 3	13.5	I-1	R&D	I-3 w/ housing	.5 FAR
Sears Property (Great Indoors)					
	13.5	I-1	R&D	I-3 w/ housing	.5 FAR
Post Office					
	13.5	I-1	R&D	I-3 w/ housing	.5 FAR
Dept. of Liquor Control					
		I-1	R&D	I-3 w/ housing & PD-15	.5 FAR
Metro Neighborhoods					
Metro West					
	38	I-1	New Transit zone		1,600 du 690,000 sf 1.5-2 FAR
Metro South					
	25.5	I-1/C-3	New Transit zone		800 du 325,000sf 1.5-2 FAR
Metro North WMATA					
	41.5	I-1	New Transit zone		700 du 26,000 sf
DPWT					
	27	I-1	New Transit zone		1,000 du 40,000 sf
MCPS food service					
	3	I-1	New Transit zone		30 du
Metro East/Old Derwood					
Derwood Bible Church					
	4	R-200	R-200	PD-13	
VEIP					
	3	I-1	R-90	PD-35	
Somerville					
	4	I-1	R-90	PD-35	
Derwood Business Condominiums					
	2.5	I-1	I-1	RT-6	
Old Derwood Post					
	11,580 sq.ft	R-200	R-200	PD-22	6 du
Industrial Core-no zoning changes					
Buffer Area					
The Grove					
		C-1	RMX-2C		275,000 sf 300 du
MCPS&M-NCPPC					
	45.5	R-200	R-90	PD-15	640 du
Casey Mill Creek					
	58	R-90	R-90		
Office Industrial Park					
All properties					
	113	I-1	I-1		
MD 355 Corridor					
All properties					
	34.5	I-1	I-1		
Oakmont Industrial Park					
All properties					
	49.5	I-1	I-1		

* SF includes office, retail, and industrial development.

ITEM #7: STAGING PLAN

Staff Recommendation: Approve revised staging that ties development to transportation improvements, parks and other public facilities.

Discussion

There is a need to revise the proposed staging in the Public Hearing Draft to better relate to needed infrastructure improvements and respond to public testimony. The current staging is based upon a geographic emphasis that promotes growth within the Metro Neighborhoods over development outside the Metro station area. This approach does not ensure that needed roadway improvements are achieved in a timely manner, nor would it allow housing development outside the Metro Neighborhoods to proceed before the core.

Objectives of Staging

- Establish TMD as a priority, to be achieved before development begins.
- Allow small projects that do not generate more than 30 trips to be unstaged.
- Achieve area-wide public improvements in a timely manner tied to a number of housing units and non residential development.
- Achieve neighborhood public improvements at the time of project approval. Neighborhood public improvements include neighborhood parks, public use space, streetscaping and other amenities.

Revised Staging

Before Stage 1 begins:

Receive County Council adoption of zoning text amendments and complete sectional map amendments.

Establish a Transit Management District (TMD) that adopts the Sector Plan's transit mode share goals and demonstrates implementation measures. The purpose of the TMD is to increase transit ridership by requiring resident and business participation in transit programs, promoting transit alternatives, and increasing public awareness of transit options.

Allow any project with less than 30 trips to be approved without staging.

Stage 1

- Allow up to 1,500 new dwelling units and 1,570 new jobs. This represents approximately 25 percent of allowable housing and 30 percent of allowable jobs.
- At the time of project approval, development shall include all on-site public use space, private recreation, dedicated park facilities, required streetscaping, and other required amenities.

Before Stage 2 begins: Funding for the Metro Access Partial Interchange must be provided to ensure adequate access to the Metro station. Establish the Urban Service District to provide maintenance and management services.

- Stage 2**
- Allow up to 2,500 new dwelling units and 2,650 new jobs. This represents approximately 40 percent of allowable housing and 50 percent of allowable jobs.
 - At the time of project approval, development shall include all on-site public use space, private recreation, dedicated park facilities, required streetscaping, and other required amenities.

Before Stage 3 begins: Full funding for Redland Road and Crabbs Branch Way roadway improvements and the pedestrian underpass at Shady Grove Road and Crabbs Branch must be provided. Area-wide Metro pathways and bikeways also must be funded. The TMD must demonstrate achievement of transit mode share goals for participating development.

- Stage 3**
- Allow up to 4,500 new dwelling units and 4,000 new jobs. This represents approximately 75 percent of allowable development to proceed in Stage 3.
 - At the time of project approval, development shall include all on-site public use space, private recreation, dedicated park facilities, required streetscaping, and other required amenities.

Before Stage 4 begins: Funding for construction of the local park must be provided. Staging for the local park occurs later in the community's build-out to achieve a resident population of sufficient size to support the need for the park.

- Stage 4**
- Allow all remaining housing and jobs allowed under zoning to be developed.
 - Or, if development adjacent to the pedestrian underpass or local park is proposed, such development must construct or participate in the funding for such facilities.

Analysis

- No longer a geographic staging sequence. All areas of the Plan can go forward. Responding to property owners desire to build housing.
- Housing and commercial staging limits have changed, requiring road improvements sooner, at 1,500 du rather than the previously proposed 1,700 du.
- Metro Access Road partial interchange has moved to Stage 2 due to the importance of Metro access.

- Crabbs Branch and Redland Road upgraded streets to be funded after 50 percent of development occurs, or as adjacent development is approved.

These staging revisions are necessary to promote housing in the planning area and ensure that adequate public facilities will be provided in a timely manner. Schools are not staged within the Sector Plan because Annual Growth Policy provisions determine school requirements. At the time of preliminary plan review, individual projects are reviewed for adequacy of school facilities.

ITEM #8: IMPLEMENTATION MECHANISMS

Staff Recommendation: Approve a variety of implementation mechanisms including a Transportation Management District, Urban Service District, and one or more development districts to fund and maintain the infrastructure and services of the Shady Grove mixed-use community.

Discussion

Implementing the recommendations of the Shady Grove Sector Plan requires a number of actions by government bodies through zoning decisions, development regulations, capital projects programming, and other actions. The Office of Plan Implementation will conduct a fiscal impact analysis for the Planning Board Draft that will list the capital projects needed to support the new Shady Grove mixed-use community. In some cases, these facilities (e.g. the library) are the result of relocating a public facility initially programmed for a different site within the greater Shady Grove-Derwood community. The need for this facility in particular, is not generated by the new residents expected in the Shady Grove Metro Neighborhoods.

In addition to capital improvements, other needs are identified to complete the mixed-use community, including creating new districts for transportation management, urban services, and facility construction.

Transportation Management District

Transportation Management Districts (TMDs) provide concentrated services to encourage the use of transit and other commuting options in Montgomery County's major business districts.

TMDs have four broad goals:

- Reduce traffic congestion
- Increase transportation capacity through mode share allocations
- Reduce air and noise pollution
- Promote bicycle and pedestrian access

TMDs are created by resolution of the County Council under Section 42A of the County Code. TMDs are successfully operating in Friendship Heights, Silver Spring, Downtown Bethesda, and North Bethesda. In each of these TMDs, attaining applicable mode share goals from master plans or sector plans are pursued via the Annual Growth Policy (AGP) through a combination of development review and TMD staff activities.

Within TMDs, the Planning Board may, in conjunction with the Department of Public Works and Transportation, impose transportation demand management (TDM) measures as conditions of the Board's approval of development. TDM measures typically include limiting parking and promoting ridesharing, transit use, flex-time, and telecommute options through available programs provided at the federal, state, and

local levels. The TDM measures are designed to achieve applicable AGP mode share goals as defined either by the Master Plan or more stringent goals developed as a result of Alternative Review Procedures in Metro Station Policy Areas. The Planning Board also typically requires participation in ongoing TMD activities as a condition of approval.

The Executive branch manages the ongoing TMD activities. The TMD staff work primarily with employers and employees within the TMD to promote adoption of commuter benefits programs by employers and to inform employees about their commuting options. The TMD staff also manage an annual survey of employee commuter patterns and prepare a biennial report for the Planning Board.

During the past two years the County has aggressively increased TMD activities through passage of Bill 32-02, which requires that all employers with 25 or more employees in a TMD to implement a Traffic Management Plan (TMP), submit an annual report of TMP activities to the TMD, and participate in the TMD's annual commuter survey.

Urban Service District

Non-CBD activity centers such as proposed for the Shady Grove transit station area, require an increment of services not typically funded by the County's general revenues. A public-private partnership would be created to administer the activities of the Urban District. The primary source of funding for the district would be a special ad valorem tax or fee on residents and businesses in a specific geographic area.

Services and activities offered by the public-private entity that would administer the Urban Service District include:

- Enhanced bus circulation to minimize automobile use
- Operating and maintaining public use space provided by property owners in the Metro North neighborhood
- Additional maintenance of rights-of-way for major and arterial roadways
- Street tree maintenance
- Street cleaning and litter pick-up in rights-of-way
- Community and cultural events programming
- Marketing and promoting residential and commercial projects within the district

The Urban Service District would be created by the Montgomery County Council. The County Council would establish the district's boundaries and make projections of the tax revenues to support capital projects and operating funds.

Development District

To date, development districts have been used as an alternative funding mechanism in areas of the County where Policy Area Transportation Review has resulted in a development moratorium. The development district would be used to fund high-cost infrastructure such as interchanges where benefits extend beyond the specific properties included in the development district.

The Germantown (1989) and Clarksburg (1994) master plans have addressed alternative financing options for providing infrastructure and facilities in a timely manner. Options in addition to funding through the County's Capital Improvements Program include development districts, tax increment financing districts, impact taxes, user fees, in-kind contributions, and a systems development charge.

Recent experience with development districts in Germantown and Clarksburg is promising. The purpose of a development district is to enable a specific area of the County where a significant amount of growth is occurring to meet its infrastructure needs sooner than the Capital Improvements Program could supply.

A development district is a form of special taxing district for which the County can issue special obligation bonds and where the responsibility for debt repayment confers to residential and commercial property owners through a special tax. Benefits of a development district include predictable funding of needed facilities and infrastructure construction in sequence with the timing of development.

Development district financing has been used in the western portions of Germantown near South Germantown Recreation Park where approximately 1,300 housing units have been built since 2000. The West Germantown Development District includes park development, water and sewer improvements, roadways, and other facilities not the responsibility of a single developer. This development district has funded over \$13 million in infrastructure.

In Clarksburg, three development districts have been proposed; Clarksburg Town Center has been approved for bond financing but the bonds have not been issued while the project is in re-design. Two other districts, Clarksburg Village and Skylark/Greenway Village have been proposed and are under review by the County Executive and the Department of Finance.

The enabling legislation in Section 14-7 of the Montgomery County Code requires the Planning Board to evaluate the proposed development district for compliance with Adequate Public Facilities and Annual Growth Policy (AGP) requirements and to make its recommendation to the County Council. The revised AGP will now collect impact taxes for transportation and schools countywide; the impact taxes will be credited against the larger costs of infrastructure that would be needed in the Shady Grove Transit Station area.

Public infrastructure such as constructing facilities at Jeremiah Park, building a library facility, conversion of Crabbs Branch Way to business district street standards, pedestrian improvements, and passive recreation facilities at the stormwater management facility would be eligible for funding by the prospective development district.