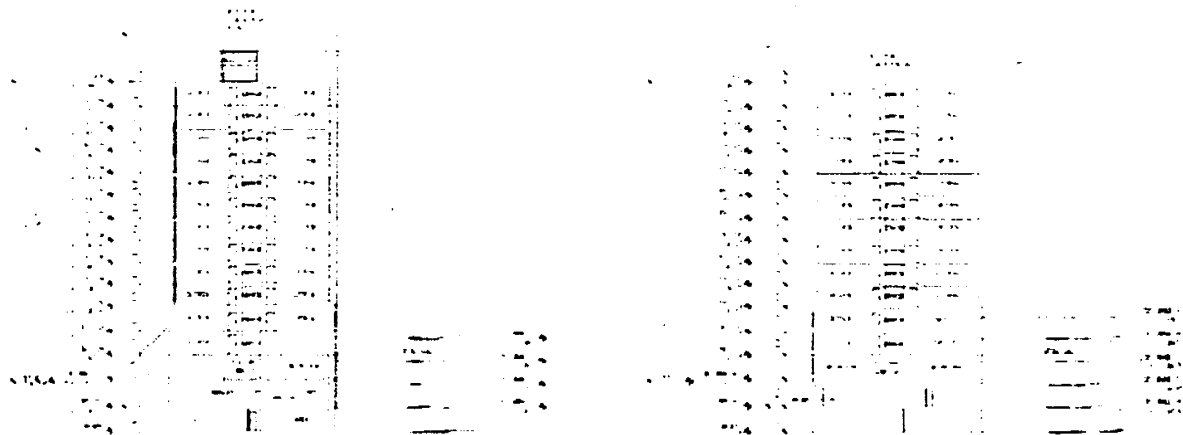


Hotel Elevation – From South and West



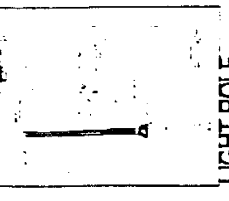
Hotel Elevation - From North and East



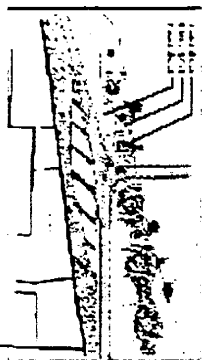
BENCH



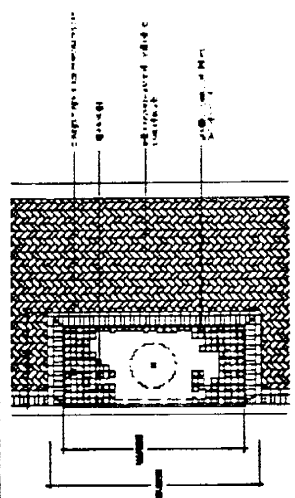
BETHESDA LIGHT



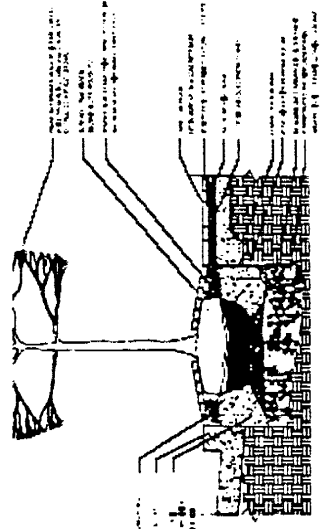
LIGHT POLE



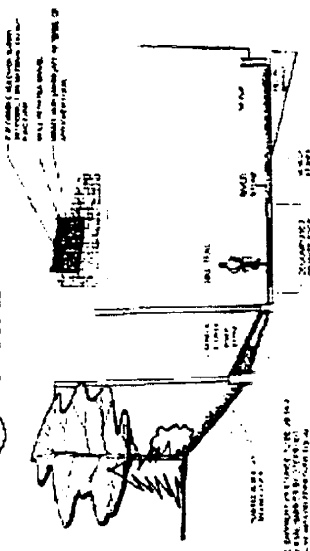
6 BIKE TRAIL PLAN DETAIL
NOT TO SCALE



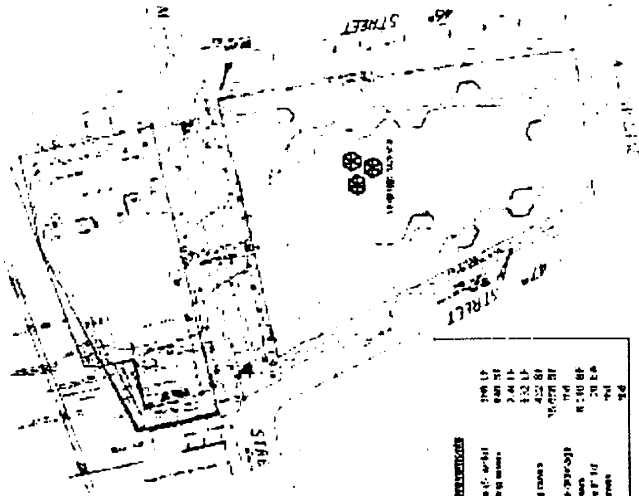
3 TYPICAL TREE PIT PLAN
NOT TO SCALE



4 TYPICAL TREE PIT SECTION
NOT TO SCALE



5 SECTION THROUGH BIKE TRAIL
NOT TO SCALE



Plan, Mass & Pit

Completed Character of Improvements

Overall site clearing and site work	100.00
Overall site paving	240.00
Overall site landscaping	240.00
Overall site lighting	150.00
Overall site furniture	150.00
Overall site signage	150.00
Overall site utility	150.00
Overall site security	150.00
Overall site maintenance	150.00
Overall site construction	150.00
Overall site total	1050.00

1 EXISTING PARK WITH PROPOSED DEVELOPER IMPROVEMENTS
NOT TO SCALE

2 WAVERLY STREET LAYBAY SECTION
NOT TO SCALE

PLANNING AND REGULATORY FRAMEWORK: Sector Plan

Compliance With The 1994 Sector Plan:

Community-Based Planning supports the project and its proposed amenity package with the exception of its height and recommends approval of the Air Rights Hotel project plan with a reduction in the proposed height from 116 feet to 90 feet.

Height

The proposed hotel is 26 feet over the height recommended by the 1994 Sector Plan for the Bethesda Central Business District. The site is located at the edge of the Metro Core District, between older existing buildings of 149 feet (Air Rights office building on Wisconsin Avenue to the west) and 124 feet (Marriott Courtyard Hotel to the northwest) and Elm Street Park. Although the site is zoned CBD-2, the specific maximum height of 90 feet is recommended for this site on page 39 of the Sector Plan. Stepping down in height from the core of the CBD to the surrounding single-family residential communities is a basic tenet of the 1994 Plan.

Since 1994, there have been exceptions to the heights recommended by the Plan. All of the exceptions are residential projects, some approved by the Planning Board and others approved by the County Council. None of the projects exceeding the recommended height limits are strictly commercial, nor are they on the edge of the CBD.

The recently approved Zoning Text Amendment No. 04-13 allows an exception to the Sector Plan height recommendations for residential projects providing MPDUs on site. Through this amendment, any increase in residential density or building height above a master or sector plan limit must be in proportion to the MPDUs provided on site. The process for approving height exceeding the sector plan recommendation will also require that the Director of the Department of Housing and Community Affairs, the Executive Director of the Housing Opportunities Commission, and the Chairman of the Planning Board agree, by majority vote, to find that the building height limit may be exceeded to accomplish the construction of MPDUs. By inference, exceeding the height limit would not likely be approved for a strictly commercial project.

The Air Rights Hotel, together with the existing office buildings would be devoted to commercial uses. Approval of this project at more than 20 feet over the height limit, could establish a precedent to exceed the height limit on the edges of the CBD for any use permitted in the CBD zones.

Land Use

The recommended land use for the site is mixed-use. The 1994 Sector Plan recommended a small residential building on the parking deck of the Air Rights building. On page 61, it stated further that this development "should have a maximum height of 90 feet, stepping down to 60 feet toward Pearl Street."

The Planning Board approved an Air Rights project in 2001 for 11,200 square feet of office, 364,100 square feet of retail, and 186 multi-family dwellings. The current owners of the Air Rights complex concluded the previously approved plan was not financially viable and have

submitted this amendment. Because there is no longer a residential component, the project is not strictly speaking a mixed-use project. However, the 216-room business hotel and additional first floor retail will provide complementary uses for the Metro Core Area.

Site Access, Circulation and Pedestrian Facilities

The access point to the site will remain at the existing location from Waverly Street where traffic from all directions could safely and easily access the garage under the hotel.

Waverly Street and Montgomery Avenue will be provided with adequate and safe pedestrian walkways that are connected to a comprehensive network of pedestrian facilities throughout the CBD area. The Waverly Street streetscape improvements proposed as part of this project will eliminate the cantilevered portion of the existing building that provides for a better pedestrian link. This improvement will open the sidewalk up to the sky and therefore, provides a more pleasant walking experience. It also provides for more visibility and safety at the garage entrance on Waverly Street.

Applicant will provide a bicycle and pedestrian connection (ADA ramps and stairs) between Pearl Street and the Capital Crescent Trail/Georgetown Branch Trail on the south side of the property. This connection will improve access to the trail, as well as facilitate the access for students of Bethesda-Chevy Chase High School who live in the neighborhoods to the south to use the trail for reaching their school.

Public Art

The applicant had a preliminary meeting with the Art Review Panel and has been encouraged to include an art component in the building façade along Waverly Street.

Capital Crescent Trail

The applicant has agreed to provide an important connection from Pearl Street south to the interim Capital Crescent Trail. This connection is listed in the 1994 Bethesda CBD Sector Plan on page 252 under "Recommended Transportation Facilities. "Route I from Woodmont Avenue to Maryland Avenue/Pearl Street." This connection will effectively connect the North Bethesda trolley trail via Norfolk Avenue in the Woodmont Triangle to the Capital Crescent Trail. The applicant will provide the most important link in this system across a steep slope and an easement from an adjacent property owner. County Council staff did not include this specific connection in the DPWT CIP, because of the difficulty of bridging the slope and acquiring the easement. The applicant will also make improvements to the surface of the trail and the walls of the tunnel, providing much needed upgrades to this popular hiker/biker trail.

PLANNING AND REGULATORY FRAMEWORK: Prior Approvals

The property was previously approved for a 182 unit residential building, pursuant to Project Plan No. 9-00001, approved on December 2, 1999, and Site Plan No. 8-01008, approved on January 4, 2001. This approval will supercede those earlier approvals.

The Air Rights Center Hotel Project completes the original development plans of the Air Rights Center complex, which always contemplated development above the parking structure.

The combination of the relatively high occupancy rates of the existing hotels within the greater Bethesda market and the age of these existing hotels indicates the need for a new hotel within the Bethesda area. When the proposed hotel opens in 2007, it will be the newest hotel constructed in the Bethesda CBD in over 21 years.¹

The Property is owned by Bethesda ARC, LLC an affiliate of TIAA-CREF (Teachers Insurance and Annuity Association, College Retirement Equities Fund) ("Teachers" or "Owner"). Donohoe and Teachers are in the process of forming a joint venture, to be known as Bethesda Hotel Associates, LLC for the purpose of developing, building and operating a hotel on a portion of the property

Subsequent to obtaining the previous Project Plan and Site Plan approvals, the former Property owner sold the entire Air Right complex to Teachers, the current Owner. The new Owner believes residential use is not desirable in such close proximity to the existing Air Rights office buildings, because it would threaten the viability of the office uses. Based on a series of considerations, including the existing land uses on the Property, the proximate land uses, and market conditions, the Owner determined that a hotel was the most appropriate and compatible use for the undeveloped portion of the Property above the garage.

¹ The Residence Inn (formerly Guest Quarters) was constructed in 1986 and the Hyatt was constructed in 1985.

DEVELOPMENT ISSUES: Under Review During the Project Plan

Issue: Bike Path Connection through Pearl Street ROW.

The 1994 Sector Plan recommended the Pearl Street Bike Path be connected to the interim Capital Crescent Trail with Stage Two Facility Improvements. Bethesda is now within Stage Two. The staff of MCDPWT have been developing a strategy with the adjacent landowner, Robert Eisinger who would grant an easement to allow the bike path connection (a staircase and bike carry ramp) through his property to the interim Capital Crescent Trail.

Applicant's position: As part of the off site amenity package for this Project Plan, the applicant will build the bike path connection steps and bike ramp. They propose to locate the connector with minimal disturbance to existing conditions and to construct it from wood, given the interim nature of the Capital Crescent Trail.

Citizen's position: The adjacent citizens within the Town of Chevy Chase are deeply interested in this trail connection and have been for a long time. With the provision of the bike path connection, they give their full support to the project.

Staff's position: Support the trail connection with this application. The Developer relies on MCDPWT to obtain the easement onto which they can build the bike ramp and stairs; we propose M-NCPPC assist in this acquisition in any way. Detailed arrangements for the design, materials and related area improvements (drainage improvements, review of retaining wall status) will be reviewed with the future site plan proposal. The implementation of this path connection will be reviewed at site plan approval.

Issue: Dedication of ROW for Waverly Street

The Waverly Street right of way is recommended to be 80 feet in the Sector Plan; the applicant proposes a 35 feet from centerline dedication (an ultimate 70 feet right of way). Through a comparison of other rights of ways for comparable streets within the Bethesda CBD and the extent of the existing buildings that will not be removed for this project, full width right-of-way is not reasonable to dedicate nor is it required for this type of street.

Applicant's position: The applicant will prepare a minor amendment to a plat of subdivision that will allow for the half dedication to centerline adjacent to this proposal.

Citizen's position: No comments.

Staff's position: Support the minor amendment to fully dedicate the right of way now rather than wait for further subdivision activity. The 35 foot from centerline dedication is appropriate given the configuration for street and the anticipated use.

BASIS FOR CONSIDERATION OF ISSUES

Per Sec. 59-D-2.43, in making its decision on an application for an optional method project plan, the Planning Board must consider:

- (a) *The nature of the proposed site and development, including its size and shape, and the proposed size, shape, height, arrangement and design of structures, and its consistency with an urban renewal plan approved under Chapter 56.*
- (b) *Whether the open spaces, including developed open space, would serve as convenient areas for recreation, relaxation and social activities for the residents and patrons of the development and are planned, designed and situated to function as necessary physical and aesthetic open areas among and between individuals structures and groups of structures, and whether the setbacks, yards and related walkways are located and of sufficient dimensions to provide for adequate light, air, pedestrian circulation and necessary vehicular access.*
- (c) *Whether the vehicular circulation system, including access and off-street and loading, is designed to provide an efficient, safe and convenient transportation system.*
- (d) *Whether the pedestrian circulation system is located, designed and of sufficient size to conveniently handle pedestrian traffic efficiently and without congestion; the extent to which the pedestrian circulation system is separated from vehicular roadways so as to be safe, pleasing and efficient for movement of pedestrians; and whether the pedestrian circulation system provides efficient, convenient and adequate linkages among residential areas, open spaces, recreational areas, commercial and employment areas and public facilities.*
- (e) *The adequacy of landscaping, screening, parking and loading areas, service areas, lighting and signs, in relation to the type of use and neighborhood.*
- (f) *The adequacy of provisions for construction of moderately priced dwelling units in accordance with Chapter 25A if that Chapter applies.*
- (g) *The staging program and schedule of development.*
- (h) *The adequacy of forest conservation measures proposed to meet any requirements under Chapter 22A.*
- (i) *The adequacy of water resource protection measures proposed to meet any requirements under Chapter 19.*

These issues have been reviewed in the context of the findings ahead.

FINDINGS for Project Plan Review:

Section 59-D-2.42 of the Zoning Ordinance establishes the findings that must be made by the Planning Board and forms the basis for the Board's consideration of approval. In accordance herewith, the staff makes the following findings:

FINDING: (a) *As conditioned, the proposal complies with all of the intents and requirements of the zone.*

Zoning:	CBD-2
Gross Lot Area:	121,456 or 2.7882 Acres
Waverly dedication:	4,198 sf or 0.096 Acres
Net Lot Area:	<u>117,258 sf or 2.6919 Acres</u>
Lot Area for FAR calculations:	121,456 SF or 2.7882 Acres (current plot)
	5,550 SF (1978 dedication along Montgomery Avenue)
	9,750 SF (1910 Montgomery Avenue dedication)
	5,504 SF (1910 Waverly Street dedication)
	<u>914 SF (Railroad Street dedication)</u>
	143,174 SF total with previous dedications
Available FAR:	Optional Method: 4.0
	143,174 SF x 4.0 FAR = 572,696 SF
Existing Development:	364,100 SF Existing Office at North Building
	<u>13,200 SF Existing Retail at East Building</u>
	377,300 SF Existing
Proposed Hotel:	132,421 sf
Building Height:	143' Allowable per CBD-2
	88'-4" to 116' Proposed
Public Use Space:	Required Proposed
(Net tract area)	20% or 23,291 sf 26.2% or 30,721 sf
Parking:	Required: None, Parking District
	Proposed: None Parking District
	(Existing garage spaces will be shared with hotel.)

PROJECT DATA TABLE

Developed Standard	Permitted/Required	Existing	Proposed	Total
Minimum Gross Tract Area (sq. ft.)	22,000	143,174	-	143,174
Gross Floor Area (GFA) (sq. ft.)				
Office	-	364,100	0	364,100
Retail (general)	-	13,200	4,600*	4,600
Hotel	-	-	132,421	132,421
Total		377,300	132,421	501,121 (3.50 FAR)
Floor Area Ratio (FAR)	4.0	2.64	-	3.50
Building Height (ft.)	143**	130	88'-4" to 116'***	88'-4" to 142'
Public Use Space (sq. ft.)				
On-Site (20% minimum)	24,291	-	31,780 (26.2%)	31,780
Off-Site	-	-	105,818	105,818
Total			137,598 (113.3%)	137,598

* Approximately 8,600 sq. ft. of existing retail space will be eliminated.

** Recommended/Allowed by the approved Sector Plan.

*** Proposed hotel height varies from 88'-4" to 116'

Note: The site is located within the Bethesda Parking District and therefore is not required to meet the parking requirements contained in Section 59-E of the Zoning Ordinance. Approximately 500 parking spaces existing on-site.

The site is located within the Bethesda Parking District and is therefore not required to meet the parking requirements contained in Section 59-E of the MC Zoning Ordinance. Approximately 500 parking spaces exist on site in the office tower.

If it were not located within the Parking Lot District, the parking requirements based for the Property would be as follows: Hotel 132 spaces; Office 692 spaces; and Retail 14 spaces, for a total of 838 parking spaces. Upon completion of the proposed Hotel, the Property will provide a total of approximately 1,114 parking spaces. Further detail will be developed for site plan review, if required.