

M-NCPPC



MONTGOMERY COUNTY DEPARTMENT OF PARK AND PLANNING

THE MARYLAND-NATIONAL CAPITAL
PARK AND PLANNING COMMISSION

8787 Georgia Avenue
Silver Spring, Maryland 20910-3760
301-495-4500, www.mncppc.org

MCPB
Item # 3
05/11/06

MEMORANDUM:

DATE: Thursday, April 27, 2006

TO: Montgomery County Planning Board

VIA: Rose Krasnow, Chief, Development Review Division *RK*
Carlton Gilbert, Zoning Supervisor, Development Review Division *CG*

FROM: Dan Janousek, Development Review Division *DJ*
(301) 495-4564

SUBJECT: **Local Map Amendment No. G-842:** *Hampden Lane Associates*, request reclassification of 22,611 square feet of land from the R-60 Zone to the TS-R Zone for 97,853 square feet of residential space and 60 total residential units; located at 4913, 4915, 4919 and 4921 Hampden Lane, Bethesda – *Approval*

Development Plan Amendment No. 06-2: *Hampden Lane Associates*, request an amendment that moves the development plan for transitional housing from 4917 Hampden Lane to 4913 Hampden Lane, Bethesda – *Approval*

FILING DATE: November 1, 2005

PUBLIC HEARING: May 22, 2006

RECOMMENDATION

APPROVAL - Agree to revise recommendation to the Hearing Examiner to reflect Alternative Review Committee recommendation of approval of additional height and density for MPDUs for a May 22, 2006 hearing.

Summary

On March 2, 2006, the Planning Board recommended approval in the above-referenced LMA G-842/DPA-06-2. The public hearing began on Friday, March 17, 2006 before the Hearing Examiner. The Hearing Examiner was unable to complete the public hearing because there were no findings in the record by an "Alternative Review Committee" (ARC) regarding the applicant's request to exceed the Sector Plan's 65-foot height limit and the Sector Plan's recommended density limit. The remainder of the hearing was continued on April 18, 2006, to give time for an Alternative Review Committee meeting and finding, and for reconsideration and

recommendation to the Council by the Planning Board, based on the findings of the Alternative Review Committee. The Alternative Review Committee met on April 12, 2006, where they reviewed the submissions by the applicant. The committee concluded that the proposal would not be financially feasible within the constraints of any applicable height limits of the Bethesda CBD Sector Plan and the applicable density limits of the requested TS-R zone (Attached). The committee recommended approval of the additional height and density requested by the applicant.

Following the collection of signatures on April 17, 2006, the subject cases were placed on the Planning Board's agenda for the Planning Board's consideration, pursuant to Section 59-D-1.61 of the Zoning Ordinance.

Staff recommends that the Planning Board revise their recommendation to the Hearing Examiner to reflect Alternative Review Committee recommendation of approval of additional height and density for MPDUs for a May 22, 2006 public hearing before the Hearing Examiner.

ANALYSIS

As stated in the Zoning Ordinance, before approving an application for classification in the TS-R Zone, the District Council must consider whether the application, including the development plan, fulfills the purposes and requirements in Article 59-C for the zone. In so doing, the District Council must make a specific finding when a development plan exceeds any applicable residential density or building height limit established in a master plan or sector plan, in addition to any other findings which may be necessary and appropriate to evaluate the proposed reclassification:

Summary of Section 59-D-1.61

Sec. 59-D-1.6. Approval by district council.

59-D-1.61. Findings.

Before approving an application for classification in any of these zones, the District Council must consider whether the application, including the development plan, fulfills the purposes and requirements in Article 59-C for the zone. In so doing, the District Council must make the following specific findings, in addition to any other findings, which may be necessary and appropriate to evaluate the proposed reclassification:

- (a) The zone applied for substantially complies with the use and density indicated by the master plan or sector plan, and does not conflict with the general plan, the county capital improvements program, or other applicable county plans and policies. However, to permit the construction of all MPDUs required under Chapter 25A, including any bonus density units, on-site, a development plan may exceed, in proportion to the MPDUs to be built on site, including any bonus density units, any applicable residential density or building height limit established in a master plan or sector plan if a majority of an Alternative Review Committee composed of the Director of the Department of Housing and Community Affairs, the Executive Director of the Housing Opportunities Commission, and the Director of Park and Planning, or their respective

designees, find that a development that includes all required MPDUs on site, including any bonus density units, would not be financially feasible within the constraints of any applicable density or height limit. If the Committee finds that the development would not be financially feasible, the Planning Board must recommend to the District Council which if any of the following measures authorized by Chapter 59 or Chapter 50 should be approved to assure the construction of all required MPDUs on site:

- 1) exceeding an applicable height limit, lower than the maximum height in the zone, that was recommended in a master plan or sector plan,
- 2) exceeding an applicable residential density limit, lower than the maximum density in the zone, that was recommended in a master plan or sector plan, or
- 3) locating any required public use space off-site.

Summary of Section 59-C-8.42. Density of development

59-C-8.42. Density of development., ,

The density of development must not exceed any of the following:

- (a) Floor area ratio, 2.5,
- (b) Dwelling units per acre, however, in the TS-R zone, FAR and density must be calculated on the basis of the area of the zoned land within the approved development plan and not individual lots., 150,
- (c) The density of development must not exceed the FAR or the dwelling units per acre allowed by the zone, except that the maximum density permitted may be increased to accommodate the construction of moderately priced dwelling units in accordance with Chapter 25A. The maximum number of dwelling units or residential FAR may be increased in proportion to any MPDU density bonus provided on-site. The provision of MPDUs does not authorize a reduction in any public facility and amenity or active or passive recreation space recommended in a master plan or sector plan.,

Analysis

Building Height

The development plan shows one residential building that would be developed in one phase. The building will range from 3.5 stories, or 33 feet, to 7 stories, or a maximum height of 71 feet, with associated underground parking. The Bethesda CBD Sector Plan recommends a maximum height of 65 feet. The Alternative Review Committee concluded that the proposal would not be financially feasible within the constraints of any applicable height limits of the Bethesda CBD Sector Plan. There is not a height limitation in the TS-R Zone development, and the

maximum height permitted for any building shall be determined in the process of site plan review (Section 59-C-8.5).

Density

The proposal would exceed the Sector Plan's 2.5 FAR density limit of the TS-R Zone. The development plan proposes 97,853 square feet of residential development. The density will be approximately 81.5 units per acre with a total floor area ratio of 3.05. The Bethesda CBD Sector Plan recommends a maximum 2.5 FAR for the subject properties and the area's TS-R Zone properties. The TS-R Zone allows a maximum FAR of 2.5. Pursuant to Section 59-D-1.6, the additional .55 FAR sought by the applicant is a result of the 22% bonus density afforded to the applicant in Chapter 25A. The residential building will include 60 dwelling units. Fifteen percent (15%) of the total residential units, or nine (9) residential units, will be MPDUs based on the 22% bonus density bonus achieved by the applicant pursuant to Chapter 25A. Moderately priced dwelling units will be located on site.

Open Space

Additionally, the applicant is not requesting to locate any required public use space off site.

ARC findings

The Alternative Review Committee issued a decision memorandum on April 17, 2006 (attached). In their decision, the committee noted that the 22% bonus density, which requires 6 feet of additional height for its inclusion into the development plan, is required to make the project profitable.

CONCLUSION

Because the Alternative Review Committee determined that the 22% bonus density, which requires 6 feet of additional height for its inclusion into the development plan, is required to make the project profitable, staff recommends that the Board agree to revise their recommendation to the Hearing Examiner to reflect Alternative Review Committee recommendation of approval of additional height and density for on-site MPDUs. Staff concurs with the committee's recommendation and opinion that the proposal would not be financially feasible within the constraints of the applicable height limits of the Bethesda CBD Sector Plan and the applicable density limits of the requested TS-R zone. Staff recommends that any measures authorized by Chapter 59 or Chapter 50 should be approved to assure the construction of all required MPDUs on site.

ATTACHMENTS

1. Alternative Review decision memorandum dated April 17, 2006.
2. Development Plan

Attachment 1.



**Moderately Priced Dwelling Unit
ALTERNATIVE REVIEW COMMITTEE**

MEMORANDUM

April 12, 2006

TO: Montgomery County Planning Board

FROM: MPDU Alternative Review Committee (ARC)
Elizabeth B. Davison, Director, DHCA
D. Scott Minton, Executive Director, HOC
Faroll Hamer, Acting Director, M-NCPPC

SUBJECT: Decision Memorandum – Local Map Amendment No. G-842 Economic Feasibility, Hampden Lane Associates, located at 4913, 4915, 4919 and 4921 Hampden Lane, Bethesda

RECOMMENDATION

The Alternative Review Committee recommends **APPROVAL** of the additional height and density requested by Hampden Lane Associates as part of the Local Map Amendment application for the above referenced project.

BACKGROUND

Section 59.D.1.6(a) of the Zoning Ordinance allows a development plan to exceed, under certain circumstances in proportion to the MPDUs to be built on site, including any bonus density units, any applicable residential density or building height limit established in a master plan or sector plan. This can be done if a majority of an Alternative Review Committee composed of the Director of the Department of Housing and Community Affairs, the Executive Director of the Housing Opportunities Commission, and the Director of Park and Planning, or their respective designees, find that a development that includes all required MPDUs on-site, including any bonus density units, would not be financially feasible within the constraints of any applicable density or height limit.



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PROJECT DETAILS

Based on the requirement of 59.D.1.6(a), Local Map Amendment No. G-842, Hampden Lane Associates, was considered by the Alternative Review Committee (ARC) on April 7, 2006. Members of the ARC that participated in the meeting were Elizabeth Davison, Director, Department of Housing and Community Affairs; D. Scott Minton, Executive Director, Housing Opportunities Commission; and Faroll Hamer, Acting Director, Department of Park and Planning. The ARC was assisted in its review of the financial information submitted by the applicant by Eric Smart, independent economic advisor employed by Bolan Smart Associates and under contract for professional services to DHCA.

As presented, the maximum height for the project would range from 33 feet to a maximum height of 71 feet. A maximum height of 65 feet is recommended in the Sector Plan for the transit station residential district, within which this property is located. Therefore, the proposed development exceeds the height recommended in the Plan by six feet at the 71 foot height. In addition, the Bethesda CBD Sector Plan recommends a maximum FAR of 2.5 for the subject properties. The requested density for the project, including the 22 percent bonus density for MPDUs, is 3.05, which exceeds the recommended density by .55 FAR. Provision of 12.5 percent MPDUs would be required under the scenario with no bonus density permitted.

The applicant submitted a Bonus MPDU Density Analysis for the project, comparing the feasibility of a project developed at the 2.5 FAR with no bonus density with a 3.05 FAR project with a 22 percent bonus density for provision of 15 percent MPDUs.

CONCLUSION

In evaluating the submission of the applicant, the economic consultant and the Committee made the following findings of fact:

1. The development cost assumptions submitted by the applicant are consistent with market norms and all mathematical calculations appear to be accurate.
2. The economic analysis submitted by the applicant provides reasonable information and level of detail to permit basic understanding of the anticipated development costs.
3. The indicated sales prices for the MPDU units were derived based on the cost basis for establishing the permissible MPDU pricing.
4. The feasibility of the 22 percent bonus case is based on assumptions of relatively modest margins and profits by current standards.

SENT BY: PARK&PLANNING DIRECTOR'S OFFICE; 301 495 1310;

APR-19-06 10:10AM;

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FROM : DHCA DIRECTORS OFFICE

FAX NO. : 240 777 3791

Apr. 17 2006 05:00PM P4

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Based on the analysis, the following was estimated:

- The project, without any bonus density would have a gross loss.
- The project, with the requested density bonus would have a modest gross profit.

Given these conclusions, the ARC finds that the bonus density, which requires the additional height for its inclusion, is required to make the project profitable. This conclusion is related solely to the financial conditions associated with the property's development. The ARC has no opinion related to the community compatibility of the project and its height or density.

Signatures of Alternative Review Committee Members:

Elizabeth B. Davison
Elizabeth B. Davison, Director
Department of Housing and Community Affairs

4/17/06
Date

D. Scott Minton, Executive Director
Housing Opportunities Commission

Date

Farrell Hamer
Farrell Hamer, Acting Director
Department of Park and Planning, M-NCPPC

4.19.06
Date

/EBD:LR:sns

cc: Patricia Harris, Esq.
Holland & Knight, LLP

Christopher Anderson, MPDU Program Administrator
Department of Housing and Community Affairs

SENT BY: PARK&PLANNING DIRECTOR'S OFFICE; 301 495 1310;

APR-19-06 10:17AM;

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FROM : DHCA DIRECTORS OFFICE

FAX NO. : 240 777 3791

Apr. 17 2006 05:00PM P5

FROM : DHCA DIRECTORS OFFICE

FAX NO. : 240 777 3791

Apr. 17 2006 05:15PM P2

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Based on the analysis, the following was estimated:

- The project, without any bonus density would have a gross loss.
- The project, with the requested density bonus would have a modest gross profit.

Given these conclusions, the ARC finds that the bonus density, which requires the additional height for its inclusion, is required to make the project profitable. This conclusion is related solely to the financial conditions associated with the property's development. The ARC has no opinion related to the community compatibility of the project and its height or density.

Signatures of Alternative Review Committee Members:

Elizabeth B. Davison, Director
Department of Housing and Community Affairs

Date


D. Scott Minton, Executive Director
Housing Opportunities Commission

Date

Farrell Hamer, Acting Director
Department of Park and Planning, M-NCPPC

Date

EBD:LR:mms

cc: Patricia Harris, Esq.
Holland & Knight, LLP

Christopher Anderson, MPDU Program Administrator
Department of Housing and Community Affairs

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Attachment 2 (Illustrative)

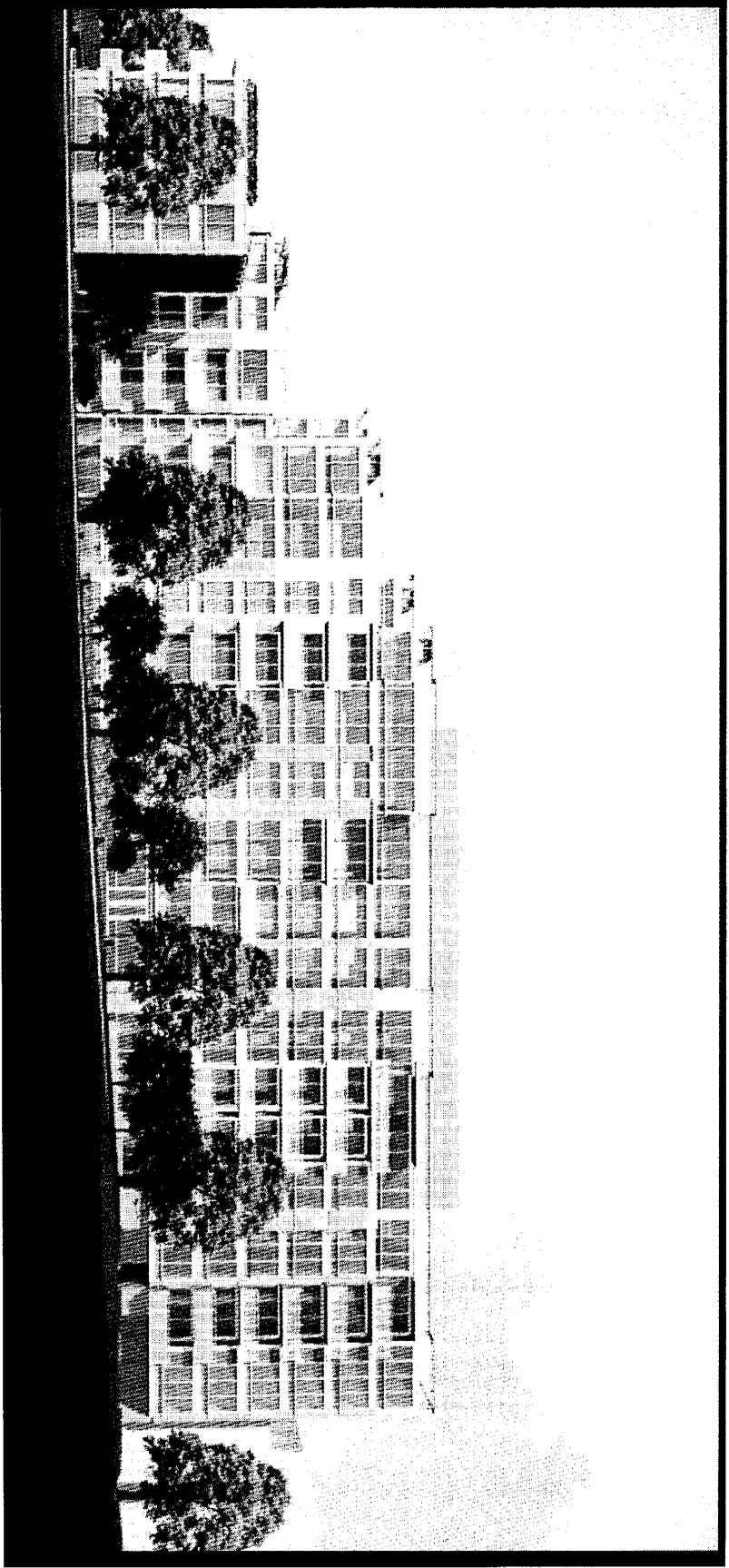


Table 1. TS-R Zone Development Standards

	Required	Proposed for Approval
59-C-8.41. Minimum Area Minimum area required for any development	18,000 sq. ft.	20,895 sq. ft.
59-C-8.42. Density of Development		
a) Floor Area Ratio (Residential)	2.5	3.05*
b) Dwelling units per acre (gross tract area)	150	81.5
59-C-8.43. Open Space		
(a) Minimum percentage of net area devoted to public use space:	10% (2,089 sq. ft.)	10.47% (2,188 sq. ft.)
(b) Minimum percentage of net area devoted to active and passive recreational purposes:	20% (4,179 sq. ft.)	25.56% (5,341 sq. ft.)
Total minimum open space requirement (percent):	30% (6,268 sq. ft.)	36.03% (7,529 sq. ft.)

*Pursuant to 59-D-1.6. & 59-C-8.42

Figure 1. Aerial Photo



Figure 2. Reference Map - Zoning

