

FINDING (b): *As conditioned, the proposal conforms to the approved and adopted Master or Sector Plan or an Urban Renewal Plan approved under Chapter 56.*

The proposed project offers many positive features that will help meet the objectives of the Sector Plan for the Bethesda CBD. The analyses below group the recommendations, principles and guidelines by major topics and assess the Project Plan conformance with each set.

A. GOALS OF THE SECTOR PLAN

DOWNTOWN *Realize the vision of Bethesda as a diverse and lively downtown for Bethesda-Chevy Chase. Continue well-designed redevelopment within the Metro Core and reinforce the physical character and varied activities of districts radiating out from the Core so that each district has a distinct identity yet is linked into a coherent whole.*

The Air Rights Center Hotel Project will help ensure the vitality of downtown Bethesda by introducing a new hotel to the Metro Core, within walking distance of the many activities in downtown Bethesda. The hotel will have a limited kitchen, serving breakfast and possibly a light dinner. Thus, guests of the hotel seeking lunch or dinner, may frequent the many nearby restaurants in the active Metro Core in the day and evening, as well as on weekends. Similarly, guests of the hotel will provide additional patronage to the retail opportunities throughout Bethesda. The Hotel Project will also improve the aesthetics of the CBD by adding a well-designed building over the existing “barrack-like” parking structure.

URBAN FORM. *Encourage infill development that complements the underlying physical form of Bethesda. Create a high-quality built and pedestrian environment, including a network of pathways and open spaces. Enhance Bethesda’s commercial and residential districts with improvements appropriate to the character of each.*

The project defines infill development, with the Hotel Project to be constructed within an existing parking structure. The public space requirement improves the existing conditions of the Capital Crescent Trail and the M-NCPPC Elm Street Park. The Applicant also intends to renovate the existing streetscape on Waverly Street in front of the Property, which will contribute to the overall pathway network within the Metro Core.

The Hotel Project enhances both the commercial district in which it is located and the adjacent residential district. Placing the hotel on a portion of the existing garage will integrate the existing commercial buildings of the Air Rights Center complex into a cohesive project, thus improving its commercial character. At the same time, the final design respects the views from the Town of Chevy Chase in order to ensure a compatible design.

HOUSING AND NEIGHBORHOODS *Encourage and maintain a wide range of housing types and neighborhoods in and around Bethesda for people of all incomes, ages, lifestyles and physical capabilities, in keeping with County goals. Provide an adequate supply of housing, including affordable units, to reinforce Bethesda as a place to live as well as work. Protect*

adjacent neighborhoods from commercial intrusion, undue traffic, and environmental degradation.

Although the Property has an approved site plan for residential development, the current Owner would not build any residential use on the Property, given its proximity to the existing office uses. The Town of Chevy Chase residents also believe that the hotel is a more appropriate use and will not intrude on the adjacent residential neighborhood, as would a residential project.

EMPLOYMENT *Provide opportunities for additional jobs in this major down-County employment center in keeping with County policy to concentrate growth in the urban ring near Metro stations and to increase the County's revenue base.*

The Air Rights Center Hotel Project will add approximately eight managerial level jobs and 51 service level jobs to the County's employment base. The location of the Hotel within walking distance of the metro station and bus station makes it particularly attractive for those service level employees that can rely on public transportation to commute to work. The Air Rights Hotel Project will increase the County's revenue base, by adding a 216 room hotel to an existing parking structure, which will result in a significant increase in property taxes.

COMMUNITY CHARACTER *Enhance Bethesda as an appealing environment for working, shopping, and entertainment. Strengthen its attraction as a destination for visitors while ensuring that residents find a sense of community. Reinforce a unique sense of place through the themes of Bethesda as a "garden" and a "cultural district."*

The addition of a new hotel in the heart of Bethesda responds directly to this goal by strengthening Bethesda's "attraction as a destination for visitors." This hotel will be oriented toward the business traveler, and likely will also be patronized by tourists as well. The addition of a new hotel in Bethesda will ensure that more people, many of whom may otherwise stay at an entirely different location, will spend time in Bethesda and take advantage of the vibrant community, with its full array of retail and restaurant opportunities.

CIRCULATION *Provide a safe and functional transportation system to serve the current and recommended land uses. Achieve a significant shift of travel from drive-alone auto use to transit, carpooling, and other alternatives. Enhance the pleasure, safety, and convenience of walking and bicycling.*

An important component of the Air Rights structure is the improvement of the streetscape along the Waverly Street frontage of the hotel to the Bethesda streetscape standard. This will help unify this area of the Bethesda CBD with the other portions of the Metro Core.

The hotel is located within 600 feet of the Metro Station and the Bethesda bus terminal and will be accessible to public transportation systems and will decrease the number of single occupancy vehicles. The improvement of the sidewalks along Waverly Street, as well as the improvement to the Capital Crescent Trail, will enhance the pleasure, safety and convenience of walking and bicycling.

B. PLANNING AND DESIGN OBJECTIVES

Land Use Objectives

Employment Growth

Concentrate high-density office development in the Metro Core and allow lower density in full development along with housing in other districts.

Support new commerce development that enhances the Character of Bethesda by providing desired public benefits and high-quality development.

Coordinate new growth with public facilities, so as not to burden nearby residential areas. Public facility plans and impacts of growth are addressed throughout the Plan.

The Hotel is located in the Metro Core and is comparable in scale to the buildings immediately surrounding it. While not office use, for zoning purposes the Hotel is considered non-residential and, therefore, its location in the Metro Core is most appropriate.

The Air Rights Hotel Project will meet and exceed the Optional Method Public Use and Amenity requirement. The focal part of the public use and amenity package is the improvements to the Capital Crescent Trail, which given of the popularity of the trail, will provide a far reaching benefit. The building will be well designed and will greatly improve the aesthetics of the Property.

The hotel use generates considerably less impact on public facilities than either residential or office use. Not only are the trip generation rates lower, but also the hotel will have no impact on the school system and very little, if any, impact on the park system, including the adjacent Elm Street Park.

Retail

Approve zoning recommendations and land use guidelines that support the continued vitality of retail in Bethesda. Such tools can influence the location of retail as development opportunities arise.

Promote improved accessibility to retail shops and awareness of the character of retail districts.

The Air Rights Hotel will contribute to retail uses in Bethesda by increasing the number of people spending time in Bethesda who will shop and eat in Bethesda. The hotel's enhancement of the existing streetscape along Waverly Street and the addition of an attractive building that can be viewed from Wisconsin Avenue will attract potential shoppers to this area of the Metro Core and help bolster the sales of the existing retail uses in the Air Rights complex.

Urban Design Objectives

Provide street-activating uses, such as retail stores with storefront display windows or building entrances. Activating uses help promote a safe, interesting, and lively environment.

Enhance the pedestrian environment to provide a visually diverse and stimulating experience, maximize social interaction, and encourage walking. Special attention should be given to the design of streetscapes to help maintain human scale, achieve good street definition, and enhance the visual character.

Extend the network of open spaces to serve the needs of an expanding population for a diverse range of activities in spaces that are safe, visible and perceived as public.

Improve compatibility with existing uses through urban design concepts and guidelines that address form, shadows and skyline, building heights, scale, massing, and setbacks. In general, new development should respect established patterns of development.

Allow a diversity of architectural styles that achieve good building proportions, reduce the sense of bulk, and maintain human scale. Clearly identify the building entrance in the facade design and locate it at street level.

Achieve compatibility with nearby residential areas through techniques such as stepped down heights, articulated building walls and facade treatments, and other architectural means designed to minimize building bulk and shadow impacts, and create a gradual transition.

Expand the existing network of open spaces so that it responds to existing pedestrian movements, and if possible, connect new open spaces to the existing network.

Emphasize the pedestrian environment along streets. Design buildings to provide visual interest and human scale at the street level, adjacent to sidewalks. Architectural facades should incorporate interesting details, store-front display windows, and front entrances to enliven and activate the sidewalks.

Use upgraded streetscape elements such as special pavers, lighting, tightly spaced trees, and other features to enhance significant pedestrian pathways, visually define distinct districts, and improve the overall attractiveness of the CBD.

The Air Rights Hotel Project will provide an opportunity to improve the existing streetscape along Waverly Street. The improvements to the Waverly Street streetscape eliminate the existing projection over the sidewalk and will add landscaping, pavers and lights as recommended in the Bethesda CBD Sector Plan. The two-story hotel lobby will be visible from the street and will make the street an inviting pedestrian experience.

Each of the proposed Public Use and Amenity Facilities proposed expand the quality of the pedestrian environment.

The Hotel Project is specifically designed to respect the Property's location along the perimeter of the CBD. The design of the building, its massing, height, scale and setbacks have been carefully designed to be concentrated along the western portion of the Property in response to concerns raised by the Town of Chevy Chase. The hotel structure is compatible with the other adjacent buildings within the CBD and is the greatest distance possible from the Town of Chevy Chase. The Hotel Project construction is concentrated on Waverly Street and will not result in the shadowing of any portion of the Town.

The architectural style and design of the Air Rights Center Hotel Project will further ensure its compatibility with the adjacent Town of Chevy Chase. At the request of the residential community, several changes to the design of the Hotel were made in order to ensure the Hotel's compatibility with the Town. While some of those changes shifted the design of the Hotel from a more residential design to a more office-like design, the Applicant nonetheless incorporated these requested changes in the final design of the Hotel. These changes include stepping down the building height, making the south façade compatible to residential view, providing semi-reflective glass, eliminating balconies and prohibiting signage on the east and south facades.

C. LAND USE AND ZONING PLAN

On the parking deck of the second Air Rights Building, the Plan recommends a small residential building, if compatibility with the adjacent single-family area is maintained. The Sector Plan further provides that the development should have a maximum height of 90 feet, stepping down to 60 feet toward Pearl Street on that portion of the parking structure above the Capital Crescent Trail. The building height should include the existing parking structure. There should be no development on that portion of the deck that abuts the single-family detached houses along Elm Street.

In the Applicant's view, the Sector Plan's recommendation for residential use on the Property was an effort to designate as many sites as possible for residential use in hopes of increasing the availability of housing within the Bethesda CBD. Since the adoption of the Sector Plan in 1994, more than 1,400 residential units have been approved within the CBD which has aided in achieving this goal.

A critical provision of the Sector Plan's recommendation for the Property is the phrase which emphasizes that compatibility with the adjacent single family area be maintained. The adjacent residents recognize that the development of the Property as a hotel will have minimal impact on their neighborhood, perhaps less than a residential use. The hotel is located approximately 114 feet further away from the residences than the previously approved residential use. Unlike the residential building, the hotel will have no outdoor terraces or balconies and a limited number of operable windows, eliminating any concerns about noise or intrusions of privacy.

In terms of the height of the proposed hotel, the underlying CBD Zone permits a maximum height of 143 feet while the Sector Plan recommends a height of 90 feet for the Property, with a step down to 60 feet toward Pearl Street. In order to maximize the compatibility of the proposed hotel, the entire building is concentrated on a 10,879 square foot footprint adjacent to Waverly Street, with no portion of the structure oriented toward Pearl Street or the adjacent

neighborhoods. The building will be set back considerably further (65 feet versus 5 feet) from the neighborhood park, than was the previously approved in the multifamily housing proposal.

The Sector Plan's recommendation for a maximum height of 90 feet was intended to ensure the compatibility of the project with the adjacent Town of Chevy Chase. In this case, the Town has clearly indicated that the proposed project better achieves the objective of ensuring compatibility with the Town even with a height greater than that recommended.

D. TRANSPORTATION PLAN

Increase the use of non-auto driver travel for commuting.

Improve pedestrian and bicycle conditions.

Ensure that all parking facilities next to single-family neighborhoods are designed to be compatible with adjacent residences.

The development of the Air Rights Hotel within 600 feet of the Metro Station and bus terminal is in keeping with sound transportation policies and helps to ensure an increase in the use of non-auto driver travel for commuting. It is envisioned that many business travelers with meetings in the District of Columbia will stay at the hotel given its proximity to the Metro Station. A commute to the District would involve only a very short walk to the Metro and a 15-minute ride downtown on the Red Line.

The Applicant's commitment to upgrade Waverly Street, improve the Capital Crescent Trail and provide an access easement from the Elm Street Park to the Trail is consistent with the Sector Plan's goal of improving pedestrian and bicycle conditions. Finally, the parking facility that will serve the Hotel will be accessible from the existing garage access point on Waverly, and therefore will be completely separated from the adjacent residential community.

E. STREETScape PLAN

Reinforce the identity of the districts by developing distinguishing streetscapes for each one while creating a unified image for the entire CBD.

Provide for the "greening" of Bethesda by planting street trees along all streets, using a variety of species to achieve horticultural diversity.

Encourage walking by creating an attractive pedestrian environment and improving pedestrian access.

The streetscape environment will be improved by the Hotel Project Plan that will rehabilitate the existing sidewalk areas along Waverly Street in accordance with the standards of the Bethesda CBD Sector Plan, as described earlier. These improvements will not only encourage walking by creating an attractive pedestrian environment but will also help unify this portion of the CBD with the more recently improved areas to the west.

The project is consistent with the general recommendations of the Bethesda Central Business District Sector Plan, approved and adopted July 1994, and furthers the goals and objectives of the Sector Plan. A description of general compliance with the Sector Plan is set forth in Section VI of this Project Plan Amendment application.

FINDING: (c) *As conditioned, because of its location size, intensity, design, operational characteristics and staging, it would be compatible with and not detrimental to existing or potential development into the general neighborhood.*

The Air Rights Center Hotel Project will successfully integrate the existing North, East and West Buildings and the parking structure that comprise the overall Air Rights Center Complex. From a visual standpoint, the Air Rights Center Hotel Project represents the missing piece in the original development plan for the Air Rights Center complex. The development within the existing parking structure will help conceal an otherwise unattractive structure and provide a visually pleasing, well designed building.

A testament to the Hotel Project's compatibility with the surrounding neighborhood is the Town of Chevy Chase's support for the project. Not only is it the Town's position that the hotel use is much preferred over the previously approved residential use, the Town also believes the design changes are beneficial. The hotel structure is concentrated as far as possible from the single family homes located within the Town to the south and east of the Property. Several different design options were proposed, including some that reduced the overall height of the building but resulted in the density being spread out to a larger footprint that extended to the east. The community was clear that they much preferred the proposed design and location that provides for a maximum height of 116 feet.

In response to comments raised by various Town residents, the Applicant made further design changes to ensure the compatibility of the hotel with the surrounding neighborhood. Perhaps the most important change is the stepping down of the southern façade, from a maximum height of 116 feet to a height of 88.3 feet, which provides an important visual transition. Other changes include the window treatment along the southern façade of the building, use of semi-reflective spandrel (non-vision) glass, elimination of balconies, and a prohibition on signage on the east and south elevations. The hotel design is effectively self-contained with no outdoor balconies and windows that open only a limited amount (four inches).

From an operational standpoint, the hotel will be compatible with the neighborhood and will have less impact on the neighborhood than would the previously approved residential use or an office use. All of the operations associated with the hotel will be clearly separated from the residential area. Loading will occur on the below grade parking structure, which is accessed via the driveway entrance on Montgomery Avenue, near Pearl Street. These design features help segregate the use from the lesser intensive single family neighborhood.

In terms of size, the Hotel Project involves an additional 132,421 square feet of development, resulting in an overall density for the Property of 3.50 FAR, significantly lower than the 4.0 FAR permitted by the Zoning Ordinance. The size and height of the building is in context with adjacent buildings. The proposed roof elevation of the northern portion of the Hotel Project at 469 feet in elevation is lower than Air Rights II (497 feet elev.) and the adjacent Air Rights III (495 feet elev.) and the same elevation as the Residence Inn (469 feet elevation). The building is only ten feet taller than the adjacent Air Rights I building. The height steps down to 88.3 feet along the southern boundary as requested by the residents of the Town of Chevy Chase.

The new construction will be setback a minimum of 15 feet from Waverly Street. The redevelopment of the Property will also include removal of the existing portions of the Link that currently project into the sidewalk area along Waverly Street. These changes will create a pleasant pedestrian environment on Waverly Street.

The new thirteen-story hotel will enhance the Air Rights Center complex and unify the massing of the existing buildings along Waverly Street. The building is concentrated in the western portion of the site, with a step down toward the adjacent Elm Street Park and Town of Chevy Chase. The design does not include construction over that part of the garage along the Capital Crescent Trail, as did the previously approved design.

By concentrating the height and mass of the building in the western corner of the Property, adjacent to the more intensive uses and as far away as possible from the existing single family homes located within the Town of Chevy Chase. In response to the recommendations of the residents of the Town of Chevy Chase, the southern portion of the building is designed to have two "step downs" from its maximum height. The maximum height of the building will be 116 feet and then the building will step down to a height of 98 feet for a distance of 13 feet and then to a height of 88.3 feet.

FINDING: ~~(d) As conditioned, the proposal would not overburden existing public services nor those programmed for availability concurrently with each stage of construction and, if located within a transportation management district designated under Chapter 42A, article II, is subject to a traffic mitigation agreement that meets the requirements of that article.~~

The Hotel Project will not overburden existing public services. The Project Plan Amendment and the hotel use generates less trips than the previously approved residential use. Whereas the residential use generated 55 AM peak hour trips and 55 PM peak hour trips, the Traffic Statement prepared as part of the Project Plan Amendment indicates that the hotel will generate only 43 AM peak hour trips and 27 peak hour PM trips. The Hotel's close proximity to the Bethesda Metro Station helps promote the use of public transportation and it is anticipated that many guests will rely on the metro to commute to meetings in the District of Columbia.

Local Area Transportation Review

The proposed development is for a 216-room hotel on the site. A traffic statement was submitted to compare the traffic impact of the previously approved development proposal and the current proposal. The site was approved for a 182 unit high-rise apartment complex at this location on January 4, 2001. At that time when a traffic study was submitted and the impact of 182 high-rise apartments was evaluated, it was determined that all intersections were operating within the congestion standard of 1,800 Critical Lane Volume for Bethesda Central Business District.

The applicant submitted a traffic statement on December 4, 2004, to provide Transportation Planning staff with a comparison between the traffic that would have been generated and distributed by 182 high-rise apartments and the 216 room hotel that would replace about 8,044 square feet of existing retail use. The result of the study indicates that the total trips generated by the hotel will be less than what would have been under the previously approved plan. The following table shows the trip generation comparison for the two proposed developments.

USE	AM Peak			PM Peak		
	IN	OUT	TOTAL	IN	OUT	TOTAL
182 High-Rise Apartments	11	44	55	37	18	55
216 Room Hotel	29	19	48	26	22	48
80,044 square-foot Retail to be removed	(3)	(2)	(5)	(10)	(11)	(21)
Net reduction in trips	26	17	43	16	11	27

As shown in the table above, the proposed hotel will generate a total of 12 and 28 less trips during the weekday morning and evening peak hours respectively. In addition, most travelers staying in the hotel are expected to take advantage of the metro station that is only 600 feet away from the proposed site.

Staff also evaluated the directional distribution of traffic for the two different development proposals. Our evaluation indicates that the traffic pattern for a high rise apartment complex and a hotel should be the same because they both function as producers of trips during the morning peak hours, therefore the directional distribution of traffic must be the same. Based on the directional distribution of traffic, staff concluded the assignment of traffic to area intersections will also be the same and, therefore, the traffic patterns are the same. These evaluations suggest that the proposed hotel will have less impact on the area transportation system than a 182 high-rise apartment building.

Based on the above stated facts, it is staff's conclusion that the proposed hotel development will pass the Local Area transportation Review test.

Road Classifications

Waverly Street is classified as a Business District Street with a recommended 80-foot right of way. This applicant is required to provide 35 feet of right-of-way from the Centerline of

Waverly Street. Staff allowed a five-foot reduction required for right-of way at this location for several reasons:

1. Waverly Street has a 90-degree angled curve in front of the property and therefore, the safe speed at this location could not be more than 15 miles per hour. The speed is one of the criteria for classification of a roadway and 15 miles per hour speed is well below a traffic speed allowed for a road, say an arterial that allows for more than 35 miles per hour speed.
2. All the street amenities, such as wide sidewalks and the tree panels that are required in front of the property for a safe, efficient, and desirable walking experience are provided within the reduced dedicated right-of-way.
3. If the applicant were required to provide a full 40-foot right of way from the centerline, it impacted the underground garage and the surrounding structures would have been negatively impacted in an effort to meet the minimum requirements of building a hotel on this site.
4. There is no plan in the future to widen the road at this location.

Montgomery Avenue is classified as a Business District Street with a recommended 80-foot right-of-way. The applicant would provide half section of the required right-of-way, sidewalks, and other amenities.

Pearl Street is classified as a Business District with a recommended 85-foot right-of-way. No dedications are required with this plan approval.

Wisconsin Avenue is classified as a Major Highway with recommended right-of-way varying from 104 feet to 120 feet through out the Central Business District (CBD) area.

Water and Sewer Capacity

The site is classified and W-1 and S-1, establishing capacity for the proposed project.

FINDING: (e) *The proposal will be more efficient and desirable than could be accomplished by the use of the standard method of development.*

The development of the Air Rights Center Hotel Project is only possible as an optional method development project. The existing office development of the Property exceeds the 2.0 FAR maximum permitted in accordance with the standard method of development in the CBD-2 Zone. The optional method of development allows for the construction of the hotel and results in an overall density for the Property of 3.50 FAR, below the allowable 4.0 FAR.

An important benefit of the optional method of development is the increased public use space which will be provided. The Air Rights Center Hotel Project provides an opportunity to improve the public space surrounding the Property. The public use improvements, which are provided as a result of the optional method of development, are as follows:

Public Use/Amenity Space Tabulation

Net Lot Area		117,258 SF
Public Use Space Required:	20%	23,291 SF
Public Use Space Provided On-Sites:		
Crescent Trail Improvements		4,731 SF
Landscaped Screening Strip		2,383 SF
Crescent Trail Full Section Improvements		12,368 SF
Crescent Trail Tunnel Painting		2,888 SF
Plaza Renovation		9,810 SF
On-Site Total:	27.1%	31,780 SF
Public Amenity Space Off-Sites:		
Waverly St. Dedication/Improvements		4,198 SF
Montgomery Ave. Improvements		6,536 SF
Waverly Street Seating Area		1,340 SF
Elm Street Park		83,000 SF
Pearl Street Connection		744 SF
Off-Site Total:	90.2%	105,818 SF
Total Provided	117.3%	137,598 SF

Public Use Easement Area Tabulation

Public Access Easement Between Crescent Trail and Elm Street Park	250 SF
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Public Use Dedication Tabulation

15 Foot Waverly St. Public Dedication	4,198 SF
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FINDING: (f) *The proposal will include moderately priced dwelling units in accordance with Chapter 25A of this Code, if the requirements of that chapter apply.*

This section does not apply to the Project Plan Amendment, the commercial project providers no housing.

FINDING: (g) *When a Project Plan includes more than one lot under common ownership, or is a single lot containing two or more CBD zones, and is shown to transfer public open space or development density from on lot to another or transfer densities, within a lot with two or more CBD zones, pursuant to the special standards of either section 59-C 6.2351 or 59-C 6.2352 (whichever is applicable), the Project Plan may be approved by the Planning Board based on the following findings:*

- (1) *The project will preserve an historic site, building, structure or area as shown on the Locational Atlas and Index of Historic Sites or the Master Plan for Historic Preservation; and/or*
- (2) *The project will implement an urban renewal plan adopted pursuant to Chapter 56 of the Montgomery County Code; and/or*
- (3) *The project will result in an overall land use configuration that is significantly superior to that which could otherwise be achieved.*

This section does not apply to the subject Project Plan Amendment.

FINDING: (h) *As conditioned, the proposal satisfies any applicable requirements for forest conservation under Chapter 22A.*

The forest conservation requirement will be met by on-site landscaping and off-site planting if required. See the Forest Conservation Plan included in the Appendix.

FINDING: (i) *As conditioned, the proposal satisfies any applicable requirements for water quality resources protection under Chapter 19.*

Applicable requirements under chapter 19 are addressed in the Appendix under Stormwater Management and in a letter to the Water Resources Section of Montgomery County.

APPENDIX

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