Attachment C

How would the Smart Growth Criteria work in practice? Consider a hypothetical project in an area with partial PAMR mitigation (such as the Twinbrook Sector Plan area) with a 35% requirement (for FY 10). The affordable housing and PAMR requirements would be assessed as follows. First, the application must meet the following criteria:

- Within ½ mile of the Metrorail station (or other transit route with 15 minute frequency transit service during peak periods)
- Using at least 75% of the allowable density
- Minimum 50% residential use
- Meet specified energy efficiency requirements

Suppose the application had the following parameters:

- A 100,000 square foot site with a 3.0 FAR resulting in 300,000 square feet of building footprint,
- A 55% residential component, resulting in 165,000 square feet of residential space,
- A commercial component split between office (25% of the total building space) and retail (20% of the total building space)
- An average gross DU size of 1,000 square feet, resulting in 165 residential dwelling units, of which 12.5% (20 units) must be affordable and 10% (16 units) must be workforce.

This application:

- Would generate 379 peak hour trips,
- With 35% mitigation, 133 peak hour trips would require PAMR mitigation,
- At \$11,000 a trip, the PAMR mitigation would have an expected value of \$1,463,000

Under the Smart Growth Criteria, the applicant could be relieved of PAMR mitigation requirements if 50% of the PAMR savings, or \$731,500, were applied toward providing additional affordable housing.

If the applicant could be expected to take a \$50,000 loss on each affordable housing unit (the difference between the cost to build and the sales cost). The \$731,500 would cover approximately 15 units at \$50,000 each. Therefore, to meet the smart growth criteria, the number of affordable units would need to be increased from 21 units to 36 units (while retaining the 165-unit total).

The combination of PAMR and development impact taxes provides a financial incentive when considered on a per-square foot basis. This application would pay:

- \$937,000 in transportation impact taxes and
- \$532,000 in school impact taxes, for a total of
- \$1,469,000 in development impact taxes, plus
- \$731,500 in PAMR requirements redirected toward affordable housing, resulting in a total of

• \$2,220,500 in tax/PAMR payments, or about \$7.30 per square foot.

Without the Smart Growth Criteria, a similarly sized development of 300,000 GSF without a residential component:

- Would generate 690 peak hour vehicle trips
- With 35% mitigation, 242 peak hour trips would require PAMR mitigation,
- At \$11,000 a trip, the PAMR mitigation would have an expected value of \$2,662,000

The application without Smart Growth Criteria would pay:

- \$1,386,000 in transportation impact taxes and
- \$0 in school impact taxes, for a total of
- \$1,386,000 in development impact taxes, plus
- \$2,662,000 in PAMR requirements, resulting in a total of
- \$4,048,000 in tax/PAMR payments, or about \$13.49 per square foot.

Case Study #1. Metro Station Policy Area (Such as Twinbrook) With 35% PAMR Mitigation Requirement

	Lot Area (Square Feet)	quare Floor Area Ratio		Proposed Development				PAMR Trips	s Mitigated	PAMR Cost			
	,	Allowed	Proposed	Office	Retail	Residential	TOTALS	Percent	Total	Per Tr	р	Total	
Sample Proposal Without Smart Grow			4.50	550/	450/	00/	4000/						
Percent FAR by Use	100000	3.00	1.50	55%	45%	0% 1000	100%						
Average Size of Dwelling Unit (SF) Square Footage by Type				82500	67500	0	150000						
Number of Dwelling Units				02300	07300	0	130000						
Peak Hour Trips Generated (retail at 75%	6 pass-by)			139	209	0	348	35%	122	\$ 11,0	000	\$ 1,342,000	
Net Trip Generation Rate - Trips per 100		eet					2.32						
PAMR Exemption								0%				\$ -	
Net PAMR Cost												\$ 1,342,000	
Alternative Review Proposal #1 - Mixe	d Use Tran	sit Proxin	nitv										
Percent FAR by Use	100000			25%	20%	55%	100%						
Average Size of Dwelling Unit (SF)						1000							
Lot and Building													
Square Footage by Type				75000	60000	165000	300000						
Number of Dwelling Units						165							
Number of Dwelling Units Subject to Imp				115	185	144 79	379	35%	133	r 11 (000	f 4 462 000	
Peak Hour Trips Generated (retail at 75% Net Trip Generation Rate - Trips per 100		oot		115	100	79	1.26	35%	133	\$ 11,0	100	\$ 1,463,000	
PAMR Payment Waived	o oquale i						1.20	100%				\$ 1,463,000	
Net PAMR Cost to Applicant												\$ -	
Housing Mitigation Requirement Assumed Value of MPDU / WFDU						¢ 50,000							
Half the Value of PAMR Mitigation						\$ 50,000 \$ 731,500							
Number of Units Needed						15							
Total Units Subject to Impact Tax						129							
Alternative Review Proposal #2 - Prop	rimiter to D	aala Camil											
Percent FAR by Use	100000			25%	20%	55%	100%						
Average Size of Dwelling Unit (SF)	.00000	0.00	0.00	2070	2070	1000	10070						
Lot and Building													
Square Footage by Type				75000	60000	165000	300000						
Number of Dwelling Units	_					165							
Number of Dwelling Units Subject to Imp				128	185	144 79	392	35%	107	r 11 (000	¢ 4 507 000	
Peak Hour Trips Generated (retail at 75% Net Trip Generation Rate - Trips per 100		not		128	185	79	1,31	35%	137	\$ 11,0	100	\$ 1,507,000	
PAMR Payment Waived	U Squale F	eel					1.31	50%				\$ 753,500	
												\$ 753,500	
Net PAMR Cost to Applicant													
Net PAMR Cost to Applicant Housing Mitigation Requirement						\$ 50,000							
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU						\$ 50,000 \$ 376.750							
						\$ 50,000 \$ 376,750 8							
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed					ı	\$ 376,750							
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax	Posidontis	al .				\$ 376,750 8							
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without			3.00	55%	45%	\$ 376,750 8 136	100%						
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use	Residentia 100000) 3.00	55%	45%	\$ 376,750 8	100%						
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF)			3.00	55% 165000	45% 135000	\$ 376,750 8 136	100% 300000						
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without			3.00			\$ 376,750 8 136 0% 1000							
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Square Footage by Type Number of Dwelling Units Peak Hour Trips Generated (retail at 759)	100000 6 pass-by)	3.00	3.00			\$ 376,750 8 136 0% 1000 0	300000 690	35%	242	\$ 11,(000	\$ 2,662,000	
Net PAMR Cost to Applicant Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Square Footage by Type Number of Dwelling Units	100000 6 pass-by)	3.00	3.00	165000	135000	\$ 376,750 8 136 0% 1000 0	300000	35% 0%	242	\$ 11,0		\$ 2,662,00C \$ -	

Notes: Site assumed to be 750 feet from Metrorail station for Exemption Proposal 1 Base case assumeds MPDU percentage is 12.5%

2009-2011 Growth Policy Case Study Examples of Smart Growth Criteria Effects

Case Study #1. Metro Station Policy Area (Such as Twinbrook) With 35% PAMR Mitigation Requirement

			Alte	ernative	Alte	ernative	Cor	nparison:
	San	nple Proposal		view Proposal		view Proposal	l	eased FAR
		nout Smart		- Mixed Use	#2	- Proximity to	Wit	hout
	Gro	wth Criteria	Tra	ansit Proximity	Ba	sic Services	Res	sidential
IMPACT TAX COSTS								
Transportation Impact Tax Office								
GSF		82500		75000		75000		165000
Rate	\$	4.85	\$	4.85	\$	4.85	\$	4.85
Extension	\$	400,125	\$	363,750	\$	363,750	\$	800,250
Transportation Impact Tax Retail								
GSF		67500		60000		60000		135000
Rate	\$	4.34	\$	4.34	\$	4.34	\$	4.34
Extension	\$	292,950	\$	260,400	\$	260,400	\$	585,900
Transportation Impact Tax - High Rise Residential		0		400		400		
DU (subject to impact taxes) Rate	Φ.	2,420.00	r.	129 2,420.00	φ.	136 2,420.00	\$	2,420.00
Extension	\$ \$	2,420.00	\$ \$	312,180	\$	329,120	\$	2,420.00
Extension	Ψ	-	Ψ	312,100	Ψ	329,120	Ψ	-
School Impact Tax - High Rise Residential								
DU (subject to impact taxes)		0		129		136		0
Rate	\$	4,127.00	\$	4,127.00	\$	4,127.00	\$	4,127.00
Extension	\$	-	\$	532,383	\$	561,272	\$	-
TOTAL IMPACT TAY	•	000.075	_	4 400 740		4 544 540	_	4 000 450
TOTAL IMPACT TAX	\$	693,075	\$	1,468,713	\$	1,514,542	\$	1,386,150
PAMR COSTS								
Applied toward MPDUs	\$	_	\$	731,500	\$	376,750	\$	_
Applied toward transportation projects	\$	1,342,000	\$	751,500	\$	753,500	\$	2,662,000
TOTAL PAMR COST	\$	1,342,000	\$	731,500	\$	1,130,250	\$	2,662,000
TOTAL PAMR COST PLUS IMPACT TAX	\$	2,035,075	\$	2,200,213	\$	2,644,792	\$	4,048,150
Total Development GSF	φ	150000	Ψ	300000		300000	φ	300000
TOTAL PAMR COST PLUS IMPACT TAX / GSF	\$	13.57	\$	7.33	\$	8.82	\$	13.49
	•		_	00	*	2.02	*	

Case Study #2. Suburban Area (Such as Germantown East) With 100% PAMR Mitigation Requirement

	Lot Area (Square Feet)	quare Floor Area Ratio			Proposed	Development		PAMR Trips	Mitigated	PAMR Cost		
		Allowed	Proposed	Office	Retail	Residential	TOTALS	Percent	Total	Per Trip	Total	
			·			Base						
Sample Proposal Without Smart Grov												
Percent FAR by Use	100000	1.00	0.50	90%	10%	0%	100%					
Average Size of Dwelling Unit (SF)						1200						
Square Footage by Type				45000	5000	0	50000					
Number of Dwelling Units	2/ \			05	45	0	400	4000/	400	f 44 000	f 4 400 000	
Peak Hour Trips Generated (retail at 75° Net Trip Generation Rate - Trips per 100		ot.		85	15	0	100 2.00	100%	100	\$ 11,000	\$ 1,100,000	
PAMR Exemption	oo Square i e	CI					2.00	0%			\$ -	
Net PAMR Cost								070			\$ 1,100,000	
											* 1,100,000	
Alternative Review Proposal #1 - Mixe	ed Use Tran	sit Proximi	ity									
Percent FAR by Use	100000	1.00	0.85	45%	5%	50%	100%					
Average Size of Dwelling Unit (SF)						1200						
Lot and Building												
Square Footage by Type				38250	4250	42500	85000					
Number of Dwelling Units						35						
Number of Dwelling Units Subject to Imp						31						
Peak Hour Trips Generated (retail at 75°				75	26	17	118	100%	118	\$ 11,000	\$ 1,298,000	
Net Trip Generation Rate - Trips per 100 PAMR Payment Waived	00 Square Fe	et					1.39	100%			£ 4 200 000	
Net PAMR Cost to Applicant								100%			\$ 1,298,000 \$ -	
tot i / twirt cost to / ppiloditt											•	
Housing Mitigation Requirement												
Assumed Value of MPDU / WFDU						\$ 30,000						
Half the Value of PAMR Mitigation						\$ 649,000						
Number of Units Needed						22						
Total Units Subject to Impact Tax						9						
Alternative Review Proposal #2 - Pro	vimitu to Do	cia Carvia										
Percent FAR by Use	100000	1.00	0.85	45%	5%	50%	100%					
Average Size of Dwelling Unit (SF)	100000	1.00	0.00	1070	070	1200	10070					
Lot and Building						.200						
Square Footage by Type				38250	4250	42500	85000					
Number of Dwelling Units						35						
Number of Dwelling Units Subject to Imp	oact Tax					31						
Peak Hour Trips Generated (retail at 75°				75	26	17	118	100%	118	\$ 11,000	\$ 1,298,000	
Net Trip Generation Rate - Trips per 100	00 Square Fe	et					1.39					
PAMR Payment Waived								50%			\$ 649,000	
Net PAMR Cost to Applicant											\$ 649,000	
11												
Housing Mitigation Requirement						\$ 30,000						
Housing Mitigation Requirement Assumed Value of MPDU / WFDU						\$ 30,000 \$ 324,500						
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation						\$ 324,500						
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed												
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed						\$ 324,500 11						
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without						\$ 324,500 11 20						
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use	t Residential 100000	L 1.00	0.85	90%	10%	\$ 324,500 11 20	100%					
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF)			0.85			\$ 324,500 11 20 0% 1000						
Assumed Value of MPDU / WFDU Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Equare Footage by Type			0.85	90%	10% 8500	\$ 324,500 11 20 0% 1000 0	100% 85000					
Acusing Mitigation Requirement Assumed Value of MPDU / WFDU -lalf the Value of PAMR Mitigation Number of Units Needed Total Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Square Footage by Type Number of Dwelling Units	100000		0.85	76500	8500	\$ 324,500 11 20 0% 1000 0 0	85000	4000	450		6.4.740.000	
Housing Mitigation Requirement Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Square Footage by Type Number of Dwelling Units Peak Hour Trips Generated (retail at 75°	100000 % pass-by)	1.00	0.85			\$ 324,500 11 20 0% 1000 0	85000 156	100%	156	\$ 11,000	\$ 1,716,000	
Assumed Value of MPDU / WFDU Assumed Value of MPDU / WFDU Half the Value of PAMR Mitigation Number of Units Needed Fotal Units Subject to Impact Tax Comparison: Increased FAR Without Percent FAR by Use Average Size of Dwelling Unit (SF) Equare Footage by Type	100000 % pass-by)	1.00	0.85	76500	8500	\$ 324,500 11 20 0% 1000 0 0	85000	100%	156	\$ 11,000	\$ 1,716,000 \$ -	

Notes:
Site assumed to be adjacent to Ride-On Route 55 stop for Exemption Proposal #1
Base case assumeds MPDU percentage is 12.5%

2009-2011 Growth Policy Case Study Examples of Smart Growth Criteria Effects

Case Study #2. Suburban Area (Such as Germantown East) With 100% PAMR Mitigation Requirement

	With	ole Proposal out Smart	Re #1	view Proposal	Alternative Review Proposal #2 - Proximity to Basic Services		Inc Wit	mparison: reased FAR hout sidential
IMPACT TAX COSTS								
Transportation Impact Tax Office GSF Rate Extension	\$	45000 9.69 436,050	\$	38250 9.69 370,643	\$ \$	38250 9.69 370,643	\$	76500 9.69 741,285
Transportation Impact Tax Retail GSF Rate Extension	\$	5000 8.67 43,350	\$	4250 8.67 36,848	\$	4250 8.67 36,848	\$	8500 8.67 73,695
Transportation Impact Tax - Multifamily (Garden) DU (subject to impact taxes) Rate Extension	\$	0 6,776.00 -	\$	9 6,776.00 60,984	\$ \$	20 6,776.00 135,520	\$	0 6,776.00 -
School Impact Tax - Multifamily (Non High Rise) DU (subject to impact taxes) Rate Extension	\$	0 9,734.00 -	\$	9 9,734.00 87,606	\$	20 9,734.00 194,680	\$	0 9,734.00 -
TOTAL IMPACT TAX	\$	479,400	\$	556,080	\$	737,690	\$	814,980
PAMR COSTS								
Applied toward MPDUs Applied toward transportation projects TOTAL PAMR COST	\$ \$ \$	- 1,100,000 1,100,000	\$ \$ \$	649,000 - 649,000	\$ \$	324,500 649,000 973,500	\$ \$ \$	- 1,716,000 1,716,000
TOTAL PAMR COST PLUS IMPACT TAX Total Development GSF TOTAL PAMR COST PLUS IMPACT TAX / GSF	\$	1,579,400 50000 31.59	\$	1,205,080 85000 14.18	\$	1,711,190 85000 20.13	\$	2,530,980 85000 29.78