



Sandy Spring Rural Village Plan: Briefing

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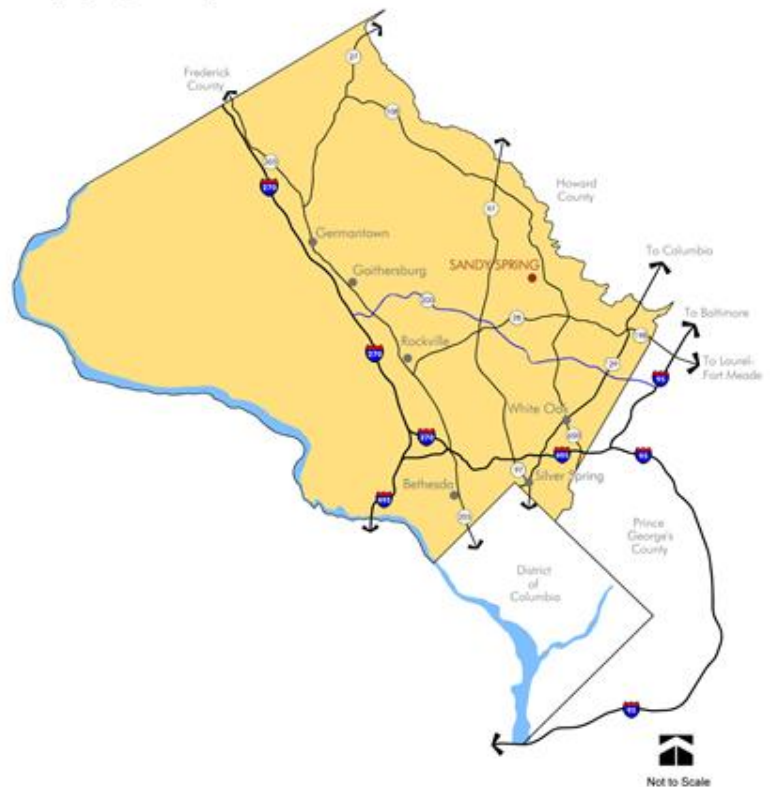
Description

Sandy Spring Vicinity

Sandy Spring Rural Village Plan: Briefing

Preliminary recommendations, and update on the planning and outreach process

Staff Recommendation: Discussion



Summary

The staff will provide a briefing and status report on the Sandy Spring Rural Village Plan. This briefing will highlight the planning challenges, market analysis, and outreach strategy. In addition to this briefing, staff will outline the preliminary planning and design recommendations.

STAFF RECOMMENDATION

PROJECT AUTHORIZATION

The County Council approved the Sandy Spring Rural Village Plan to be started on January 1, 2014. The *1998 Sandy Spring/Ashton Master Plan* recognized the "rural village" character in Sandy Spring and authorized the creation of a village center concept for Sandy Spring "that will help ensure that the village center serves its role as a focal point of community life." The concept developed in 1998 for the Sandy Spring village center included the following elements: development of a new fire station as a community focal point, realignment of Brooke Road to improve access, a village green concept, and resolution of land use and parking issues.

The *Sandy Spring Rural Village Plan* will follow the requirement in the 1998 Master Plan and determine how to best design a village center concept. The 1998 Plan recognized that the details of the concept were beyond its scope, and authorized a more detailed study and analysis to develop the concept.

SANDY SPRING RURAL VILLAGE PLAN

PLANNING CHALLENGES

The *1998 Sandy Spring/Ashton Master Plan* identifies the Sandy Spring Village Center as a place to "meet one another informally while attending to the business of daily life (p.12). The Plan states that the center needs to become more inviting for the entire local community to serve successfully as a true village center.

The *Sandy Spring Rural Village Plan* will address the following challenges:

- Single-use zoning on commercial properties with site limitations/physical constraints
- Outdated building footprints with inadequate retail space
- Local businesses not matching incomes and community aspirations
- Use limitations for cultural institutions in the RC Zone for the Sandy Spring Museum including artisan manufacturing and sales (ceramics, textiles, wood products)
- Limited housing in the commercial area
- Preserving the health of the Patuxent River Watershed
- Unshaded parking lots
- Perpendicular parking and utility poles in the public right-of-way
- Limited sidewalks, bicycle infrastructure, and streetscape

PLAN HIGHLIGHTS

The *Sandy Spring Rural Village Plan* will address specific land use, street right-of-way and zoning challenges with the purpose of creating a rural village center that is in balance and the buildings in line with the area's rural character. The Plan will examine market and transportation data for the planning area .

PRELIMINARY RECOMMENDATIONS

This *Sandy Spring Rural Village Plan* envisions Sandy Spring as a historic rural village that serves as a focal point of community life. The once active commercial area will be transformed into a mixed-use, rural village in upper East Montgomery County filled with neighborhood retail, housing opportunities, and employment. The village core will offer upscale retail and restaurants in a connected and walkable village center.

The Plan's land use and zoning recommendations and the implementation of County's street and streetscaping improvements will set the stage for long-term investment in public infrastructure and private redevelopment. The following are the preliminary recommendations for the Sandy Spring Rural Village Plan:

Village Core Area

- support redevelopment with a mix of residential and commercial uses
- extend the mix of uses north and east of the existing commercial area
- design buildings with appropriate heights and densities that are in keeping with the character of the community
- provide housing infill
- emphasize and support local, small business
- provide open spaces for gathering
- enhance pedestrian connections both within the village center and to the adjacent neighborhoods

Cultural and Commercial Area

- support retail, office, cultural, and religious institutions
- provide pedestrian and bicycle connections to institutions

Residential Area

- support residential uses
- encourage housing infill opportunities for all ages and income levels
- extend the residential land uses of the Village Core to Skymeadow Rd

MARKET ANALYSIS

Property owners and residents have long been concerned about the economic viability of the commercial properties at the intersection of MD 108 and Brooke Road. The existing land use

and zoning have prevented redevelopment to date because of the limited range of land uses permitted, outdated development standards, and parking requirements.

Research conducted a retail market analysis to determine the amount and type of retail space that the Sandy Spring Study Area could support. The analysis reviewed retail supply and demand, competition from nearby areas, and examined the demographic trends and patterns to help identify retail opportunities. This analysis is based on existing retail conditions, including retail currently in the development pipeline. The retail market analysis indicates there is a market for both convenience goods and shoppers goods retail development in the Plan area.

Convenience goods include: food and beverage stores, health and personal care stores, miscellaneous retailers, and food services and drinking places. Shoppers Goods include the following retail categories: electronics and appliance stores, building materials, garden equipment and supply stores, clothing and clothing accessories stores, sporting goods, hobby, book and music stores, and general merchandise.

The growth in neighborhoods surrounding Sandy Spring has created a strong market for more upscale businesses, specialty shops, and restaurants. A good sign in the area is that the existing restaurant (Urban Barbeque) has recently expanded and doubled in size. Sandy Spring will likely see specialty retail in small scale footprints.

OUTREACH

Over the last six months, an interdisciplinary team within Area 3 has been assigned to this design-focused Plan with expertise to address the planning and design challenges. The team has been working with other agencies including the Maryland State Highway Administration, Montgomery County Department of Transportation, Housing Opportunities Commission, Montgomery County Department of Housing and Community Affairs, and staff of the County Council. In addition to the agencies, staff has been reaching out to business owners, residents, and stakeholders to identify goals, and alternatives, and discuss preliminary ideas with the community. The following is a list of strategies:

- an open house was held to kick off the Plan (October 23, 2013)
- agency meetings (December 2013- present)
- a four-day community workshop (February 3-6, 2014)
- a workshop with Sandy Spring students (February 4, 2014)
- a community meeting to present the preliminary staff recommendations (March 19, 2014)
- mailings, email blasts, and webpage updates (Fall to present)
- a Commission-sponsored exhibit highlighting the events of the workshop is currently on exhibit at the Sandy Spring Museum now through April

Results from each outreach effort have played an important role in developing the Plan's preliminary recommendations. Our outreach efforts will continue until plan adoption.

SCHEDULE

The following tentative schedule provides a timeline for the Plan:

Planning Board Briefing	April 3, 2014
Completion of Staff Draft	June 2014
Planning Board Public Hearing	July 2014
Transmit to County Executive and County Council	Nov 2014





SUMMARY

Following this April briefing and status report, the staff will prepare the Staff Draft for the Planning Board's review. The Draft will focus on designing a village core in the commercial core by examining the properties along MD 108 and east of Brooke Road for improved connections, expanded public spaces, and a mix of land uses (including housing). To achieve this goal and the other recommendations for the area, the *Sandy Spring Rural Village Plan* will focus on the following: preserving the rich cultural history of the area, designing a cohesive village center with retail, office, housing and open spaces, and connecting the community to the village center with improved circulation.

Attachments

- A. Timeline
- B. Market Analysis
- C. Sandy Spring Ashton Rural Preservation Consortium letter and Concept Drawing

Sandy Spring Rural Village Plan Timeline	2013					2014												2015						
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Scope of Work																								
background research																								
scope of work presentation																								
Analysis and Draft Plan																								
analysis/ concept refinement																								
draft recommendations																								
staff draft																								
Community Meetings																								
open house/ project kick-off																								
workshops																								
Planning Board Review																								
public hearing																								
worksessions																								
design guidelines																								
planning board draft publication																								
Transmit to Executive & Council																								
county executive review																								
county council notice period																								
council public hearing																								
Commission Adoption, SMA																								
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul

-  Staff
-  Community Involvement
-  Planning Board
-  County Executive
-  County Council
-  Commission Adoption, SMA

INTRODUCTION

This report has been prepared in support of the *Sandy Spring Rural Village Plan* and it focuses on a study area that is defined in Figure 1. The report seeks to identify potential retail uses that may be successful; determine the market for and the level of supportable retail space; and the configuration of potential buildings. The methodology examines supply and demand by quantifying and analyzing retail sales and expenditures for the Sandy Spring trade area in Figure 1. This information serves to inform the analysis of retail market opportunities that could be successful, the amount of supportable retail space, and potential development programs.

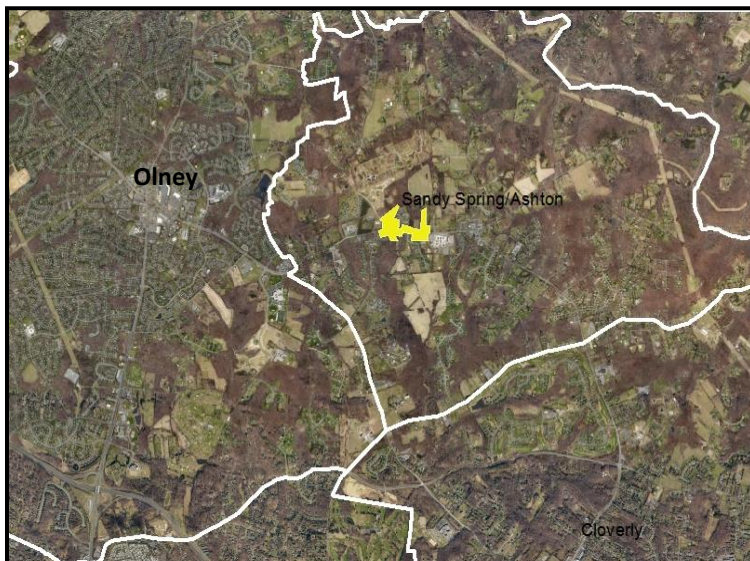
SECTION 1: SANDY SPRING RURAL VILLAGE PLAN - STUDY AREA

Figure 1: Study Area Boundaries



The Sandy Spring study area is part of a larger Rural Village Overlay Zone area that also includes the Ashton Village Center. The study area is approximately 25 acres. It is bounded by commercial properties on MD 108 and Brooke Road, and is generally defined as follows: by the northern boundary of the Sandy Spring Volunteer Fire Department site, on the south by MD 108, Brook Rd on the west, and Bentley Road on the east.

Figure 2: Study Area and Environs

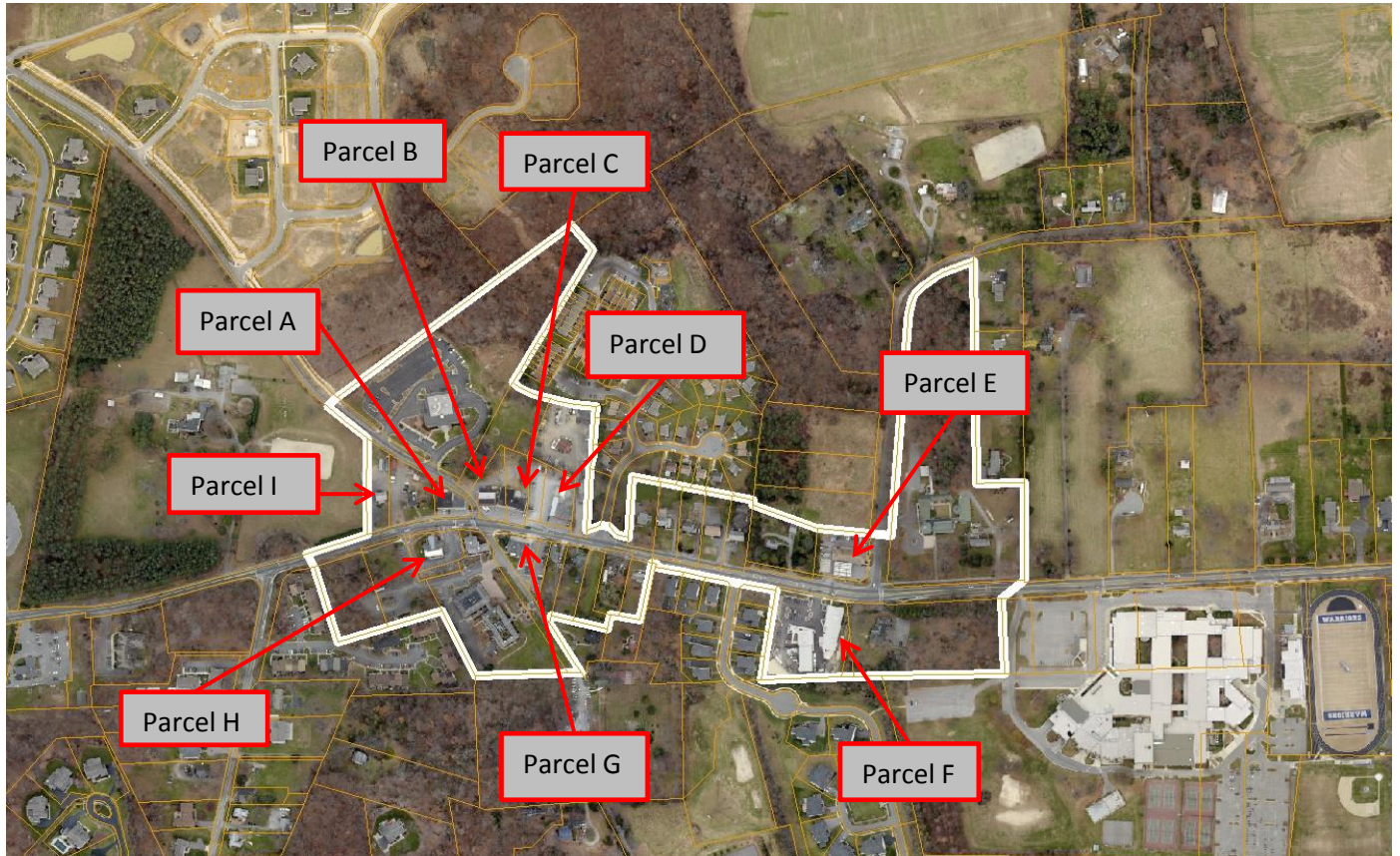


The primary land uses in the Sandy Spring Rural Village Plan area are retail-commercial (current C-2 zoning). A small, older commercial area on Olney Sandy Spring Road contains the majority of existing retail space. Olney Sandy Spring Road, also known as MD-108, runs through the heart of the study area. The village area is surrounded by substantial residential and rural residential neighborhoods, currently zoned Rural Neighborhood Cluster (RNC) and Rural Cluster (RC) Zones.

SECTION 2: EXISTING CONDITIONS - RETAIL

Existing retail character in Sandy Spring can be defined as low intensity, with many establishments (see Figure 3) in buildings that have changed little since their construction. Some though have been revitalized or adapted for new tenants, or are relatively new. .

Figure 3: Study Area Retail Establishments



The retail establishments on the south side of Route 108 include: a stand-alone bank, a small multitenant building with a ground floor bakery and flower shop (with a yoga studio and insurance office on the second floor), and a stand-alone neighborhood hardware store at the east end of the study area. The retail establishments on the north side of Olney Sandy Spring Road include: a gas station and auto garage on the east end, a relatively new and well patronized BBQ restaurant, a multitenant building with a salon/barbershop, office and vacant space, a multitenant building with a tattoo shop, driving school, carpet cleaner, and specialized auto supply, a multitenant building with a post office, psychic, and vacant space that used to be a general store, and finally a former residence now converted to a home furnishings store. See Table 1 for information on the parcel's lot size, building size, building address, and current tenant(s).

Parcel	Street	Tenant	Parcel SF	Building SF
A	901 Olney Sandy Spring Rd.	USPS	44,607	3,840
	905 Olney Sandy Spring Rd.	Sandy Spring Store (Vacant), Psychic Advisor		3,840
B	837 Olney Sandy Spring Rd.	Tantric Tattoo Boutique	25,060	8,840
	837 Olney Sandy Spring Rd.	A&G Driving School		
	837 Olney Sandy Spring Rd.	A Cleaner Carpet Cleaner		
	837 Olney Sandy Spring Rd.	Vape a Delic		
C	815 Olney Sandy Spring Rd.	Salon and Barbershop	18,081	8,040
	825 Olney Sandy Spring Rd.	FTI Engineering Solutions (Vacant)		
	819 Olney Sandy Spring Rd.	Vacant		
D	805 Olney Sandy Spring Rd.	Urban BBQ	19,335	5,800
E	499-501 Olney Sandy Spring Rd.	Valero Gas Station, Garage	29,598	3,850
F	500 Olney Sandy Spring Rd.	Christopher's Hardware	76,230	6,550
G	816 Olney Sandy Spring Rd.	Passion Bakery Café	17,968	2,708
	816 Olney Sandy Spring Rd.	Yin-Yang Yoga & Wellness, Allstate		
	816 Olney Sandy Spring Rd.	Creative Floral Designs		
H	908 Olney Sandy Spring Rd.	Sandy Spring Bank	21,706	4,693
I	913 Olney Sandy Spring Rd.	Furniture, Gifts, Accessories	41,266	2,584
TOTAL			293,851	50,745

Source: Montgomery County Planning Department

Total leasable retail space in the study area is estimated to be around 51,000 square feet (see Table 1). Future retail opportunities in Sandy Spring are most likely to continue at a small scale, given the size and configuration of properties. Since commercial lots and existing buildings are relatively small and ownership is not consolidated it would be challenging, and questionable given the scale of Sandy Spring, to consolidate and create sufficiently sized parcels that would allow large format retail. This idea and approach influences the assumptions used in the study and affects trade area boundaries applied in the economic and market overview, as well as for the supply and demand analysis.

SECTION 3: ECONOMIC AND MARKET OVERVIEW

SECTION 3A: DEFINITION OF TRADE AREAS

A trade area is the geographic area from which most of a retail establishment's customers originate. However, trade areas can differ based on the type of products offered. For example, the trade area for a convenience good, such as milk, is typically smaller than that for a shoppers good, or "comparison" good, such as furniture or apparel. The distance a consumer will travel to buy a gallon of milk is significantly shorter than the travel distance tolerated to buy a new sofa. Another factor affecting the trade areas for convenience and shoppers goods is comparison shopping. To purchase a gallon of milk, one does not need to compare brands or stores. To purchase furniture, consumers are willing to travel farther to compare various merchandise.

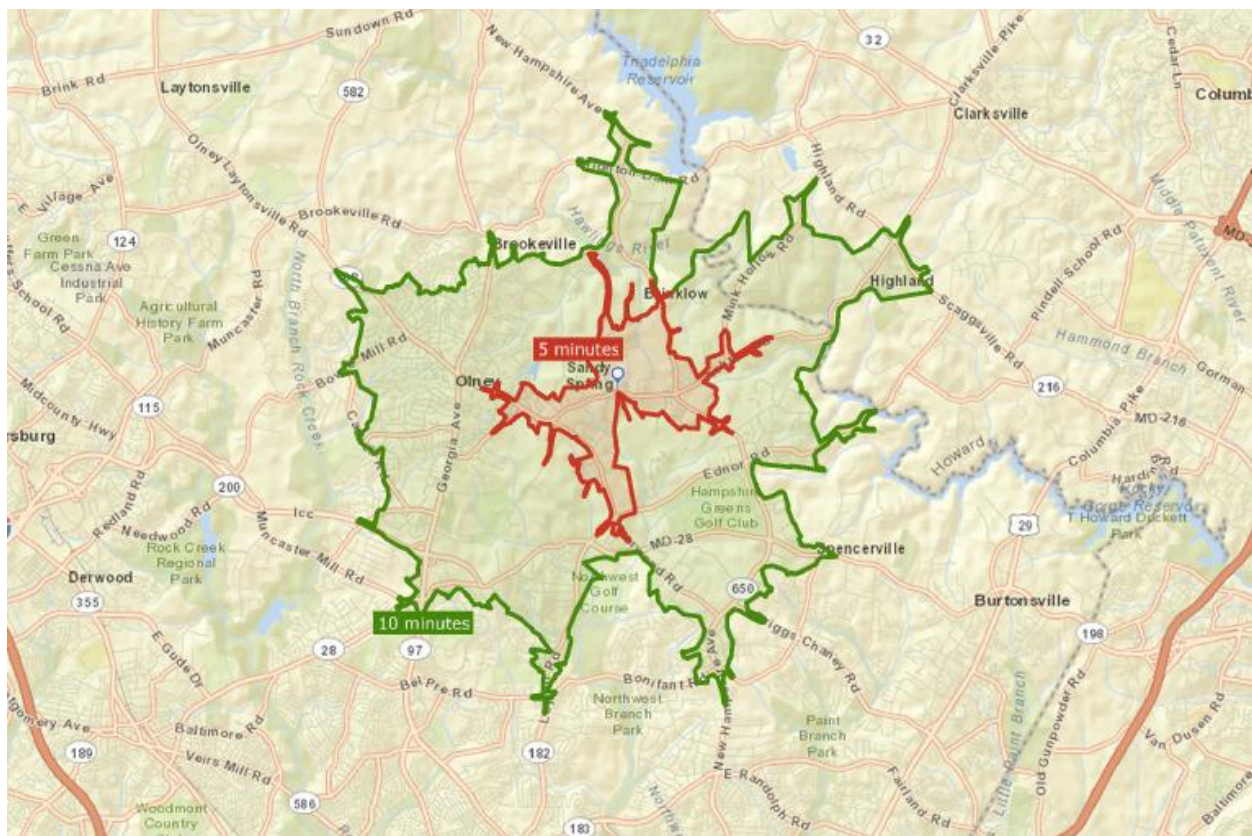
Trade areas are also impacted by competitive retail destinations. A shopping district with little nearby competition will have a much larger trade area than a shopping district with significant regional competition. The market analysis for Sandy Spring focuses on two Primary Trade Areas (PMAs) (see Figure 4 below):

- 5-Minute driveshed* from Sandy Spring’s commercial core (the intersection of MD-108 and Meeting House Road) and;
- 10-Minute driveshed from the core.

* a geographic area that is defined by travel time

Given the character of the existing retail environment, as well as nearby competition, the PMA for Sandy Spring is defined as a 5-minute driveshed for convenience goods and a 10-minute driveshed for shoppers goods. According the Urban Land Institute, shoppers goods generally have larger drivesheds, e.g. “big box” retail tends to have a 30 minute driveshed PMA. However, since Sandy Spring is fundamentally limited to small format retail and has significant competition from shoppers goods stores about seven minutes to the west in Olney, a 10-minute driveshed is used for this study.

Figure 4: Five and Ten Minute Driveshed PMA



SECTION 3B: DEMOGRAPHIC AND ECONOMIC PROFILE**Populations/Households**

In 2013 the population within Sandy Spring's 5-minute driveshed was approximately 2,034, which translates to 692 households. The population within a 10-minute driveshed was approximately 38,680 persons or 13,204 households. Population and household growth from 2013-2018 is projected to increase for the two drivesheds; around 4.5% and 5.1% respectively (see Table 2).

	2013	2018	Total HH Change	% HH Change
Population (5 minute driveshed)	2,034	2,123	89	4.4%
Population (10 minute driveshed)	38,680	40,652	1,972	5.1%
Households (5 minute driveshed)	692	723	31	4.5%
Households (10 minute driveshed)	13,204	13,871	667	5.1%

Source: ESRI Business Analyst Online

Population Age Distribution

The population's age distribution is evaluated, since different age cohorts generally support by different retail segments and uses.

In 2013 the median age for the 5-minute and 10-minute drivesheds was 47.1 and 43.1 respectively. The 10-minute driveshed has a slightly younger population because it includes Olney, which has more multifamily units and draws a slightly younger group. The population between ages 55-79, most commonly associated with "empty nesters" comprises approximately 27% in both PMAs. From 2013-2018 this age group is projected grow the fastest (see Tables 3a and 3b below). While currently relatively nascent, 30-39 year olds, generally associated with young "starter" families, are also poised for rapid growth during this same period.

	2013		2018		Total Pop. Change	% Pop. Change
	Populatio	% of Total	Populatio	% of Total		
20-24	111	5.5%	104	4.9%	(7)	-6.3%
25-29	74	3.6%	96	4.5%	22	29.7%
30-34	70	3.4%	92	4.3%	22	31.4%
35-39	75	3.7%	92	4.3%	17	22.7%
40-44	107	5.3%	102	4.8%	(5)	-4.7%
45-49	161	7.9%	124	5.9%	(37)	-23.0%
50-54	206	10.1%	169	8.0%	(37)	-18.0%
55-59	182	8.9%	208	9.8%	26	14.3%
60-64	141	6.9%	181	8.5%	40	28.4%
65-69	97	4.8%	138	6.5%	41	42.3%
70-74	72	3.5%	98	4.6%	26	36.1%
75-79	54	2.7%	67	3.2%	13	24.1%
80-84	55	2.7%	55	2.6%	-	0.0%
85+	116	5.7%	111	5.2%	(5)	-4.3%
Median Age	47.1		48.6			

Source: ESRI Business Analyst Online

	2013		2018		Total Pop. Change	% Pop. Change
	Population	% of Total	Population	% of Total		
20-24	2,057	5.3%	1,777	4.4%	(280)	-13.6%
25-29	1,768	4.6%	1,896	4.7%	128	7.2%
30-34	1,814	4.7%	2,146	5.3%	332	18.3%
35-39	1,860	4.8%	2,373	5.8%	513	27.6%
40-44	2,437	6.3%	2,474	6.1%	37	1.5%
45-49	3,029	7.8%	2,806	6.9%	(223)	-7.4%
50-54	3,731	9.6%	3,152	7.8%	(579)	-15.5%
55-59	3,546	9.2%	3,630	8.9%	84	2.4%
60-64	2,852	7.4%	3,326	8.2%	474	16.6%
65-69	1,967	5.1%	2,593	6.4%	626	31.8%
70-74	1,278	3.3%	1,781	4.4%	503	39.4%
75-79	798	2.1%	1,089	2.7%	291	36.5%
80-84	603	1.6%	682	1.7%	79	13.1%
85+	807	2.1%	837	2.1%	30	3.7%
Median Age	43.5		44.1			

Source: ESRI Business Analyst Online

Income Distribution

In 2013 the median household income for the 5-minute driveshed was \$125,279, while for the 10-minute driveshed it was \$125,416. This is nearly 25% higher than the median household income for Montgomery County as a whole (\$95,660), according to the 2007-2011 American Community Survey. Approximately one-quarter of the households in both PMAs earn more than \$200,000 a year. These higher incomes correlate with well-educated Sandy Spring residents working in managerial positions. Furthermore, households in the highest income brackets (\$150K-\$199K, and \$200K+) are expected to be the only two age groups to grow significantly from 2013-2018. This may indicate higher end and/or unique and specialty consumer retail opportunities (see Tables 4a and 4b below).

	2013		2018		Total HH Change	% HH Change
	HH	% of Total	HH	% of Total		
< \$15,000	26	3.8%	22	3.0%	(4)	-15.4%
\$15,000 - \$24,999	24	3.5%	17	2.4%	(7)	-29.2%
\$25,000 - \$34,999	30	4.3%	19	2.6%	(11)	-36.7%
\$35,000 - \$49,999	59	8.5%	44	6.1%	(15)	-25.4%
\$50,000 - \$74,999	54	7.8%	37	5.1%	(17)	-31.5%
\$75,000 - \$99,999	78	11.3%	76	10.5%	(2)	-2.6%
\$100,000 - \$149,999	126	18.2%	131	18.1%	5	4.0%
\$150,000 - \$199,999	115	16.6%	160	22.1%	45	39.1%
\$200,000+	181	26.2%	218	30.2%	37	20.4%
Median Household Income	\$125,279		\$153,429			

Source: ESRI Business Analyst Online

	2013		2018		Total HH Change	% HH Change
	HH	% of Total	HH	% of Total		
< \$15,000	345	2.6%	292	2.1%	(53)	-15.4%
\$15,000 - \$24,999	240	1.8%	170	1.2%	(70)	-29.2%
\$25,000 - \$34,999	360	2.7%	240	1.7%	(120)	-33.3%
\$35,000 - \$49,999	869	6.6%	675	4.9%	(194)	-22.3%
\$50,000 - \$74,999	1,582	12.0%	1,123	8.1%	(459)	-29.0%
\$75,000 - \$99,999	1,312	9.9%	1,313	9.5%	1	0.1%
\$100,000 - \$149,999	3,088	23.4%	3,232	23.3%	144	4.7%
\$150,000 - \$199,999	2,433	18.4%	3,343	24.1%	910	37.4%
\$200,000+	2,976	22.5%	3,484	25.1%	508	17.1%
Median Household Income	\$125,416		\$147,535			

Source: ESRI Business Analyst Online

Community Tapestry Segments

ESRI Business Analyst Online uses demographic information such as labor force characteristics, median income, age, and spending habits to categorize neighborhood demographics according to a trademarked Community Tapestry classification system. These tapestries provide insight into the housing and shopping preferences of PMA residents and can help inform which potential retail uses may be successful. ESRI identifies three primary Community Tapestry Segments that characterize both the 5-minute driveshed and 10-minute driveshed: Wealthy Seaboard Suburbs; Connoisseurs; and Suburban Splendor.

5 Minute Driveshed	Percent
Wealthy Seaboard Suburbs	54.1%
Connoisseurs	42.6%
Suburban Splendor	3.4%
10 Minute Driveshed	
Wealthy Seaboard Suburbs	25.7%
Connoisseurs	25.0%
Suburban Splendor	18.5%
Sophisticated Squires	13.3%
Boomburbs	9.4%

Source: ESRI Business Analyst Online

Wealthy Seaboard Suburbs, representing 54.1% of the households within a 5-minute driveshed and 25.7% within a 10-minute driveshed, are generally described as older and more affluent. More than half work in professional or management positions and their median net worth is more than four times the U.S. median. This group spends the most compared to others on home improvement and also likes to shop from high end catalogs and stores, such as Macy's, Nordstrom, and warehouse stores. They stay well informed, reading two or more daily newspapers, and listening to news radio. Leisure pursuits include traveling, reading epicurean, travel and business/finance magazines, and listening to classical music and jazz.

Connoisseurs, representing 42.6% of the households within a 5-minute driveshed and 25.0% within a 10-minute driveshed are somewhat older, being closer to retirement than child-rearing age. Of these households 64% hold a bachelors or graduate degree and are in high paying management, professional, and sales jobs; although many are self-employed. Their median net worth is nearly 7 times the national average. These households hire contractors for home improvement and remodeling, shop from high-end catalogs and stores, and enjoy physical activities such as skiing, golf, and tennis. Other leisure pursuits include reading books and daily newspapers, epicurean, travel, business/finance magazines, and participating in local civic issues. They also eat out several times a week.

Suburban Splendor represents 3.4% of the households within a 5-minute driveshed and 18.5% within a 10-minute driveshed. Of these households 80% are married couple families and are upwardly mobile. Many are two income households and most work in management and professional positions, with a national household median income of \$121,661. More than half hold a bachelor's degree or higher. These households also hire contractors for home improvement and remodeling, buy the latest electronic devices, and devote free time to family, travel, and self-improvement pursuits. These may include physical fitness, reading, visiting museums, and theater-going. They also read newspapers and magazines (particularly epicurean, travel, business/finance) and listen to news/talk radio. These households are also active investors.

These dominant Community Tapestry segments highlight key characteristics of influential market segments in the PMA. Most have higher spending power than other market segments, given their high median incomes and net worth. Their leisure activities imply significant opportunities for retail purchases and positive economic impacts on potential uses in Sandy Spring. Their high educational attainment may imply more refined, highbrow tastes in consumer spending, which lends support for higher end specialty stores, gift shops, dining establishments, and personal service businesses (gyms, spas, yoga studios) that match the shopping and leisure time preferences of at least *Connoisseurs* and *Suburban Splendor* households. Retail establishments related to culinary and epicurean products, travel memorabilia, home furnishings, and book/media stores are examples of stores that may find support within the preferences of all of these Tapestry Segments.

SECTION 4: RETAIL MARKET ANALYSIS

A retail market analysis is conducted to determine the amount and type of retail space that the Study Area could potentially support. The analysis reviews retail supply and demand within defined trade area boundaries (where retail establishments draw most of their consumers), competition from nearby locales, and utilizes the above demographic trends and patterns to help identify retail programming. This analysis is based on existing retail conditions, including retail currently under construction and in the development pipeline. Unforeseen developments – such as additional land being rezoned for development, introduction of new retail competition into the trade area, etc. – may affect the findings in this analysis.

SECTION 4A: 5-MINUTE DRIVE PMA – CONVENIENCE GOODS

The four principal retail categories under Convenience Goods are organized by the North American Industrial Classification System (NAICS) code:

- Food and Beverage Stores
- Health and Personal Care Stores
- Miscellaneous Store Retailers
- Food Services and Drinking Places

These categories are all suitable for small format retailers and are analyzed separately from Shoppers Goods, which may demand larger format retail space in several categories.

To assess the potential level of convenience retail development in the study area, annual retail expenditures by residents within the 5-minute driveshed were estimated¹. The expenditures provide a measure of demand for retail goods and services and are separated into different retail categories within the Convenience Goods category. Using a building space inventory developed by the Montgomery County Planning Department and sales per square foot productivity factors from the Urban Land Institute's 2008 *Dollars & Cents of Shopping Centers*, retail sales by category for Convenience Goods categories within the 5-minute driveshed were estimated². These estimated sales include existing inventory in the Sandy Spring study area, as well as the Ashton Village Center.

Finally, market "capture rates" were derived for each retail category. Capture rates are a measure of the percentage of household expenditures "captured" from or made within a defined PMA. Sales not captured represent a retail gap or "leakage" - expenditures that take place outside of the retail trade area. Capture rates can vary given certain factors. These include the nature of the retail establishments, retail category, age, quality, variety of merchandise, customer base, competitive position, and whether an establishment caters to local or regional consumers. As a rule, retail categories where convenience and proximity are essential – such as grocery or convenience stores – tend to have a comparatively larger share of sales derived from PMA households (approximately 60-70%). Categories that draw people regionally – such as furniture and home furnishings stores – have a smaller share of sales derived from PMA households (with a high range of 30%-40%). The estimated retail expenditures, sales, and capture rates for convenience goods are presented in Table 6.

¹ Expenditures by office employees, tourists, and households outside the trade area were not assumed for this study as they are assumed to be negligible

² There is no additional retail space in the pipeline or under construction in Sandy Spring or Ashton

Table 6: Household Retail Expenditure Leakage for Convenience Goods					
	5 Minute Driveshed				
	A. Demand (Retail Potential)	B. Supply (Retail Sales)	Supply Description (Primary Stores)	C. Existing Capture Rate from HH (Assumed)	D. Retail Gap (A [BxC])
Food and Beverage Stores	\$ 6,925,360	\$ 2,378,310	7-11, Ashton Beer/Wine	40%	\$ 5,974,036
Health and Personal Care Stores	\$ 2,730,801	\$ 1,237,872	Hair Salons (2), Spa/Nails	10%	\$ 2,607,014
Miscellaneous Store Retailers	\$ 1,079,305	\$ 543,663	Cigar Shop	20%	\$ 970,572
Food Services and Drinking Places	\$ 4,040,923	\$ 2,538,742	Passion Bakery Café, Urban BBQ, Dempsey's Diner, Chinese Carryout, El Andariego Mexican	20%	\$ 3,533,175

The retail gap in the PMA is estimated to be as high as \$6.0M for Food and Beverage Stores, \$2.6M for Health and Personal Care Stores, \$1.0M for Miscellaneous Stores, and \$3.5M for Food Services and Drinking Places. This gap may be attributed to area residents with large disposable incomes, lack of retail supply conducting high volume business, and the quality, age, and variety of merchandise offered in the existing retail establishments. For instance, the Health and Personal Care categories currently include two hair salons and a nails/spa in Sandy Spring, which cater to a much narrower and more unique customer base than would a pharmacy/convenience store. It could be that the capture rate for these existing establishments is much lower, 10% from the immediate resident base, because of the quality of their setting (age of building, storefronts that could benefit from revitalization, etc.) than could be expected from other uses within the Health and Personal Care category. By comparison, a fresh, newer pharmacy/convenience store could capture possibly 60-70% of the resident base. Other retail categories under Convenience Goods in the study area share similarities - older buildings that could benefit from enhancements and business enterprises with a relatively limited selection of products. As a result, opportunities exist to increase the capture rate by revitalizing and repositioning existing properties, or adding new retail space.

Based on the data in Table 6 and the existing retail environment in Sandy Spring, projections for supportable retail space for Convenience Goods were established. Retail sales gaps for respective categories were divided by productivity factors for new development, based on sales per square foot. These productivity factors are higher than those for existing retail space because they reflect higher value, higher quality retail space brought about by redevelopment.

It is unlikely that the retail gap in its entirety will be spent on new convenience retail in the Study Area, due to the strong attraction from Olney, as well as Convenience Goods purchases made during daytime hours at employment areas, purchases from leisure and business travel, etc. Thus, each Convenience Goods category was assigned a percentage that it could reasonably expect to capture from its retail gap. Results can be observed in Table 7.

Table 7: Supportable Retail Space for Convenience Goods					
	D. Retail Gap	E. PSF Productivity Factors	F. Percentage HH Expenditures Spent in PMA (Assumed)	G. Supportable SF ([D x F] / E)	Typical SF of Establishment (in Small Format)
Food and Beverage Stores	\$ 5,974,036	\$ 297	30%	6,034	4,000 - 11,000
Health and Personal Care Stores	\$ 2,607,014	\$ 429	70%	4,254	2,500 - 8,000
Miscellaneous Store Retailers	\$ 970,572	\$ 220	40%	1,765	1,000 - 5,000
Food Services and Drinking Places	\$ 3,533,175	\$ 308	40%	4,589	2,000 - 6,000

Source: ULI Dollars and Cents of Shopping Center 2008: Super Community Centers

Table 7 shows potential supportable retail space for Convenience Goods in the study area and a range of typical store sizes³. It is estimated that Sandy Spring could potentially absorb up to **16,600 sq. ft. of net retail space in the Convenience Goods categories**⁴. A variety of retail product mixes are possible, although one of the more viable scenarios is an approximately 13,000 sq. ft. health/personal care/grocery store that provides both food/beverage and drugstore functions. While smaller store sizes are possible in these retail categories (smaller convenience stores, salons, etc.) they are less likely to be competitive with nearby retail in Olney. Added drugstore/grocery shoppers also help support additional and nearby retail and/or restaurant uses. While there exists on paper a small amount of Miscellaneous Store Retail potential in the PMA, it is likely to take the form of a store that is too small to be competitive in the marketplace.

SECTION 4B: 10-MINUTE DRIVE PMA – SHOPPERS GOODS

Shoppers Goods include the following retail categories reflected in Table 8 and are organized by NAICS code:

- Furniture and Home Furnishings Stores
- Electronics and Appliance Stores
- Building Materials, Garden Equipment and Supply Stores
- Clothing and Clothing Accessories Stores
- Sporting Goods, Hobby, Book and Music Stores
- General Merchandise

The process and mechanics to determine potential Shoppers Goods retail opportunities dovetails with that used for Convenience Goods. The retail sales gap for a 10-minute driveshed was once again estimated using household retail sales expenditures, current retail sales supply, and an expected capture rate. The existing retail inventory most prominently includes the Shopper's Goods centers in Olney (with the locus at the intersection of Georgia Avenue and Olney Sandy Spring Road).

³ ULI Dollars and Cents of Shopping Centers 2008: Neighborhood Centers

⁴ Does not account for existing vacant space in Study Area

Table 8: Household Retail Expenditure Leakage for Shoppers Goods					
	10 Minute Driveshed				
	Demand (Retail Potential)	Supply (Retail Sales)	Supply Description (Primary Stores)	Existing Capture Rate from HH (Assumed)	Retail Gap
Furniture and Home Furnishings Stores	\$ 15,560,971	\$ 4,724,653	HomeGoods, Mattress Warehouse	40%	\$ 13,671,110
Electronics and Appliance Stores	\$ 18,896,068	\$ 3,212,105	RadioShack, Computer Repair Shop	60%	\$ 16,968,805
Building Materials, Garden Equipment and Supply Stores	\$ 25,458,003	\$ 5,893,797	Christopher's Hardware; Sherwin Williams Paint	80%	\$ 20,742,965
Clothing and Clothing Accessories Stores	\$ 44,721,352	\$ 5,290,863	TJ Maxx, Jos. A Bank	30%	\$ 43,134,093
Sporting Goods, Hobby, Book & Music Stores	\$ 17,972,572	\$ 3,894,918	Roller Skate Shop, TA Borden Books, Guitar Store	20%	\$ 17,193,588
General Merchandise	\$ 97,325,828	\$ 661,882		30%	\$ 97,127,263

Source: ULI Dollars and Cents of Shopping Centers 2008, ESRI Business Analyst Online

There appears to be a retail gap in each of the retail categories for Shoppers Goods within a 10-minute driveshed; with the most acute in General Merchandise (\$97M) and Clothing and Clothing Accessories Stores (\$43M). Given the lack of warehouse type stores within a 10-minute driveshed (e.g. Costco, Target, etc.) it can be inferred that the majority of household expenditures in this category occur outside this PMA.

Despite the apparent retail gap, traditional Shopper's Goods retail stores are unlikely to be feasible or even desirable in Sandy Spring:

- Sandy Spring has a small scale, village feel – it has more of a residential nature that is incompatible with many conventional Shoppers Goods retail formats that require greater traffic counts, higher parking ratios, and more standardized building designs.
- Many Shoppers Goods retail categories are not conducive to small format retail. Categories such as Electronics and Appliance Stores, and Building Materials and Garden Equipment Stores, or Furniture and Home Furnishings Stores, in general, require a large site and building. There are exceptions, such as Christopher's Hardware, which is more of a neighborhood retailer.
- Sandy Spring does not have the available land to develop a critical mass of conventional Shoppers Goods retail that can be truly competitive with the quality and variety of merchandise found in Olney.

Programming for Shoppers Goods Retail

Given the area's high household incomes, growth in empty-nesters, and the consumer preferences of the representative local Community Tapestry Groups, there do exist opportunities for specialty, non-conventional retail in Sandy Spring that taps into higher-end consumer preferences. The specialty retail areas closest to Sandy Spring-Ashton that are considered

destination retail (meaning they serve regional shoppers in a larger PMA, as opposed to local, neighborhood shoppers), are Old Town Kensington (11 miles away), Historic Savage Mill (14 miles away), and Old Town Gaithersburg (12 miles away). These destinations include antique shops, art galleries, craft and gift shops, home furnishing stores, along with restaurants. These types of uses represent those that generally match the preferences and potential of the Sandy Spring PMA. Their relative distance from Sandy Spring suggests a potential to support added specialty retail in the Sandy Spring study area. This potential is supported by its current scale, opportunities to build on its “Main Street” commercial character and appeal, and the architectural character of some of its anchor buildings.

In particular, there could be opportunities to pursue a “horizontal retail cluster” in Sandy Spring, which is a significant grouping of establishments that offer similar merchandise, cater to shoppers with specific interests, or provide unique dining experiences. Developing a theme in support of this approach could provide opportunities to coordinate advertising, market shopping niches to a targeted audience, and recruit additional retailers offering similar or compatible products. “Horizontal clusters” are greater than the sum of its parts, since eclectic stores and eateries can foster a unique shopping experience. Eating and drinking establishments, specialty stores, and home furnishings and furniture (including antiques) represent one of the most common horizontal clusters.

The limited specialty retail currently serving the preferences of resident households in the PMA, as well as relatively high household expenditures that continue to be spent outside the PMA, **suggest that supportable retail space for Shoppers Goods in Sandy Spring will be governed less by the market and more by its physical, land use, and building constraints.**

Given the market findings, Sandy Spring should continue to support a smaller format retail environment. Its scale should remain at a finer grain of uses, with store sizes that can be divisible down to 1,000 sq. ft. and possibly up to 3,000 sq. ft. This would allow flexibility to accommodate a wider pool of tenants, provide a greater variety of businesses, and promote more continuous store fronts, which are essential for connectivity and for horizontal clusters to work well. Based on especially the Community Tapestry segmentation, specialty retail related to culinary and epicurean products, travel memorabilia, home furnishings/antiques, and book/media stores, complemented with eateries, may find the greatest success in Sandy Spring.

SECTION 5: RECOMMENDATIONS

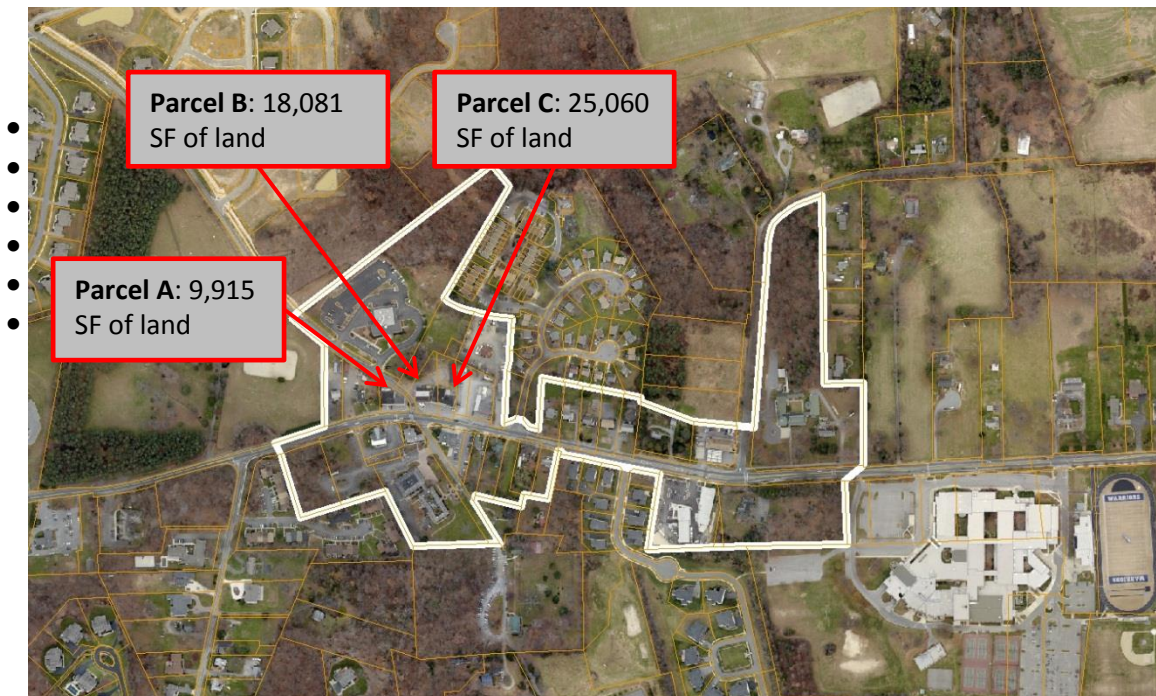
The retail market analysis indicates there is a market for both Convenience Goods and Shoppers Goods retail development in the Study Area. The following section will provide examples of development programs that can be successful within the Study Area, as well as suggested location, scale, and retail programming for the development.

Potential On-Site Development Programs

Based on discussions with Planning Staff, few building sites in Sandy Spring are ripe for retail redevelopment. This is because certain buildings are on the historic register, some property owners are not motivated to redevelop, and many parcels are zoned for non-retail use.

Even with such constraints, the primary redevelopment opportunity in Sandy Spring should focus on the three properties zoned C-2 at the intersection of Route 108 and Meeting House Road, on the north side of Route 108 (see Figure 5). These parcels are not designated for historic protection, have not been significantly improved, and contain low intensity uses, compared to other nearby properties. In addition, the sites are very visible, their buildings help define the major intersection in Sandy Spring, and they offer potential to create a commercial or “village” center through a coordinated development concept.

Figure 5: Study Area Properties for Retail Redevelopment



Together these three parcels comprise 53,056 SF (approximately 1.2 acres), along with potential for shared parking with the Urban BBQ restaurant to the east. The following development program and zoning strategy would allow and encourage a continuous retail frontage along

Route 108 and Meeting House Road. This would better define and frame the intersection, promote walkability, and create a western gateway into Sandy Spring on Route 108.

The scale of development that is able to fit within these three parcels will be governed by its specific zoning regulations. Zoning regulations direct maximum heights, minimum setbacks, and other controls that limit the level of development. Requirements for a C-2 Zoning designation regulations are presented in Table 9. These zoning regulations will be used in creating the development programs found in the following sections.

Table 9: Zoning Designation Regulations (C-2)	
Floor-Area Ratio	1.5
Maximum Height	3 Stories (or 42')
Setback	10 ft. (from front line)
Open Space	10% of lot
Parking	
<i>Restaurant</i>	25 spaces/1,000 SF
<i>General Retail</i>	5 spaces/1,000 SF
<i>Source: Montgomery County Planning Department</i>	

SECTION 5A: RETAIL SCENARIO (CONVENIENCE GOODS ORIENTED)

The following scenario lists the requisite retail space and parking requirements for a pharmacy/drugstore, along with ancillary uses that could be accommodated. This scenario could be supported based on market potential (see Table 10). It employs the requirements CVS, one of the nation's leading pharmacy/drugstores with a food and beverage component, would typically follow based on their "New Store Location Criteria".

Table 10: Potential Development Program (Convenience Goods)⁵	
Use	Size/Dimensions
Retail <i>(Personal Care/Drugstore/Grocer)</i>	96' x 137' (12,900 SF)
Specialty Retail <i>(Art/Craft, Culinary/Epicurean, etc.)</i>	25'W x 55'D (1,375 SF)
Specialty Retail <i>(Art/Craft, Culinary/Epicurean, etc.)</i>	25'W x 55'D (1,375 SF)
Retail Parking <i>(at 320 GSF per space)</i>	25,040 SF (~78 spaces)
Setback	3,870 SF
Open Space	5,305 SF
TOTAL⁶	49,866 SF
<i>Source: Streetsense DC Vibrant Retail Street Toolkit, CVS Caremark Realty "New Store Location Criteria"</i>	

⁵ Note that this represents redevelopment rather than additional development; thus, market potential may exceed supportable SF as originally defined

⁶ All measures are approximate and should be validated in further stages of study

The lot area requirement to accommodate such a drugstore (inclusive of setbacks, parking, and open space) is 40,051 sq. ft. This would mean consolidation of parcels B and C (which together equal 43,141 sq. ft.). Parcel A (9,915 sq. ft.) may be better suited for ancillary retail, primarily specialty retail, since market demand may not be sufficient for more convenience retail. However, it may be more difficult – although not insurmountable – to attract specialty retail without a “village” character that offers complementary uses. Site limitations on parcel A make it difficult to accommodate a restaurant while still meeting parking requirements (25 spaces per 1,000 sq. ft.).

SECTION 5B: RETAIL SCENARIO (SHOPPERS GOODS ORIENTED)

The following scenario is an alternate approach for the same sites. Similarly, it should accommodate retail space focusing on Shoppers Goods within the parameters of market demand and provide parking that can be accommodated on the site (see Table 11).

Table 11: Potential Development Program (Shoppers Goods)⁷	
Use	Size/Dimensions
Specialty Retail <i>(Art/Craft, Culinary/Epicurean, etc.)</i>	25'W x 55'D (1,375 SF)
Specialty Retail <i>(Art/Craft, Culinary/Epicurean, etc.)</i>	25'W x 55'D (1,375 SF)
Specialty Retail <i>(Home furnishings, antiques etc.)</i>	30'W x 55'D (1,875 SF)
Retail Parking <i>(at 320 GSF per space)</i>	7,280 SF (~23 spaces)
Restaurant	30'W x 60'D (1,800 SF)
Restaurant	30'W x 60'D (1,800 SF)
Restaurant Parking <i>(at 320 GSF per space)</i>	28,800 SF (~ 90 spaces)
Setback	2,960 SF
Open Space	5,305 SF
TOTAL⁸	52,496 SF
<i>Source: Streetsense DC Vibrant Retail Street Toolkit, Linear Retail Inc.</i>	

Because of parking requirements, a restaurant use and related parking under this development program is only possible if parcels B and C are consolidated. The lot area required for restaurant use (inclusive of setbacks, parking, and open space) would be 38,510 sq. ft. and could, therefore, fit within a combined lot (Parcel B + C = 43,141 sq. ft.).

The space attributed to retail under this scenario (11,356 sq. ft.) should be located on parcel A (9,915 sq. ft.). Since this amount exceeds the capacity of the property to accommodate

⁷ Note that this represents redevelopment rather than additional development; thus, market potential may exceed supportable SF as originally defined

⁸ All measures are approximate and should be validated in further stages of study

development a shared parking arrangement should either be explored with Parcels B and C, be moved off-site, or be appealed to reduce parking requirements under the zoning code.



Sandy Spring-Ashton Rural Preservation Consortium

We are pro-Master Plan, not anti-development

MCCF Community Hero Award, January 2009

www.ssarpc.org ~ SSARPC, Post Office Box 518, Ashton, MD 20861

March 26, 2014

Montgomery County Park and Planning Commission
8787 Georgia Avenue
Silver Spring, Maryland 20910

Dear Montgomery County Park and Planning Commission Board members,

We are writing on behalf of the Sandy Spring-Ashton Rural Preservation Consortium (SSARPC). As our name implies, the SSARPC's mission is to support development in Ashton and Sandy Spring that conforms to the 1998 Ashton/Sandy Spring Master Plan, in order to preserve the historic rural villages that are Sandy Spring and Ashton.

First, we would like to thank Staff for coming out to the public and holding the Charrette, and the second community meeting. We applaud and support their work to include community input. The Charrette was a wonderful way to bring together all stakeholders. We also are supportive of the new zones that allow more flexibility and mix of uses.

As the new Master Plan for the Sandy Spring Village Center is in its preliminary phase, we have some fundamental concerns with the draft concept presented on March 19, 2014. We have the benefit of having been involved with the Sandy Spring/Ashton Master Plan over time and want to point out some areas of concern where the recently presented plan may not support the principles that permeate the current Master Plan and the Rural Village Overlay Zone.

ZONING

To begin, the Rural Village Overlay Zone gives a lot of guidance to the regulatory review of various projects and helped ensure that the rural village character of the area would be preserved, even in new development. We are concerned that the generic language of the CR zone may not accomplish the degree of protection of rural character that this Overlay Zone does. For example, during the Board's review of Ashton Meeting Place, the EZ Storage/Lansdale property, the Thomas Building and others, community members and staff relied on the language of both the Master Plan and the Rural Village Overlay Zone to define and assure the continued rural character of our area. Lighting, signage, location of parking, building massing and pattern, were all reviewed by the Board according to guidance in the zone.

This Overlay Zone was tailored to preserve the character of an area larger than the boundaries of the Master Plan Amendment, including Ashton, hence the name the Sandy Spring-Ashton Rural Overlay Zone. If the Zone is removed from the new Sandy Spring Village Concept Plan, how would that affect these areas, specifically, Ashton?

RURAL ENTRYWAY/OPEN SPACE

Additionally, we continue to support the existing Master Plan's recommendation for rural village entryways at Ashton and Sandy Spring. To achieve this in Sandy Spring, we believe the site currently approved for a 2-½-story office building (The Thomas Building), should instead be open space to create an appropriate gateway to our village center. A rural village edge is, by definition, undeveloped green space.

The 1998 Sandy Spring-Ashton Master Plan says that the entryway to this “unique rural community” is to be maintained. There are several references in the Sandy Spring-Ashton 1998 Master Plan that speak specifically to the importance of the rural entry to this historic area. The proposed Thomas Building sits exactly at the entryway from the west. We still feel that this large building does not fit into a rural setting and that its size is inappropriate for the rural village entryway.

The current Plan calls for:

- (a) “The entries create attractive entrances to the village centers and help establish the character of the area.” (p. 29)
- (b) In speaking about growth of the commercial density, “However, in these village centers such increases need to be balanced with the Plan intent to maintain small scale of existing centers.” (p. 31)

Even the Design Guidelines (p. 36) list as the first two elements to

- Preserve the rural entry experience along MD108, Brooke Road and Norwood/Dr. Bird Road.
- Provide the critical rural setting for the Sandy Spring village center right at the edge of the village.

Finally, the importance of the rural entry experience was recognized in the 1980 Plan and remains an important theme of the 1998 Plan. (p. 29)

Another point is that the space, which is already used by community members today for pickup volleyball matches, could serve as an informal gathering space, a meeting place for people embarking on the Underground RR Trail or visiting the sites of historic Sandy Spring. Also, there are currently no central parks in this area, and none are proposed in this Concept Plan. Given that this new design is a pedestrian friendly concept, we should have places for people to be outside enjoying the historic nature of our town, in a central location.

We suggest this be considered for Legacy Open Space acquisition by the Department of Parks.

BUILDING HEIGHTS AND MIX OF USES

The concept presented at the March 19 meeting appears to reduce the existing two story buildings to one story. The objective of the new zones to allow flexible uses would not be realized in single story buildings. We do not understand how this would be an incentive for already reluctant property owners to redevelop. We heard that parking is the limiting factor. We encourage the Board to propose 2-3 story buildings with a mix of retail and residential along MD Route 108, and to demonstrate feasibility within existing property lines. We believe there are many ways to achieve the right amount of parking.

We have attached a rough sketch that illustrates a potential layout that we think might better accomplish these objectives.

INTERNAL "STREET" LAYOUT

The concept presented at the March 19 meeting shows a circuitous access drive into the Village Center from Brooke Road. We recommend a more direct access that will serve as a parallel or secondary vehicular route providing a convenient access from Brooke Road and possibly Sky Meadow Road. The current plan makes for an inaccessible rear parking lot.

All of that said, we once again, thank Park and Planning's efforts in an important community Charrette and we look forward to continued involvement.

Please feel free to contact us if you have any questions.

Respectfully submitted,

Michelle Layton
Co- Chairs SSARPC

Donna Selden

Sandy Spring Concept Plan

* Plan roughly allows for current property lines - providing options for separately phased development





SANDY VILLAGE