MCPB No. 18-036 Sketch Plan No. 32017002A Montgomery Village Center Date of Hearing: April 26, 2018

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RESOLUTION

WHEREAS, under Section 59-7.1.2 of the Montgomery County Zoning Ordinance, the Montgomery County Planning Board is authorized to review sketch plan applications; and

WHEREAS, on December 28, 2016, the Planning Board approved Sketch Plan No. 320170020 by Resolution No. 16-137 for up to 615,000 square feet (0.75 FAR), including a maximum of 450,000 square feet of residential uses (0.55 FAR), and 165,000 square feet of non-residential uses (0.20 FAR) on 18.78 acres of land zoned CRT-1.5, C-0.75, R-1.0, H-75, and the Montgomery Village Overlay Zone ("MVOZ"), located west of the intersection of Montgomery Village Avenue and Centerway Road in Gaithersburg, MD ("Subject Property" or "Property"), within the 2016 Montgomery Village Master Plan ("Master Plan") area; and

WHEREAS, on September 28, 2017, W-ARC MV Owner VII, LLC ("Applicant") filed an application for approval of an amendment to the previously approved sketch plan to replace a multi-family building with townhouses and modify the public benefit schedule, while maintaining approval for up to 615,000 square feet total development, including up to 450,000 square feet of residential uses, and up to 165,000 square feet of retail/service uses on the Subject Property; and

WHEREAS, the application to amend the sketch plan was designated Sketch Plan No. 32017002A, Montgomery Village Center ("Sketch Plan," "Amendment," or "Application"); and

WHEREAS, following review and analysis of the Application by Planning Board staff ("Staff") and other governmental agencies, Staff issued a memorandum to the Planning Board, dated April 16, 2018, setting forth its analysis and recommendation for approval of the Application subject to certain binding elements and conditions ("Staff Report"); and

Approved as to

Legal Sufficiency:

WHEREAS, on April 26, 2018, the Planning Board held a public hearing on the Application at which it heard testimony and received evidence submitted for the record on the Application; and

WHEREAS, on April 26, 2018 the Planning Board voted to approve the Application, subject to certain binding elements and conditions, on the motion of Commissioner Cichy, seconded by Commissioner Fani-Gonzalez, with a vote of 5-0; Commissioners Anderson, Cichy, Dreyfuss, Fani-Gonzalez, and Patterson voting in favor.

NOW, THEREFORE, BE IT RESOLVED that the Planning Board approves Sketch Plan No. 32017002A, Montgomery Village Center, for construction of up to up to 615,000 square feet total development, including up to 450,000 square feet of residential uses, and up to 165,000 square feet of retail/service uses on the Subject Property. This Sketch Plan Amendment replaces all previous binding elements and conditions of Sketch Plan No. 320170020, subject to the following binding elements and conditions:

- A. <u>Binding Elements</u>. The following site development elements are binding under Section 59-7.3.3.B of the Montgomery County Zoning Ordinance:
 - 1. Maximum density and height;
 - 2. Approximate location of lots and public dedications;
 - 3. General location and extent of public open space;
 - 4. General location of vehicular access points;
 - 5. Public benefit schedule;
 - 6. Phasing plan; and
 - 7. Phase 2 will require a Sketch Plan Amendment.

All other elements are illustrative and subject to refinement at the time of subsequent Site Plan(s) for each phase.

- B. <u>Conditions</u>. This approval is subject to the following conditions:
 - 1. Density

The proposed development is limited to a maximum total of 615,000 square feet (0.75 FAR), including up to 450,000 square feet of residential uses (0.55 FAR), and up to 165,000 square feet of retail/service uses (.20 FAR). The final amount of residential and retail/services uses will be determined at subsequent Preliminary Plan(s) and Site Plan(s) for each phase.

¹ For the purpose of these binding elements and conditions, the term "Applicant" shall also mean the developer, the owner or any successor(s) in interest to the terms of this approval.

2. Height

The development is limited to a maximum height of 75 feet, which must be measured consistent with the Zoning Ordinance.

3. Incentive Density

The Applicant must construct the development with the public benefits listed below, unless modified under Section 59-7.3.3.I. Total points must equal at least 50 and be chosen from at least three categories as required by Section 59-4.5.4.A.2. The requirements of Division 59-4.7 and the *CR Zone Incentive Density Implementation Guidelines* must be fulfilled for each public benefit proposed. Final points will be established at Site Plan approval.

- a. Connectivity and Mobility, achieved through neighborhood services, through-block connection, and wayfinding;
- b. Diversity of Uses and Activities, achieved through an onsite daycare facility, a mix of dwelling unit types, and accessible units; and
- c. Protection and Enhancement of the Natural Environment, achieved through providing a green roof.

4. Moderately Priced Dwelling Units (MPDUs)

The development must provide MPDUs in accordance with Chapter 25A with the following distribution of MPDUs and as approved by the Department of Housing and Community Affairs (DHCA) at Site Plan:

- a. A proportional number of the fee simple townhouses (two of the 15); and
- b. Townhouse MPDUs must have at least three bedrooms, unless 2-bedroom MPDU townhouses are approved by DHCA per Chapter 25A.

5. Public Open & Common Use Space

The Applicant must provide the required minimum 10% of Public Open Space for Phase 1A and 2, and 10% Common Open Space for Phase 1B. The required Public Open Space must meet applicable standards of Section 6.3.6., and the required Common Open Space must meet the standards of 6.3.5. The Public Open Space must not include any stormwater management facilities, unless approved by Planning Staff. The Public and Common Open Space must be provided as illustrated in the Sketch Plan and finalized at Site Plan for each phase.

Per Section 59.4.9.11.C, all common and public open space in Montgomery Village must be recorded within a separate lot or parcel with a protective easement or covenant in the land records, in a form approved by the Planning Board, unless the parcel is exempted from recordation under Chapter 50.

6. Future Coordination for Preliminary and Site Plan

In addition to any other requirements of Chapter 50, Subdivision Regulations, and Chapter 59, Zoning Ordinance, the Applicant must address the following at Preliminary Plan and Site Plan review for each phase:

- a. Demonstrate how each public benefit satisfies the Zoning Ordinance and Incentive Density Implementation Guideline requirements;
- b. Forest Conservation requirements;
- Demonstrate compliance of distribution of bedrooms in the condo building and units for the townhouses MPDUs with the requirements of Chapter 25A; and
- d. Streetscape details.

BE IT FURTHER RESOLVED that having given full consideration to the recommendations and findings of its Staff as presented at the hearing and set forth in the Staff Report, which the Planning Board hereby adopts and incorporates by reference (except as modified herein), and upon consideration of the entire record and all applicable elements of the Zoning Ordinance, the Board finds that as conditioned the necessary elements of the Sketch Plan are appropriate in concept and appropriate for further review at site plan and that the Sketch Plan:

1. Meets the objectives, general requirements, and standards of the Zoning Ordinance.

The CRT zone permits a mix of residential and nonresidential uses at varying densities and heights. The zones promote economically, environmentally, and socially sustainable development patterns where people can live, work, recreate, and access services and amenities. The application of the CRT zone is appropriate where impacts can be mitigated by co-locating housing, jobs, and services.

The intent of the CRT zone is to:

a. Implements the recommendations of applicable master plans.

The Subject Property is within the boundaries of the 2016 Montgomery Village Master Plan. The master plan identifies four specific areas as potential redevelopment sites, including the Village Center. Apart from the former golf course, all properties included on this list were envisioned as mixed-use, pedestrian-friendly environments. General design recommendations for these in the master plan are divided in to three areas of discussion – Buildings, Connectivity, and Open Space. Highlights from this section are:

- "Provide compact development patterns with short blocks and building frontages close to the street..."
- "Create complete streets that include building frontages close to the street, landscaping, bike facilities, and pedestrian areas that provide safe pedestrian crossings and include sustainable elements."
- New public open space should "provide alternatives for recreation and leisure in a mixed-use setting" by "creating places for community use that are framed and activated by surrounding development and uses, where the public feels welcome to gather and linger."

Revisions to the previous approval resulted in lower residential densities that those envisioned by the master plan but created a better set of internal streets connected to all existing access points into the Subject Property, and additional public open spaces along these new connections. As an example, the amended plan improves the internal connection to the access from Stedwick Rd. along the existing US Postal facility; this delivers a significantly improved connection through the new residential area linking directly to the new central open space. This revision substantially improves connectivity through the block, which is an important master plan goal.

The amended application delivers a mix of uses (commercial and residential), connections, and open spaces that appropriately capture the spirit of the recommendations in the master plan. Below are comments on specific master plan recommendations (italics refer to a selected quotation from the master plan):

• Transform the north south drive into a pedestrian-friendly local street.

The Application will improve existing storefronts along the north-south drive, but streetscape along existing pedestrian areas will remain as it exists today. However, the work included in this Application does not preclude achieving an improved streetscape at this location as part of future phases of development. In addition, the Application proposes creating a private road easement for this connection, where such future improvements could be implemented.

• Establish an east-west local street connecting existing vehicular entrances at Montgomery Village Avenue and Watkins Mill Road.

The Application creates this connection by opening east-west vehicular access through the existing retail block, connecting the entrance from Centerway Road with the entrance from Watkins Mill Road. Both the new street segment and the central open space achieve the substantial and centralized, pedestrian-friendly area envisioned by the master plan.

 Along both local streets, create a main street environment with streetoriented buildings, streetscapes, and comfortable pedestrian walking areas connecting to adjacent streets and existing and future transit options.

The main street environment is achieved along the portion the new street connected to existing retail uses. Beyond that area, new residential uses and open spaces for public use are located along new connections, introducing variety of uses along the new pedestrian areas that transition appropriately to existing uses beyond the Subject Property.

• Enhance existing open spaces and provide linkages to the proposed local streets.

The Application relies on a combination of existing and proposed connections and open spaces to achieve this goal. The Application delivers several public open spaces along most new connections. Some existing pedestrian areas will remain unchanged, but consideration should be given to improving these areas in future improvement phases, to provide a network of truly enhanced linkages.

• Consider strategies to integrate existing uses that are likely to remain with emerging pedestrian environments, such as streetscape enhancements or public use spaces to link new and existing development.

The Applicant will utilize a combination of new construction and refurbished existing storefronts to achieve this master plan goal. In addition, the new street segment and central open space, and pedestrian improvements to the front parking area will link the property to existing access points, and bus stops.

b. Targets opportunities for redevelopment of single-use commercial areas and surface parking lots with a mix of uses.

The Subject Property is currently comprised of an existing commercial shopping center and a surface parking lot. The Application will redevelop the parking lot and existing single-use site with a low-density mixed-use development with townhouses and condos, meeting the small downtown and pedestrian-oriented development. The Application includes ground-floor non-residential uses, upper level residential units, public open space and residential amenity space.

c. Encourages development that integrates a combination of housing types, mobility options, commercial services, and public facilities and amenities, where parking is prohibited between the building and the street.

The Application encourages such development by proposing market-rate residential units in a variety of unit types as well as 12.5% MPDUs onsite, offering housing opportunities for a range of incomes to Montgomery Village. The potential commercial services (retail and/or restaurant) on the ground floor at the new Thru-Block Connection provide services for the residents and surrounding neighborhood. This area is also located adjacent to the main public open, which is an amenity to the site. The Application design allows for pedestrian, bicycle, and vehicular mobility options. It will provide an 8-foot wide sidepath along Montgomery Avenue. All new developed areas do not propose any parking between the building and the street. The existing shopping and surfacing parking is to remain.

d. Allows a flexible mix of uses, densities, and building heights appropriate to various settings to ensure compatible relationships with adjoining neighborhoods.

The Project provides mixed-use and a pedestrian-oriented development. The max height for the site is 50 feet, as allowed in CRT 1.5, C-0.75, R-1.0, H-75. The neighborhood scale development is compatible with the surrounding garden style apartments, office buildings, existing retail services.

e. Integrates an appropriate balance of employment and housing opportunities.

The redevelopment of the shopping center and adding mixed-use development will provide more opportunities for residents and employment to the local businesses. The Application provides a variety of

housing options through provision of both market-rate units and MPDUs on site in an array of unit sizes (townhouse, two-over-two(s), condos). In addition, the Application provides non-residential uses such as retail and/or restaurant.

f. Standardizes optional method development by establishing minimum requirements for the provision of public benefits that will support and accommodate density above the standard method limit.

The Application will provide the public benefits for a minimum of three categories and fifty points to achieve the optional method development requirement.

g. Meets Applicable Development Standards

The data table below demonstrates the Application's conformance to the applicable development standards of the zone.

Table 1- Project Data Table					
Section 59	Development Standard	Permitted/	Proposed		
		Required			
<u> </u>	Gross Tract Area (sf) CRT-1.5, C-0.75, R-1.0, H-]		
	75	n/a	615,000		
4.5.4.B.2.b	Density		1		
	Non-Residential	613,690	165,000		
	Residential	1,022,815	450,000		
4.5.4.B.2.b	Building Height (feet)	75	(up to) 50		
4.5.4.B.3	Minimum Setback (feet)	0	n/a		
	Minimum Public/Common		14.74% (Phase 1a)		
	Open Use Space (%)		15.80% (Phase 1b)		
			12.47% (Phase 2)		
4.5.4.B.1		10%	12.47% (Total)		

2. Substantially conforms to the recommendations of the Master Plan.

As discussed in Sketch Plan finding 1.a. above, the Sketch Plan substantially conforms to the recommendations of the 2016 Montgomery Village Master Plan.

3. Satisfies Section 7.7.1.B.5 of the Zoning Ordinance, the binding elements of any development plan or schematic development plan in effect on October 29, 2014.

This section is not applicable.

4. Satisfies Section 7.7.1.B.5., of the Zoning Ordinance for a property where the zoning classification on October 29, 2014, was the result of a Local Map Amendment, satisfy any green area requirement in effect on October 29, 2014; any green area under this provision includes and is not in addition to any open space requirement of the property's zoning on October 30, 2014;

This section is not applicable.

5. Achieves compatible internal and external relationships between existing and pending nearby development.

The Amendment is designed to provide a compatible relationship with the existing structures within the block surrounded by Montgomery Village Avenue, Clubhouse Road, Watkins Mill Road and Stedwick Road as well as the existing development located outside of this block. The redevelopment will create a new connection through the Subject Property and activate the street with first floor retail. The public open space is appropriately located and will have adequate scale and proportions with easy access to the surrounding retail and residential uses.

6. Provides satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking, and loading.

The Amendment maintains an adequate and convenient road network for the redevelopment of the Subject Property. It will create a suitable layout to accommodate vehicular, pedestrian, and bicycle circulation in a safe and friendly environment. The new street connection will transform a retail plaza that currently has vacant spaces into a complete street, with new vehicular access, on-street parking, and retail store fronts, and provides adequate access for parking, service, and loading.

7. Proposes an outline of public benefits that supports the requested incentive density and is appropriate for the specific community.

Taking into account the considerations in Section 59-4.7.1.B, including the recommendations and objectives of the Sector Plan and any applicable design guidelines, the Incentive Density Implementation Guidelines, the size and

configuration of the site and its relationship to adjacent properties, similar public benefits nearby, and additional enhancements related to the individual public benefits, the Planning Board finds that the following outline of public benefits supports the Applicant's request for incentive density and is appropriate for the community surrounding the site. Final determination of public benefit point values will be determined at Site Plan(s).

Table 2- Public Benefits Valuations					
Section #	Benefit Categories	Points Allowed	Points Recommended		
59-4.7.3C: Connectivity and Mobility					
C.3	Neighborhood Services	15	12.5		
C.5	Through-Block Connection	20	10		
C.5	Wayfinding	10	5		
59-4.7.3D: Diversity of Uses and Activities					
D.2	Care Centers	20	15		
59-4.7.3F: Protection and Enhancement of the Natural Environment					
F.10	Vegetated Roof	15	12.5		
	Total	80	55		

The Categories of *Dwelling Units*, *Accessibility*, *Structured Parking*, *Recycling Facility*, and *Vegetation Wall* were removed. Neighborhood Services and Thru-Block Connection remains unchanged by this Amendment.

Connectivity and Mobility

Wayfinding

There will be seven wayfinding signs on the Subject Property to orientate pedestrians and cyclists to the major open spaces, bike storage, bus stops, and retail spaces. The signs will have a modern design. Final design, locations and installation details must be approved by applicable agencies prior to Use-and-Occupancy Certificate. The Planning Board supports the requested points at this time.

Diversity of Uses and Activities

Care Center

There is currently a children's day care on the Subject Property and the tenant plans to remain. The day care is available to the public and provides care for more than 15 children. The Sketch Plan includes a new playground

to serve the children enrolled in the day care. Final size, location, layout, and other design details will be determined at the Site Plan stage. The Planning Board supports the requested points at this time.

Protection and Enhancement of the Natural Environment

Vegetated Roof

A green roof will be approximately 3,300 square feet and will be installed above the retail building at the main entrance to the new through-block connection. The green roof will include necessary HVAC and addition mechanical equipment. Final size, location, layout, and other design details will be determined at the Site Plan stage. The Planning Board supports the requested points at this time.

8. Establishes a feasible and appropriate phasing plan for all structures, uses, rights-of-way, sidewalks, dedications, public benefits, and future preliminary and site plan applications.

The Sketch Plan proposes redevelopment of the Subject Property in three phases and establishes the overall layout of the site with building locations, open spaces, and vehicular and pedestrian circulation. All required site improvements, and circulation facilities will be provided in each phase and will be delineated in the Preliminary Plan and all subsequent Site Plans. A full development program to establish phasing of the elements required by this Application will be developed and analyzed during Preliminary and Site Plan reviews. Any redevelopment in the area delineated as Phase 2 will require a Sketch Plan Amendment. Most of the public benefit points will be provided in Phase 1A (53.5 of 55), while the remaining 1.5 points will be provided in Phase 1B.

BE IT FURTHER RESOLVED that the Board's approval of a sketch plan is in concept only and subject to further review at site plan, when, based on detailed review the Board may modify the Sketch Plan's binding elements or conditions based on the Montgomery County Code, the Master Plan, or other requirements; and

BE IT FURTHER RESOLVED that this Resolution incorporates by reference all evidence of record, including maps, drawings, memoranda, correspondence, and other information; and

BE IT FURTHER RESOLVED that all binding site development elements shown on the latest version of Montgomery Village Center 32017002A, received by M-NCPPC as of the date of the Staff Report, are required, except as modified by the above conditions of approval; and

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CERTIFICATION

This is to certify that the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission on motion of Commissioner Fani-González, seconded by Commissioner Cichy, with Chair Anderson, Vice Chair Dreyfuss, and Commissioners Fani-González, Cichy, and Patterson voting in favor at its regular meeting held on Thursday, May 24, 2018, in Silver Spring, Maryland.

Casey Anderson, Chair

Montgomery County Planning Board