

## Shipman, Laura

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**From:** Naomi Spinrad <nspinrad@gmail.com>  
**Sent:** Monday, May 07, 2018 5:20 PM  
**To:** MCP-PlanningBoardDNR; MCP-Chair  
**Cc:** Wright, Gwen; Howerton, Leslye; Hisel-McCoy, Elza; Kronenberg, Robert; Brown, Michael; Shipman, Laura  
**Subject:** Support Brookfield proposal for Bethesda Metro Plaza

Dear Chair Andrews and Commissioners Cichy, Dreyfuss, Fani-Gonzalez, and Patterson:

I'm writing to express my support for the plan for Bethesda Metro Plaza proposed by Brookfield, with some enhancements as discussed at the Design Advisory Panel session on April 25.

I believe strongly that this proposal, which would place a building near the Wisconsin/Old Georgetown intersection, is the most likely to create an active gathering place at Metro Plaza. While I appreciate the opinion of those who would like to see all that busy corner contain all the open space of the site, the traffic noise and pollution at this major intersection is a strong deterrent to passing time there. I also believe that placing a building further back in the plaza will result in unattractive, narrow walkways with little natural light or air flow between the existing buildings and the new building. And according to information provided by attorney Bob Harris at the DAP, structural, safety, and WMATA operational requirements limit where any new building can be placed.

In contrast, the Brookfield plan offers the possibility of a well-designed and activated courtyard space with good air circulation and buffers to reduce the urban noise. With a residential component and appropriate retail, and attention to some of the ideas proposed at the DAP, I believe the odds that the plaza will draw people are far stronger than with central placement of a tower.

These are suggestions that I think would enhance this plan (there may well be others) and that the applicant indicated it was considering:

- Carve out half of the ground floor of the new building on the approach to the lawn to enhance visibility and draw people to the lawn, while providing shelter in bad weather (a version of this was in an iteration of the plan some time ago).
- Ensure that walkways and promenades are wide enough to encourage strolling and lingering.
- Make as much of the space near the intersection as possible green, and limit hardscape there.
- Include some sculptural element at or near the Metro entrance.
- Coordinate with Chevy Chase Land Company at the south end to include the CCLC terrace and plaza area, effectively expanding the open area to .6 acres (equivalent to the Rockville Town Center plaza and Bethesda Lane).
- Connect Woodmont Avenue with the Metro plaza, preferably through changes to 3 Metro Plaza (which Brookfield also owns) and potentially another Metro entrance somewhere on this side of the plaza.

As a member of the public, I commented at the DAP meeting that this plan reminded me of European plazas and squares, where small, often car-free streets lined with retail and restaurants led to a car-free central area. I was particularly reminded of the square by the cathedral in Granada, Spain. Mr. Mortenson of the Planning Department aptly noted that squares like this benefited immensely by connecting to lively streets, a condition I agree is not currently found at this location. However, I think it's far more likely that the Brookfield configuration - including addressing the Woodmont side - will create an attractive gathering place, and perhaps encourage expanded activation on the streets radiating from the plaza, whereas simply plopping a new building into the lawn area has far fewer significant or real benefits. I believe that this plan and the suggested changes present the strongest likelihood that we will see more green

space, a larger gathering area, a respite from the busiest intersection in downtown Bethesda, and, I hope, improved access to Metro, a better bus bay, and a spur to more interesting surrounding streets. Massing for the building will be presented later this month, and I hope to see a creative, eye-catching structure.

I'd also like to note that as a layperson and local resident, I greatly appreciate the care and expertise that the members of the DAP bring to their task.

Thank you for considering my thoughts.

Sincerely,  
Naomi Spinrad

## Shipman, Laura

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**From:** Maj-Britt Dohlie <mdohlie@gmail.com>  
**Sent:** Monday, May 07, 2018 5:39 PM  
**To:** Shipman, Laura  
**Cc:** Anderson, Casey; Wright, Gwen  
**Subject:** Bethesda Metro Plaza Development

Please forward to the members of the Design Review Panel, Planning Board and planners:

To the Design Review Panel,

Thank you for returning the above plans to Brookfield. As you surely know, per capita levels of park land are among the lowest in Montgomery County's Downtown Bethesda.

While the Downtown population is growing rapidly, parkland and USEFUL public spaces are not! Thus far the public spaces added have been disappointing, mostly constituting glorified sidewalks and benches in unattractive locations. If we are to avoid complete planning failure in Bethesda, but build an attractive, healthy community where people will want to live and work also in the future, this situation must change.

A first step to create a better and healthier Downtown would be to ensure that current plazas, parks and open spaces are not encroached upon and that they become the best and remain the largest they can be. Developers don't seem to have a square inch to spare; neither do residents in terms of losing existing public space and parks!

It absolutely "floors us" that Brookfield is proposing another mostly interior plaza at the Bethesda Metro Plaza after all the promises made by planners in their vision for Bethesda — and despite prior unsuccessful experiences with interior plazas here.

Brookfield's proposal does not meet residents' needs and preferences. We need as much green space as possible in one usable, inviting area VISIBLE from the street— that is, not "chopped up" and hidden. It must be green and inviting as opposed to giving us more hardscape as we now see emerging in the glass and concrete desert along Wisconsin Ave and Old Georgetown Rd.

The "structural requirements" issue raised by Brookfield at the very end of the latest meeting was at best ingenious and is not supported by history. Contrary to lawyer Bob Harris' claims - and his efforts to bulldoze over residents' needs and preferences - history simply does not support the Brookfield claim that structural requirements necessitate the chosen siting proposal for 4 Bethesda Metro Center. Bob Harris represented the Meridian then as he represents Brookfield now. He seems to conveniently have "forgotten" his facts.

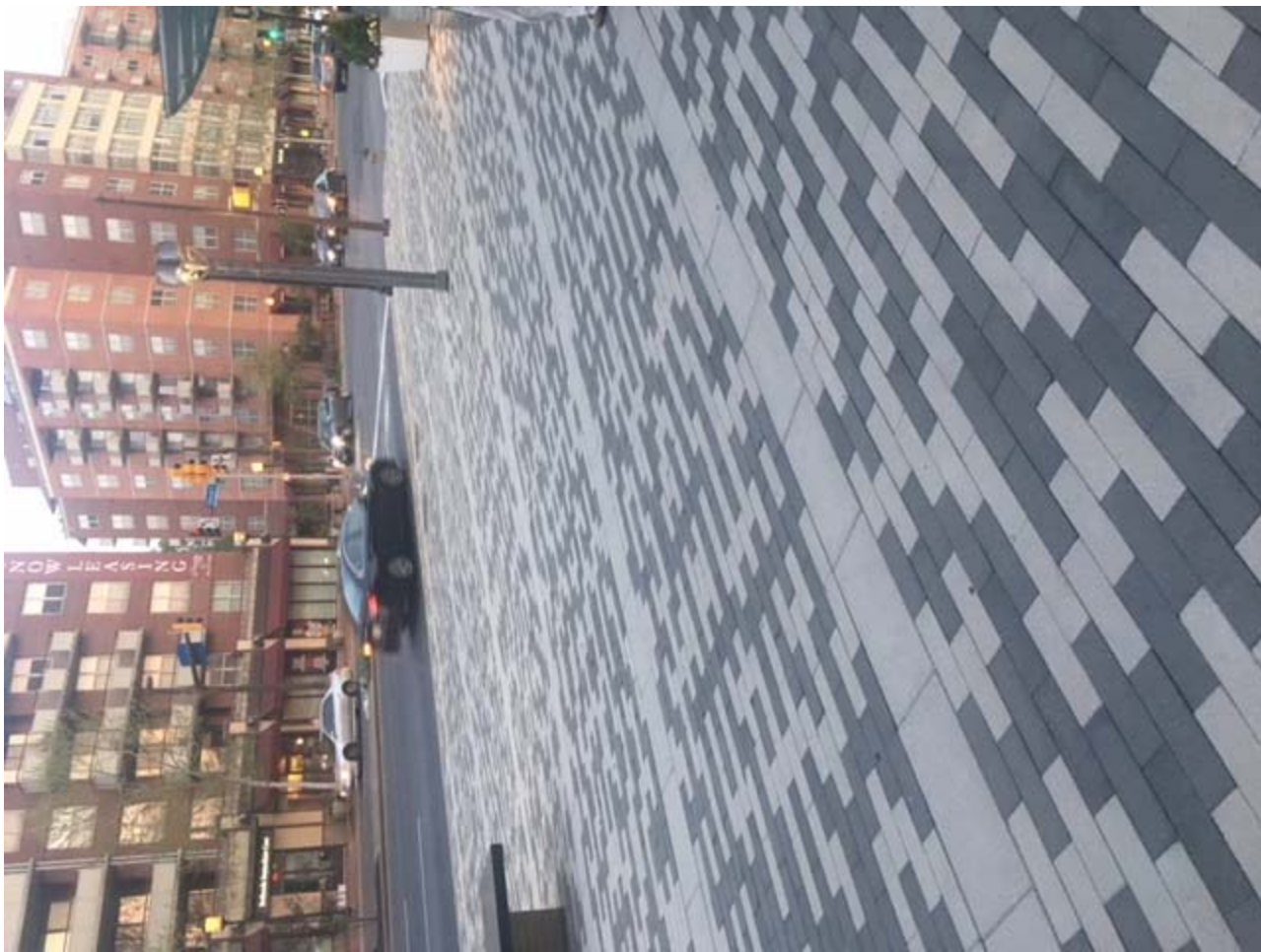
We know you are aware of this history and hope you will make your decision based on facts as well as the needs of residents for usable and attractive public spaces. In this respect we would like to share with you the heat island created at the northwestern corner of Battery and Wisconsin Ave. The building (the Flats) has a lovely interior space - largely unused - that does nothing to create the active street life planners envisioned for Bethesda. Please avoid similar mistakes at the Bethesda Metro Plaza and elsewhere in Bethesda.

Regards,  
Maj-Britt Dohlie and Michael Evenson  
Bethesda

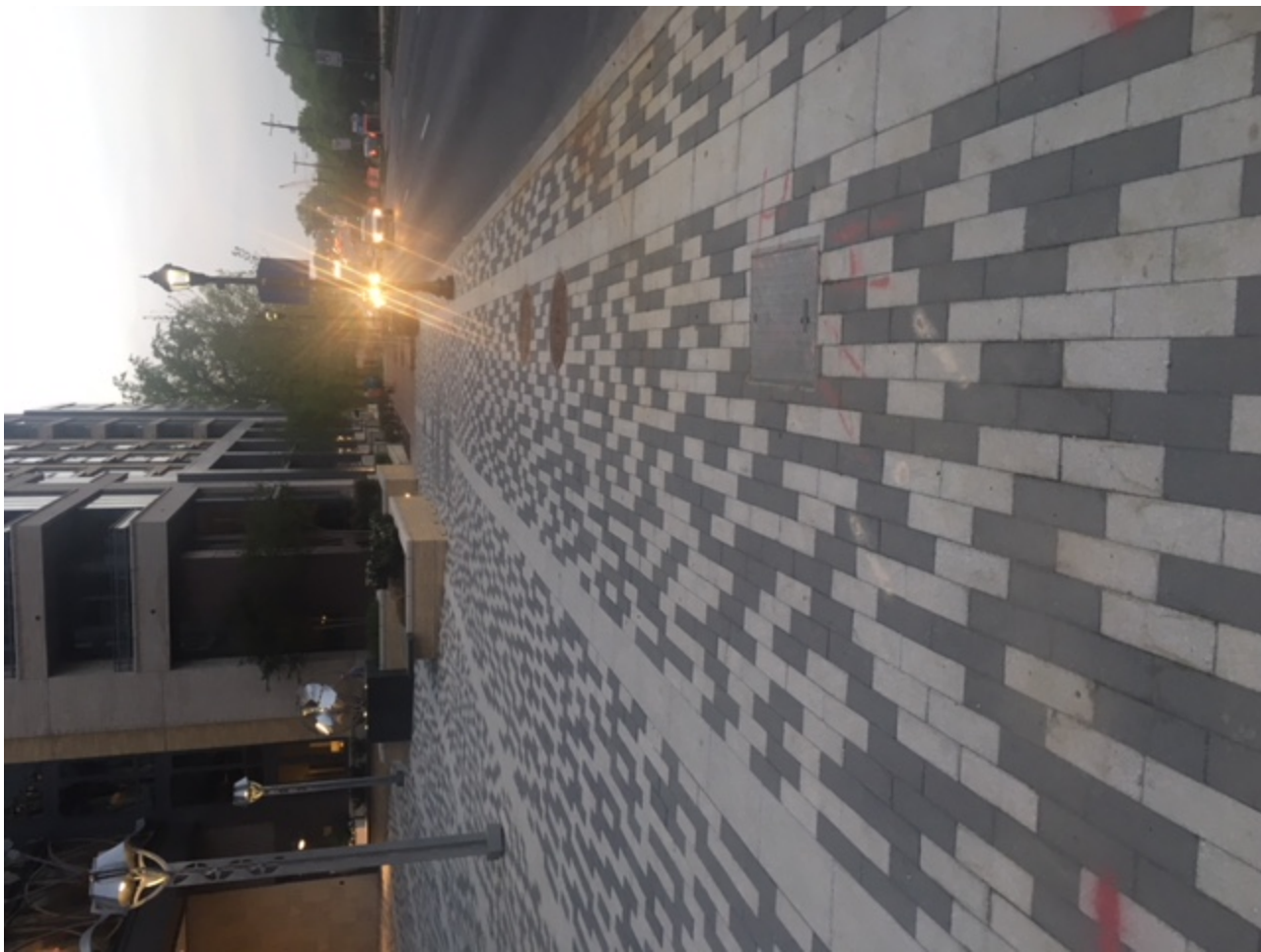


Battery Rd

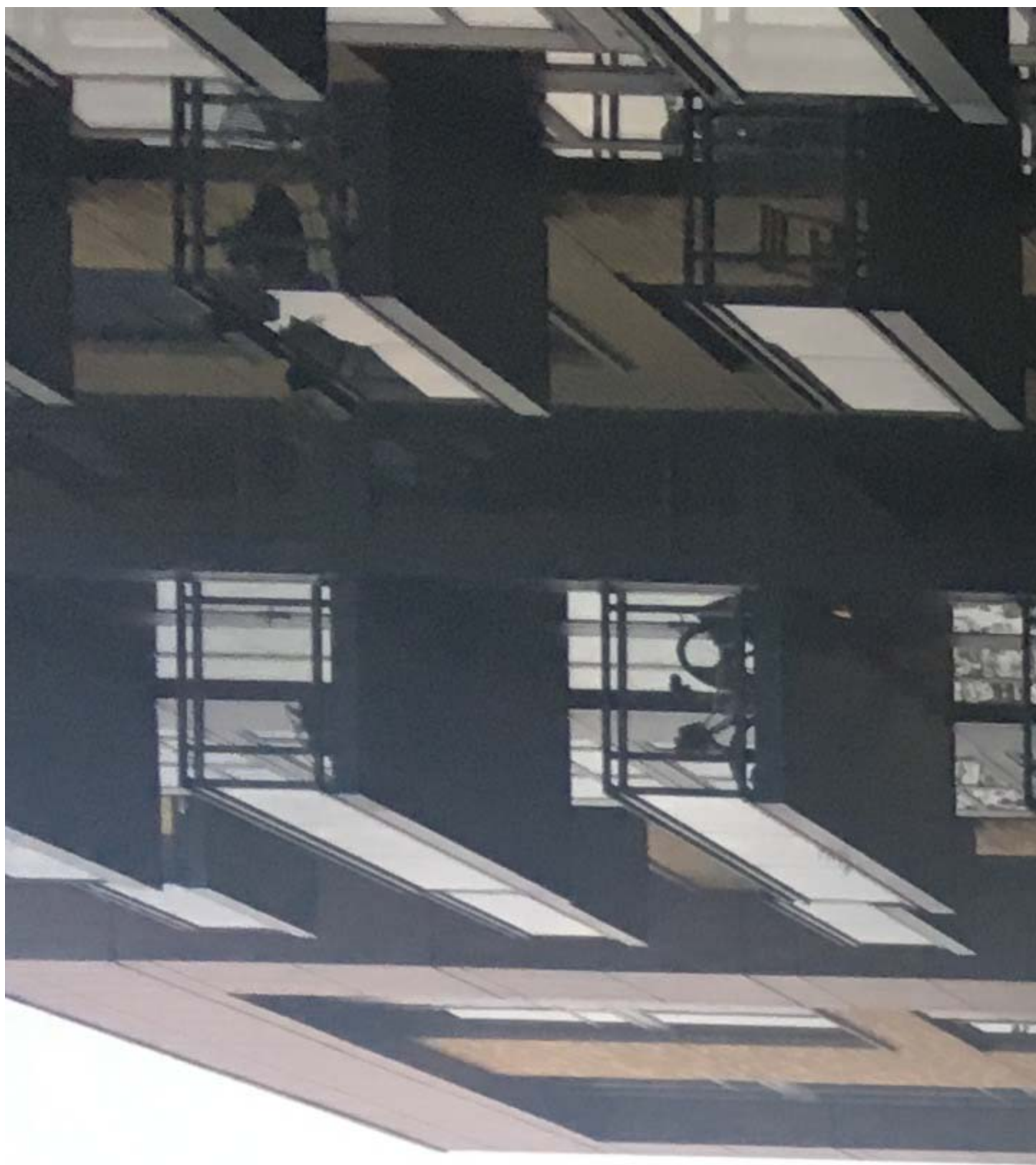




Northwestern corner: huge heat island on Wisconsin/Battery looking southeast



Heat island on Northwestern corner Wisconsin/Battery looking north on Wisconsin



Interior space - lovely and of little use

Sent from my iPhone

## Shipman, Laura

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**From:** Patricia E. Kolesar <pkoles@verizon.net>  
**Sent:** Thursday, June 14, 2018 5:28 PM  
**To:** 'Bethesda Brookfield'  
**Cc:** Kronenberg, Robert; Dickel, Stephanie; Hisel-McCoy, Elza; Wright, Gwen; Shipman, Laura  
**Subject:** BETHESDA METRO PLAZA: Brookfield Abandons Bethesda Residents

Hello, Brookfield:

Hidden space is wasted space.

In response to your email to residents, dated today:

Clark may have started the PBOS campaign, but we the residents are 100% behind a large, street-facing, open and **BIG GREEN SPACE** at Bethesda Metro Plaza; and we are making our voices heard at the planning board. We are grateful to Clark for bringing the severity of the issue to our attention. Bethesda residents don't like your plans.

For the Bethesda Metro Plaza park area, you should follow the advice of the completely objective 2016 Center for Real Estate and Urban Analysis (by Cooper Carry and Christopher Leinberger) study ([linked below](#)).

The 2016 Bethesda Metro Park study concludes that the park should be street-facing. You can read some excerpts below.

Also, please review the Meridian plans from the 2006-08 era (the building was going to be placed over the food court area; your lawyer can tell you all about it).

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[http://www.chrisleinberger.com/docs/reports/bethesda\\_park.pdf](http://www.chrisleinberger.com/docs/reports/bethesda_park.pdf)

(Bethesda Metro Park – Center for Real Estate and Urban Analysis)

**Park design by Cooper Carry**

### **Bethesda Metro Park Study**

Analysis of the value creation potential and feasibility of a proposed urban park in downtown Bethesda, Maryland

**Authors:**

Christopher Leinberger

Tracy Hadden Loh, PhD

Richard Wilson

10/20/2016



**Abstract.** *Studies have documented the positive value impact that parks provide to surrounding real estate. In urban locations across the nation, interventions involving the installation of a new park or the renovation of an existing public space along with establishing a strong operations and programming structure have proven to produce accelerated rental rate growth in office buildings near the intervention. The subject site offers the opportunity to create a managed park that would benefit all of Bethesda and would likely generate similar value creation for the buildings in the central business district.*

#### QUOTING PAGE 1:

##### **Executive Summary**

The proposed Bethesda Metro Park site, at the prominently visible southwest corner of the intersection of Old Georgetown Road & Wisconsin Avenue, above the Bethesda Metro station, is uniquely located to become the vibrant heart of Bethesda's public realm. The proposed Bethesda Metro Park site is located in the Central Business District's:

1. Geographic center,
2. Highest density location,
3. Most visible and publicly accessible open space, and
4. Most regionally connected location due to direct access to regional rail and bus service.

#### QUOTING PAGE 4-5:

Downtown Bethesda has a legacy of private public space in the middle of blocks. These types of common spaces do not have the visibility and public access that is a necessary prerequisite to the long term success of the actively managed public park space contemplated for this site. The Maryland-National Capital Parks and Planning Commission came to the same conclusion, as indicated in its Spring 2014 Bethesda Briefing Book1:

*"The optional method developments of the 1980's produced many privately provided public use spaces that serve as plazas. The 1994 Bethesda CBD Sector Plan recognized that the public use spaces need to be improved to be safer, more visible, and welcoming to the public. However this recommendation still have not been fulfilled. The Bethesda Downtown Plan will seek to address the failings of some of the open space areas from the 1994 Sector Plan."* (Pg. 22)

*"For the last two decades, commercial and residential development provided a number of privately-owned and publicly accessible open spaces, in the form of plazas, larger sections of sidewalk, and landscaped seating areas. Many of these spaces, which act as the primary network of public spaces in downtown Bethesda, are not perceived as public space because they are either elevated above the street level or are partially hidden from the street within an interior courtyard."* (Pg. 25)

On page 38, the writers identify the following typical observations of the existing open spaces in Bethesda:

- "Majority of open spaces in Downtown Bethesda are separated from the street.
- Changes in elevation that makes it difficult to see into the park
- Located in the interior of the block
- Screened from streets and sidewalk by walls or plantings. Activating uses fail to enliven these spaces, retail uses tend to dry-up, doing little to draw people into these spaces"

An alternative plan for the Bethesda Metro Park space proposes locating a new building at the corner nearest the Wisconsin and Old Georgetown Pike intersection, creating an internal open space in the center of the block, continuing the current pattern that the Maryland-National Capital Parks and Planning Commission identified as a **failed public space strategy**. The above proposal locates the new building on the inside of the block and allows full visibility and public access to the park from the adjacent streets, consistent with the Commission's preferred public space configuration. This visibility and access to adjacent streets is critical to the long-term success of the park as an active and vibrant public space for Bethesda's residents and visitors. This park has the potential to provide more than increased value to the surrounding real estate. It will also function as an iconic central green and town square for all residents,

employees, and visitors of downtown Bethesda. The park's configuration will be **visible to the public and create an activated amenity that will redefine the central business district.**

**QUOTING PAGE 24:**

***Value creation potential of Bethesda Metro Park***

Among the case studies identified or previously researched, the office buildings with close proximity to the parks realized premiums in annual rental growth rate from 1.6% to over 10% per year compared to the background rent growth rate realized in the submarket in which the buildings were located.

**QUOTING PAGE 26:**

The new Bethesda Metro Park site is optimally located in the center of the CBD and can serve to increase Bethesda's poor park operating ratio in a location that offers maximum access to the densest part of Bethesda.

**QUOTING PAGE 28:**

***Capital Improvement Funding***

Funding strategies to finance major park improvements across the nation vary, but the examples identified as case studies were made possible through public-private partnerships that included federal, state, and local funding sources, private debt and equity, and generous donations by foundations, businesses and individuals who care deeply about improving the vibrancy and character of the public spaces in their downtowns. The Bethesda Metro Park site offers a unique circumstance in its situation sitting above the most important multi-modal transit hub in Bethesda's Central Business District. This provides opportunity for government, transit agencies and the private sector to work together to secure funding similar to Dilworth Plaza in Philadelphia, where transit money was obtained because the project's scope was not only a park, but also an improvement and upgrade to an important regional transportation hub. No other potential park site in Bethesda can offer this level of transit access or tap into the funding associated with its improvement. A preliminary list of public funding sources that should be further explored as the scope and design of the Bethesda Metro Park are refined have been identified in Exhibit A. This list represents potential funding sources (both loans and grants) for a variety of hard costs and soft costs that could be applicable, depending on the ultimate project scope. Available funding will depend on the elements that are ultimately integrated into the project scope, the structure of the public/private partnership, and the nature and structure of the ongoing management of the facilities.

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Thank you in advance for revising your plans according to Bethesda residents' requests,

***Patricia E. Kolesar, Resident***

***[pkoles@verizon.net](mailto:pkoles@verizon.net)***

***cell: 301-503-4109***

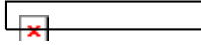
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**From:** Bethesda Brookfield <community@bethesdabrookfield.com>

**Sent:** Thursday, June 14, 2018 4:32 PM

**To:** Patricia Kolesar <pkoles@verizon.net>

**Subject:** Clark Abandons Bethesda Metro Center



Dear Patricia,

We thought you should know that Clark Enterprises put their Bethesda Metro Center building on the market this week.

You may already know that Clark created the Protect Bethesda Open Space campaign, saying their goal was to provide quality open space at the Plaza.

Now we know the truth about Clark's game plan. Their priority was not to serve the best interests of the community. Rather, it was to protect their interests by moving our new building out of their view to protect their building's sales price. It's doubtful that Clark will maintain its supposed commitment to Metro Center once they sell their building.

Brookfield is here to stay. As the owner of the open space at Bethesda Metro Center, only Brookfield is truly focused on creating a new destination that serves our community well and is based on our continuing conversations with local residents.





**Take a look at the above images showing totally connected energized open space** throughout the site, all leading to the dynamic Central Lawn. Imagine arriving at the Metro and bus bays to a brighter and more attractive surrounding, meeting friends at the new Plaza, strolling through the pedestrian Gallery, browsing the shops and cafes in the pedestrian retail Promenade, experiencing the Arts Zone, and relaxing at the Central Lawn where you can enjoy community events and arts performances. This is our vision for Bethesda Metro Center.

**You can let the Planning Board know that you support our plans for Bethesda Metro Center by clicking [here](#).**

Please feel free to email us with any questions or comments. With your help, we can transform Bethesda Metro Center into a destination that everyone can enjoy.

Thank you.

Sincerely,

Simon Carney  
Senior Vice President, Regional Counsel  
Brookfield Properties

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Bethesda Brookfield · 4 Bethesda Metro Ctr · Bethesda, MD 20814-5327 · USA



**Shipman, Laura**

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**From:** Deborah Schumann M.D. <dschumannmd@gmail.com>  
**Sent:** Wednesday, June 20, 2018 8:26 AM  
**To:** Shipman, Laura  
**Subject:** Bethesda Metro Plaza

Dear Ms. Shipman,

With the proposed development at the Bethesda Metro, we have the opportunity to make the area better for residents, or to waste the small amount of green, public space that will be included. That parcel will be so much better for residents if it opens to Wisconsin Avenue rather than being hidden in the midst of tall buildings.

## Hidden space is wasted space.

Sincerely yours,  
Deborah Schumann  
Resident of Bethesda,  
Walker, bike-rider and user of public transportation

## Shipman, Laura

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**From:** Maj-Britt Dohlie <mdohlie@gmail.com>  
**Sent:** Wednesday, June 20, 2018 9:59 PM  
**To:** Shipman, Laura  
**Cc:** Wright, Gwen; Kronenberg, Robert; Anderson, Casey  
**Subject:** Fwd: A lively, visible Bethesda Plaza please!

Hello Laura,

Please see our email to Brookfield below and please share this email with the Design Advisory Panel.

### INTERNAL PLAZAS=USELESS SPACE & DEAD STREET LIFE

As we have emphasized in previous emails, we are running out of space/opportunities to ensure a lively street scene in Bethesda. (The importance of creating a better street scene was emphasized by Mr. Casey several times during the marketing of the Downtown Bethesda Master Plan).

A busy transportation node as the Bethesda Metro should have a good-sized green plaza visible from the street to attract people and encourage them to remain there, which will make a big difference for restaurants and retail.

Please do not perpetuate the current uselessness of this space by accepting the plan to develop a mostly internal plaza.

### FUTURE WISCONSIN AVE=MASSIVE BORING WALL

We are concerned about the massive, boring walls emerging along Wisconsin Ave and Old Georgetown Rd. A green bustling Bethesda Metro Plaza will help counter the monotony / unfortunate development - at least to some extent. (The DAP will hopefully suggest considerable improvements to the plans submitted also for the blocks north of the Marriott site).

### STORMWATER

Parts of downtown Bethesda have water/flooding problems during heavy - even not so heavy - rains, which seem to be increasing in frequency and seriousness. The question is whether we are doing enough to avoid serious present and, more importantly, future problems. Due to lobbying/pleading by developers, the County appears to provide too many stormwater and (other!) exemptions.

Why not create an attractive stormwater feature on a plaza visible from the street. Such a feature can serve to attract people and also contribute to improved stormwater control.

### DOWNTOWN BETHESDA: LOW PER CAPITA PARKLAND

Downtown Bethesda has among the lowest levels of parkland in Montgomery County. This is bad planning — and unwise, if the intention is to ensure that residents and businesses will thrive here in the future. For this reason we cannot afford to lose open space but must, on the contrary, preserve and improve the little that exists and also add parks on the surface parking lots as has been discussed.

### EVEN AN ICONIC BUILDING DOES NOT CREATE AN ACTIVE STREET SCENE

We have yet to see plans that would indicate that Bethesda will get an iconic building any time soon. Even if Brookfield pulls it off, a lively plaza visible from the street will contribute to an active street life; an iconic building does not.

Please do not allow repetition of past mistakes: internal plaza are not used; they are wasted space that do not contribute to an active street life.

Sincerely,  
Maj-Britt Dohlie and Michael Evenson  
Bethesda

Sent from my iPhone

Begin forwarded message:

**From:** Maj-Britt Dohlie <[mdohlie@gmail.com](mailto:mdohlie@gmail.com)>  
**Date:** June 20, 2018 at 11:26:51 AM EDT  
**To:** [community@bethesdabrookfield.com](mailto:community@bethesdabrookfield.com)  
**Subject:** A lively, visible Bethesda Plaza please!

To Brookfield,

Have you learned nothing from the sad history of the unsuccessful Bethesda Metro Plaza? Or from studies that indicate that internal plazas are not as successful as plazas visible from the street (for example, the 2016 Center for Real Estate and Urban Analysis by Cooper Carry and Christopher Leinberger)?

Hidden spaces are wasted, unused and “dead” spaces. And now you are offering residents another internal plaza surrounded by taller buildings than before.....

Our objections to your submitted plans relate to the lack of success of the currently existing internal plaza there (and elsewhere) despite the fact that it is not unattractive. It lacks visibility from the street and does not contribute to an active street life, for which Bethesda cries out. Contrast Bethesda’s unused and invisible spaces with the hustle and bustle in plazas of attractive cities worldwide where traffic and noise do not deter, but attract people.

Also, do keep in mind that Bethesda has among the lowest per capita park land in Montgomery County. For quality of life, green space and trees must be visible from the street/sidewalk. We may decide to linger in attractive plazas but may not want to make a detour to reach it - even if we know about it. The street scene cannot be only the massive concrete and glass buildings we now see emerging in Bethesda. From a quality of life point of view, a green plaza visible from the street is what we need; it may be similarly good for business.

Let us tell you that our support for a larger green plaza visible from the street has nothing to do with your feud with Clark. It’s about NOT perpetuating an unsuccessful, unused, wasted, “dead” space invisible from the street in the heart of Bethesda when a BETTER ALTERNATIVE exists.

Finally, let us tell you that we are sick and tired of developers insisting on building to the max with little regard for residents’ needs and preferences.

Regards,  
Maj-Britt Dohlie and Michael Evenson  
Bethesda

## Shipman, Laura

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**From:** Patricia E. Kolesar <pkoles@verizon.net>  
**Sent:** Monday, June 25, 2018 2:52 PM  
**To:** Shipman, Laura  
**Cc:** Dickel, Stephanie; Hisel-McCoy, Elza; Wright, Gwen; Kronenberg, Robert  
**Subject:** BETHESDA METRO PLAZA: Application Number 320180110 (Brookfield) - Testimony of Patricia E. Kolesar for Design Advisory Panel, June 27, 2018, 11:30 a.m.  
**Attachments:** Design Advisory Panel - Testimony - PEK - June 27 2018 (FINAL).pdf; GWU - CREUA - Bethesda Metro Park Case Study - October 2016.pdf; WMATA - Bethesda Metro Plaza - Recommend Sell Land UNDER Food Court 2006.pdf; Meridian Group Project - Staff Report - 2008.pdf

Dear Laura:

Attached please find my formal testimony for the Brookfield DAP meeting on Wednesday, June 27, 2018.

When you have done so, could you please confirm that you have sent the testimony attached here to the Design Advisory Panel?

***I will shorten this 10-page testimony considerably for presentation purposes (1-2 min max).***

My testimony weaves together all the research that residents have uncovered which clearly shows that Brookfield can and should provide a **BIG GREEN SPACE** for Bethesda residents at Bethesda Metro Plaza – and NOT a hidden, interior plaza.

For ease of reference, I am also attaching a few key documents upon which I rely:

1. The Bethesda Metro Park Study by Christopher Leinberger, et al. **\*\* IMPORTANT \*\***;
2. The 2006 WMATA Recommendation which advocates for the sale of the land UNDER the food court so that the Meridian Group may build its 20-story building on top of the food court footprint; and
3. The 2008 Meridian Group Project – Staff Report of Planners, which I quote in my testimony.

M sources are hyper-linked in the testimony; but should you have any trouble with my links, please let me know as soon as possible and I will provide the document, article, or source promptly.

Thank you, and I will see you on Wednesday,

Patricia E. Kolesar

*Patricia E. Kolesar, Bethesda Resident*  
[pkoles@verizon.net](mailto:pkoles@verizon.net)  
cell: 301-503-4109

## **Design Advisory Panel – June 27, 2018 – 11:30 a.m.**

*RE: Brookfield - Bethesda Metro Plaza - Application Number 320180110*

### **TESTIMONY OF BETHESDA RESIDENT PATRICIA E. KOLESAR**

#### *Hidden Space is Wasted Space – Planning: Past, Present and Future*

Good morning. My name is Patricia Kolesar. I am a life-long Bethesda resident, a community activist, and a volunteer; and I testify today of my own accord, paid by no one. In solidarity with other Bethesda residents – nearly 350 of whom have actively voiced displeasure with the Brookfield project and whom have directly contacted the planners about it -- my testimony summarizes the majority position of my fellow Bethesda residents.

At stake today is the **Big Green Space** which Bethesda residents are eager to enjoy at Bethesda Metro Plaza. Sadly, Brookfield, and the owner of this property, WMATA, rebuke residents' concerns about Bethesda Metro Plaza; and therefore, we encourage and request this panel's assistance to re-configure Brookfield's project at 4 Bethesda Metro Center in downtown Bethesda in a manner most beneficial to residents.

The short form of my testimony is this: *Hidden Space is Wasted Space*.

This simple statement aptly summarizes the gist of Brookfield's proposed project. Brookfield seeks to foist yet another interior plaza upon Bethesda residents and market this hidden plaza as a desirable good for Bethesda. But interior plazas are not desirable for residents or for Montgomery County planners – not in the past, present or future. Recall that even at the April 2018 Design Advisory Panel, a member of your committee opined that retail and programming generate approximately one year of attention – and so how will Brookfield's proposed interior plaza survive and thrive? (It won't).

#### *Hidden Space, in the Past*

It's time to end Bethesda's experiment with the interior hidden plaza (*example: Original Pancake House plaza at 7700 Wisconsin Avenue*). Fortunately, Parks and Planning agrees with the majority of Bethesda residents that hidden, interior plazas are functionally useless to the public and are a failed public strategy for quality public open space. In 2014, MNCPPC stated in its Bethesda Downtown Plan Briefing Book that:

*“The optional method developments of the 1980's produced many privately provided public use spaces that serve as plazas. The 1994 Bethesda CBD Sector*

*Plan recognized that the public use spaces need to be improved to be safer, more visible, and welcoming to the public. However, this recommendation still ha[s] not been fulfilled. The Bethesda Downtown Plan will seek to address the failings of some of the open space areas from the 1994 Sector Plan.” ([Bethesda Downtown Plan Briefing Book, Spring 2014, at 22](#)). ...*

*“For the last two decades, commercial and residential development provided a number of privately-owned and publicly accessible open spaces, in the form of plazas, larger sections of sidewalk, and landscaped seating areas. Many of these spaces, which act as the primary network of public spaces in downtown Bethesda, are not perceived as public space because they are either elevated above the street level or are partially hidden from the street within an interior courtyard.” ([Bethesda Downtown Plan Briefing Book, Spring 2014, at 25](#)).*

The good sense shown by planners in these quotes from 2014 echoes their long-standing verbal commitment to open and useful public space.

For example, in the not so distant past, in 2008, we recall that planners intently studied open space at Bethesda Metro Plaza. Specifically, the [Meridian Group Project - Staff Report, dated June 12, 2008](#) for the then-active Meridian Group development plans at this very location (*a.k.a. Bethesda Metro Center Holdings, LLC*) laid the initial groundwork for planners’ above-quoted 2014 sentiments about open space in Bethesda.

The Meridian Group Project 2008 Staff Report notes:

*“It is imperative that the total amount of public use space remain, and that the area be enhanced and enlivened. The proposed development contains 58,980 square feet of on-site public use space ... the proposal includes a net increase of public use and amenity space improvements ... with little change to plaza level public use space calculations.” ([Meridian Group Project - Staff Report](#) (2008), at 8).*

The Staff Report further emphasizes that the 2008 Meridian Group proposal “fulfills a greater objective of activating and utilizing open space in downtown while developing on an existing footprint.” [Meridian Group Project - Staff Report](#) (2008), at 13. At that time, even WMATA’s Real Estate Committee and the WMATA Board of Directors (*and WMATA is still the actual owner of the Bethesda Metro Plaza in 2018*), happily [recommended that WMATA sell the land under the food court](#) so that Meridian Group could build its 20 story building on top of it. While the Meridian Group project later failed, it is instructive for our purposes that the project would have been a win for all stakeholders. More importantly, in 2008, there were absolutely no structural requirements stopping Meridian Group (and currently, in 2018, Brookfield, the current ground lessee) from placing the new building over the food court area of the plaza.



Ten years ago, planners, the developer (Meridian Group) and WMATA all worked together for the good of Bethesda to develop, enhance, and conserve open space at Bethesda Metro Plaza. And now? Where is the similar noble striving for the good of Bethesda and its residents? Let's re-ignite the higher goal of improving the open space at Bethesda Metro Plaza for all stakeholders.

As in 2008, Bethesda Metro Center "is, in fact, one of the only large open spaces in the Metro Core." [\*Meridian Group Project - Staff Report\* \(2008\), at 13.](#) Will you allow this opportunity to protect Bethesda open space to evaporate at the behest of Brookfield? The 2008 planners valued open space; do planners still value open space in 2018? Residents assume that the answer is "yes;" but this panel and the Planning Board will need to actively confirm their commitment to such open space by denying, first and foremost, the chosen siting for Brookfield's new building.

Planners may value open space, and we sincerely hope that they do; but Brookfield does not, as the plans reveal. The proposed Brookfield building site massively impinges on our open space in the Metro Core as one can readily see by a cursory review of the plans. This is no mere infill development like the 2008 Meridian Group project which was designed to fit the food court footprint. [\*See Meridian Group Project - Staff Report\* \(2008\), at 18.](#) No. In 2018, by their own admission and submitted drawings, Brookfield proposes a [drastic decrease in overall public open space to only 15,000 \(approx.\) square feet](#) (10% of the approximately 150,000 square foot tract); and most of that public space (.22 acres/9,500 square feet) will be shoveled into a back corner and euphemistically dubbed ... "The Central Lawn." Tragically, the so-called "Central Lawn" is hidden among the buildings, lost to the public, and destined for failure.

If the planners' priorities regarding public open space have evolved since 2008, please be well-assured that residents' priorities regarding public open space have not. In short, in 2008, Developer Meridian Group proposed a project which respected public open space at Bethesda Metro Plaza; therefore, Brookfield can and should do the same in 2018. The time has certainly arrived to "address the failings of some of the open space areas from the 1994 Sector Plan." [\*See Bethesda Downtown Plan Briefing Book, Spring 2014, at 22.\*](#)

### *Hidden Space, in the Present*

Our present drama over the Bethesda Metro Plaza confirms that hidden space is wasted space; and this truism must be addressed in Brookfield's development plans if planners practice what they preach and "address the failings of some of the open space areas from the 1994 Sector Plan." [\*Bethesda Downtown Plan Briefing Book, Spring 2014, at 22.\*](#)

While Brookfield continually casts aspersions on its neighbor Clark Enterprises' challenge to the preferred siting of 4 Bethesda Metro Center, it turns-out that Clark is not the only Brookfield neighbor with an opinion. Meridian Group (*a.k.a. Hyatt Hotel*), Brookfield's other neighbor at Bethesda Metro Center, has a stake in the future of the plaza, too; and Meridian Group's suggested plans for Bethesda Metro Plaza look remarkably similar to the open space plans offered by Clark and Bethesda residents – they all advance a large park in the heart of downtown Bethesda.

If you thought Meridian Group's role in the Bethesda Metro Plaza drama ended in 2008, then the information that Meridian Group is Brookfield's current neighbor may be confusing. Let me explain. [Meridian Group owns the Hyatt](#) at 1 Bethesda Metro Center (since 2015) and has recently [renovated the Hyatt \(Feb. 2018\)](#). As you know, and as discussed above, Meridian Group was also the prior owner of the Brookfield property now under review at this meeting (*Meridian Group [sold BMP to Brookfield in 2011](#)*). Meridian Group is thus still in the Bethesda Metro Plaza picture.

In 2017, while referencing its purchase of the Bethesda Hyatt (and other D.C. area properties), Meridian Group Chief Investment Officer, Gary Block, said:

*"We will be acquiring undermanaged, undervalued and/or underleased assets in A+ locations in the D.C. area near metro and mixed-use amenities at pricing substantially below replacement cost," ... "Then we'll renovate and reposition the assets to a condition and space that we believe is what the tenants want today and tomorrow, achieve stabilization and sell."* See Loria, Keith, [Commercial Property Executive, Meridian Group Invests Heavily in DC](#) (Feb. 15, 2017).

As for the Hyatt, its \$37 million renovation by Meridian Group is complete; and now, if we are to believe Mr. Block, Meridian Group intends to *"reposition the assets to a condition and space that we believe is what the tenants want today and tomorrow, achieve stabilization and sell."* [Id.](#)

What exactly is this vision for public space that Meridian Group might imagine for Bethesda Metro Plaza that will make the space *"what tenants want today and tomorrow"*? [Id.](#) Meridian Group's vision for the Bethesda Metro Plaza space mirrors that of Clark's. How so? Well, Mr. Gary Block – the same Mr. Block who is the Chief Investment Officer for Meridian Group and who is quoted above – sits on the [Board of Advisors for George Washington University's Center for Real Estate and Urban Analysis \(CREUA\)](#). Remarkably, in 2016, CREUA published a comprehensive [case study](#) on "Bethesda Metro Park." Coincidence? No; not in this business. The only peculiar

coincidence here is that Meridian Group has not weighed in directly on this 4 Bethesda Metro Center Brookfield project. Or is that by design?<sup>1</sup>

In any event, [CREUA is an independent GWU program](#) which was formed in 2005 with the following objective (*among others*): “To conduct influential real estate research focusing on walkable urban place development and management,” *See* [CREUA website](#). One could say that CREUA has certainly attained its stated objective and produced influential real estate research on Bethesda Metro Park. Indeed, the [CREUA case study](#) for Bethesda Metro Park basically concludes that hidden space is wasted space.

Let’s look closely at this informative, forward-looking, timely, recent and thorough [Bethesda Metro Park Study](#) (October 2016). The study is entitled: *Bethesda Metro Park Study: Analysis of the Value Creation Potential and Feasibility of a Proposed Urban Park in Downtown Bethesda, Maryland*; and it is authored by [Christopher Leinberger](#) (“one of the 100 most influential urbanists,” *Metropolitan Land Use Strategist, Developer, Author, Professor, Speaker, Researcher*), Tracy Loh and Richard Wilson. The architectural design of the Bethesda Metro Park Study was completed by [Cooper Carry](#), a well-known architectural firm.

The abstract for the case study follows:

***“Abstract.*** *Studies have documented the positive value impact that parks provide to surrounding real estate. In urban locations across the nation, interventions involving the installation of a new park or the renovation of an existing public space along with establishing a strong operations and programming structure have proven to produce accelerated rental rate growth in office buildings near the intervention. The subject site offers the opportunity to create a managed park that would benefit all of Bethesda and would likely generate similar value creation for the buildings in the central business district.”* ([Bethesda Metro Park Study](#) (October 2016), cover page.)

In support of this abstract, the Executive Summary continues:

*“The proposed Bethesda Metro Park site, at the prominently visible southwest corner of the intersection of Old Georgetown Road & Wisconsin Avenue, above the Bethesda Metro station, is uniquely located to become the vibrant heart of*

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<sup>1</sup> At the Design Advisory Panel in April 2018, meeting attendees heard that Brookfield would “work with” its neighbors, like Hyatt (a.k.a. Meridian Group), to make the ultra-hidden “Central Lawn” viable and active. What is the current business relationship between Meridian Group/Hyatt and Brookfield? Meridian Group’s silence during this design process is troubling and suspect.

*Bethesda's public realm. The proposed Bethesda Metro Park site is located in the Central Business District's:*

- 1. Geographic center,*
- 2. Highest density location,*
- 3. Most visible and publicly accessible open space, and*
- 4. Most regionally connected location due to direct access to regional rail and bus service.*

*No other open space in Bethesda offers this ideal combination of characteristics and visibility, making this site the optimal location for a highly programmed and well managed public park to serve residents, employees and visitors of downtown Bethesda.*

*A by-product of the increased quality of life that could be created by the proposed park is a probable increase in real estate values for surrounding existing property. Value creation due to urban park intervention has national precedents. This analysis, conducted by the Center for Real Estate and Urban Analysis at the George Washington University School of Business ("CREUA"), discusses the value creation potential of programmed urban park interventions as applicable to the Bethesda Metro Park site.*

*Among the six largest (by population) of the 50 regionally significant, walkable urban places ("WalkUPs") in the Washington D.C. metro, Bethesda ranks second to last for its park operating ratio, defined as the acreage of park to population." ([Bethesda Metro Park Case Study](#), at page 1).*

So, we have barely opened the 38-page Bethesda Metro Park case study and already we learn that (1) Bethesda has a poor park operating ratio;<sup>2</sup> and (2) the proposed Bethesda Metro Park should be prominently visible at the corner of Old Georgetown Road and Wisconsin Avenue, just as [Protect Bethesda Open Space](#) and the Bethesda residents have been advocating.

The [Bethesda Metro Park Case Study](#) continues on page 4:

*"Downtown Bethesda has a legacy of private public space in the middle of blocks. These types of common spaces do not have the visibility and public access that is a necessary prerequisite to the long-term success of the actively managed public*

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<sup>2</sup> "The new Bethesda Metro Park site is optimally located in the center of the CBD and can serve to increase Bethesda's poor park operating ratio in a location that offers maximum access to the densest part of Bethesda." [Bethesda Metro Park Case Study](#), at page 26.

*park space contemplated for this site. The Maryland-National Capital Parks and Planning Commission came to the same conclusion, as indicated in its Spring 2014 Bethesda Briefing Book1:*

*“The optional method developments of the 1980’s produced many privately provided public use spaces that serve as plazas. The 1994 Bethesda CBD Sector Plan recognized that the public use spaces need to be improved to be safer, more visible, and welcoming to the public. However, this recommendation still ha[s] not been fulfilled. The Bethesda Downtown Plan will seek to address the failings of some of the open space areas from the 1994 Sector Plan.” ([Bethesda Downtown Plan Briefing Book, Spring 2014, at 22](#)).*

We’ve seen this quote before, haven’t we?

Bethesda residents, Clark, CREUA (and presumably, Meridian Group, by and through its advisory role on CREUA), and the professional experts at George Washington University all agree – hidden space is wasted space. We need “safer, more visible, and welcoming” public use spaces in Bethesda. [Bethesda Downtown Plan Briefing Book, Spring 2014, at 22](#). Based on the case study for Bethesda Metro Park, modern urban planners should disavow Brookfield’s proposal for a hidden, interior plaza. Let’s heed the advice of the experts and do what’s right for Bethesda overall; and not what is convenient and easy for Brookfield.<sup>3</sup>

Turning our attention to back to the study, the experts conclude as follows:

*“An alternative plan for the Bethesda Metro Park space proposes locating a new building at the corner nearest the Wisconsin and Old Georgetown Pike intersection, creating an internal open space in the center of the block, **continuing the current pattern that the Maryland-National Capital Parks and Planning Commission identified as a failed public space strategy**. The above proposal locates the new building on the inside of the block and allows full visibility and*

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<sup>3</sup> The CREUA case study (page 4) continues to quote the Bethesda Downtown Plan Briefing Book (Spring 2014) and notes that:

On page 38, the writers identify the following typical observations of the existing open spaces in Bethesda:

- “Majority of open spaces in Downtown Bethesda are separated from the street.
- Changes in elevation that makes it difficult to see into the park
- Located in the interior of the block
- Screened from streets and sidewalk by walls or plantings. Activating uses fail to enliven these spaces, retail uses tend to dry-up, doing little to draw people into these spaces.”



*public access to the park from the adjacent streets, consistent with the Commission's preferred public space configuration. This visibility and access to adjacent streets is critical to the long-term success of the park as an active and vibrant public space for Bethesda's residents and visitors.*

*This park has the potential to provide more than increased value to the surrounding real estate. It will also function as an iconic central green and town square for all residents, employees, and visitors of downtown Bethesda. The park's configuration will be visible to the public and create an activated amenity that will redefine the central business district." [Bethesda Metro Park Case Study](#), at page 4-5 (emphasis added).*

I'm grateful for the experts' intelligent and thoughtful assessment of Bethesda Metro Park. Now, we may all be certain that everyone except Brookfield agrees: Hidden Space is Wasted Space.

As a final matter, the author-experts note that the CREUA vision of Bethesda Metro Park makes financial sense and urge a large public open space for Bethesda Metro Park because there is "value creation potential." I guess that means everyone makes or will make money based on the CREUA Bethesda Metro Park vision – including Brookfield.

Here's what the experts say about value creation potential:

*"Among the case studies identified or previously researched, the office buildings with close proximity to the parks realized premiums in annual rental growth rate from 1.6% to over 10% per year compared to the background rent growth rate realized in the submarket in which the buildings were located." ([Bethesda Metro Park Case Study](#), at page 24).*

The authors also offer financially savvy advice about Capital Improvement Funding in the event that Brookfield balks at what's best for Bethesda:

*"Funding strategies to finance major park improvements across the nation vary, but the examples identified as case studies were made possible through public-private partnerships that included federal, state, and local funding sources, private debt and equity, and generous donations by foundations, businesses and individuals who care deeply about improving the vibrancy and character of the public spaces in their downtowns.*

*The Bethesda Metro Park site offers a unique circumstance in its situation sitting above the most important multi-modal transit hub in Bethesda's Central Business District. This provides opportunity for government, transit agencies and the private sector to work together to secure funding similar to Dilworth Plaza in*

*Philadelphia, where transit money was obtained because the project's scope was not only a park, but also an improvement and upgrade to an important regional transportation hub. No other potential park site in Bethesda can offer this level of transit access or tap into the funding associated with its improvement.*

*A preliminary list of public funding sources that should be further explored as the scope and design of the Bethesda Metro Park are refined have been identified in Exhibit A. This list represents potential funding sources (both loans and grants) for a variety of hard costs and soft costs that could be applicable, depending on the ultimate project scope. Available funding will depend on the elements that are ultimately integrated into the project scope, the structure of the public/private partnership, and the nature and structure of the ongoing management of the facilities.” ([Bethesda Metro Park Case Study](#), at page 28).*

Present day Bethesda *needs* “Bethesda Metro Park.” The landscape is changing quickly and if Brookfield is not told to improve its design, Montgomery County and its residents will suffer the terrible loss of our potential **Big Green Space**. Thankfully, as the experts have discussed above, it is a worthy and financially achievable goal to protect Bethesda open space – which makes CREUA’s Bethesda Metro Park proposal the only winning option for all stakeholders at Bethesda Metro Center today.

### *Hidden Space, in the Future*

We have now arrived at a unique moment in Downtown Bethesda planning history – that is, the planning, vision, and very future of one of the last, large open spaces in Downtown Bethesda at Bethesda Metro Plaza. Will local planning history record that Montgomery County planners took positive steps for the health and welfare of the Bethesda residents and visitors to this plaza; or will we look back on this moment as one in which planners declined a grand opportunity to showcase Bethesda Metro Plaza as Montgomery County’s shining example of urban planning done right?

Brookfield will profit, even if this design panel and planners demand quality open space at Bethesda Metro Plaza à la Bethesda Metro Park, discussed above. Moreover, WMATA’s ridership will increase and benefit where there is an actual public and open gathering space AT its most-used entry, rather than in a hidden corner of the plaza. Finally, residents will enjoy health, safety and better welfare in a beautiful and open downtown park – much more than in Brookfield’s proposed cramped and hidden interior plaza.

For the future of Bethesda and its current and future residents, I urge this design panel and the planning board to envision a metro plaza that is open, green, healthy and

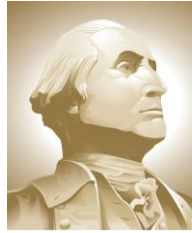
beautiful for all Montgomery County residents and visitors. Visionary planning for our future necessarily includes a modern, large, green, open space at the Bethesda Metro Plaza. It's an achievable and attainable goal – but designers and planners must firmly direct Brookfield back to the drawing board.

Bethesda deserves better; and Brookfield can and should deliver. Together, we can ensure that Bethesda Metro Plaza evolves into a gathering space which makes sense for the public. The value of a **Big Green Space in Bethesda** cannot be understated – and that value will inure to Brookfield, Clark, Meridian Group, Bethesda residents, and the public; protecting Bethesda open space is a win for all stakeholders.

Past, present and future Bethesda residents thank you for your willingness to bury, once and for all, the failed public strategy of hidden interior plazas – interior plazas which welcome no one, attract no one, and diminish Bethesda as a destination.

Thank you for your attention.





THE GEORGE  
WASHINGTON  
UNIVERSITY

WASHINGTON, DC

Center for Real Estate and Urban Analysis

# Bethesda Metro Park Study

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Analysis of the value creation potential and  
feasibility of a proposed urban park in downtown  
Bethesda, Maryland

Authors:

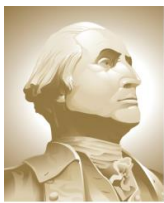
Christopher Leinberger

Tracy Hadden Loh, PhD

Richard Wilson

10/20/2016

Abstract. Studies have documented the positive value impact that parks provide to surrounding real estate. In urban locations across the nation, interventions involving the installation of a new park or the renovation of an existing public space along with establishing a strong operations and programming structure have proven to produce accelerated rental rate growth in office buildings near the intervention. The subject site offers the opportunity to create a managed park that would benefit all of Bethesda and would likely generate similar value creation for the buildings in the central business district.



## **Executive Summary**

The proposed Bethesda Metro Park site, at the prominently visible southwest corner of the intersection of Old Georgetown Road & Wisconsin Avenue, above the Bethesda Metro station, is uniquely located to become the vibrant heart of Bethesda's public realm. The proposed Bethesda Metro Park site is located in the Central Business District's:

1. Geographic center,
2. Highest density location,
3. Most visible and publicly accessible open space, and
4. Most regionally connected location due to direct access to regional rail and bus service.

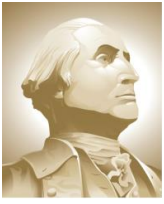
No other open space in Bethesda offers this ideal combination of characteristics and visibility, making this site the optimal location for a highly programmed and well managed public park to serve residents, employees and visitors of downtown Bethesda.

A by-product of the increased quality of life that could be created by the proposed park is a probable increase in real estate values for surrounding existing property. Value creation due to urban park intervention has national precedents. This analysis, conducted by the Center for Real Estate and Urban Analysis at the George Washington University School of Business ("CREUA"), discusses the value creation potential of programmed urban park interventions as applicable to the Bethesda Metro Park site.

Among the six largest (by population) of the 50 regionally significant, walkable urban places ("WalkUPs") in the Washington D.C. metro, Bethesda ranks second to last for its park operating ratio, defined as the acreage of park to population.

The notion that parks have a positive impact on real estate has a long history, and dozens of studies have quantified these positive correlations. The Bethesda Metro Park's proposed re-design and active management constitute an urban park intervention similar to others across the nation identified in the literature review, including Bryant Park in New York City and Klyde Warren Park in Dallas, TX. In both of these examples, analysis by others concluded that office rent growth increased in buildings near the park based upon analyzing rents prior to intervention and comparing them to rents post-intervention. At Bryant Park, the average annual growth in office asking rent for buildings near the park over a 12 year period was 12.8% compared to 5.5% in the sub-market. At Klyde Warren Park, the average annual growth rate of office rents near the park over a 4 year period was 15.8%, compared to sub-market growth of 5.5%.

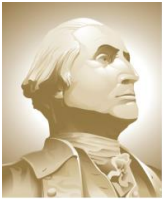
CREUA developed case studies of three additional urban park interventions in other American cities and found consistent results of office buildings near park interventions outperforming their respective sub-markets. This included office buildings immediately adjacent to newly redeveloped:



- Director Park in Portland, Oregon, which experienced 2.9% annual rent growth while the CBD submarket rent grew at 1.2%.
- Dilworth Park in Center City Philadelphia, PA, which realized 2.9% annual rent growth while the CBD submarket grew 0.5% per year.
- Fountain Square in Cincinnati, Ohio, which seems to have helped to protect adjacent properties from a decline in asking rent experienced in the CBD as a whole. The submarket asking rents declined an average of 1.7% per year while the average annual change in rents for the buildings near the park averaged just 0.1% per year, essentially flat.

This premium in office rents translates into higher property values to owners and ultimately higher assessments to taxing jurisdictions. If the Bethesda Metro Park site were to generate a rental growth rate over the background growth in the submarket in the range of 3% - 7% per year, then the capitalized value increase, using a 5% capitalization rate, attributable to the park intervention would be \$24 - \$56 per square foot. This equates to \$83 million to \$195 million in enhanced value creation per year for the office space within two blocks of the park.

Funding strategies for the capital improvements and on-going operations of comparable urban park interventions have included government sources, private contributions, and income generated by the park itself. Park renovation costs will depend on the size and scope of the intervention. The operating budget to manage the park could range from \$300,000 to \$700,000 per year, depending upon whether a management arrangement could be established within an organization like the Bethesda Urban Partnership, which is already managing public space in Bethesda. Assessment structures utilized to fund on-going operations might include special assessment taxes targeted to the properties nearest the park, which benefit from the greatest value due to their proximity. Alternatively, Business Improvement District (“BID”) assessments utilizing a lower assessment rate over a broader area of downtown Bethesda, such as the boundaries of the Bethesda Urban Partnership could be another option. This site is best positioned to drive significant value creation and quality of life enhancements and the repositioning of the existing public space should be incorporated into park planning for the downtown Bethesda area.



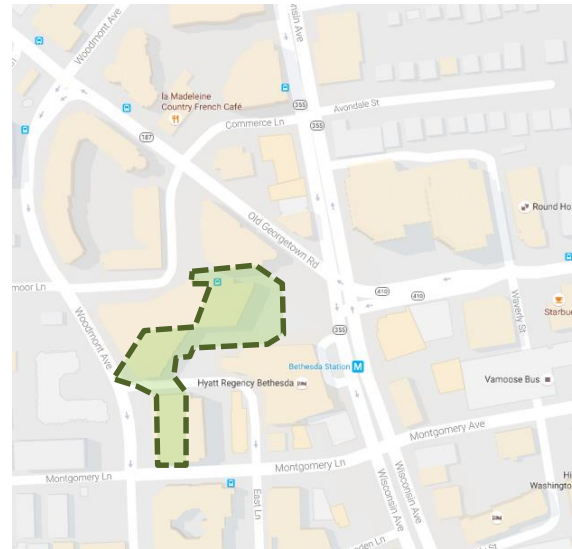
## Introduction

The Bethesda Metro Park Site, as shown below, could attract a large and diverse number of users both day and night, which is a key element to a successful urban park. The most successful downtown parks define their urban districts and increase surrounding real estate demand, rents and property values. This public space, possibly more than any other location in greater Downtown Bethesda, has the best chance to become the pedestrian “heart” of Bethesda’s public realm because of its characteristics, which include:

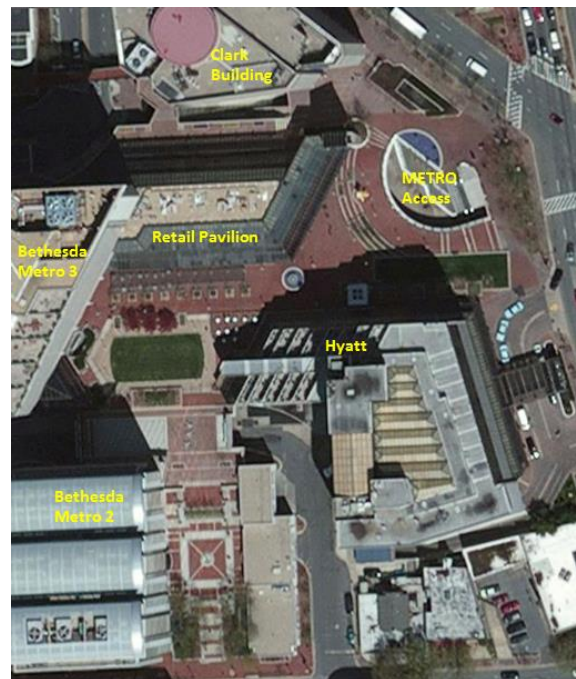
1. The **geographic center of the downtown** area at the intersection of the Old Georgetown Road, East – West Highway and Wisconsin Avenue, with intense commercial development radiating out along these corridors from this intersection.
2. The **physical center of development** with the most intensive land uses and densest developments in the downtown area within a few blocks of the site.
3. The **highest visibility public space** in the downtown area due to frontage at this critical central intersection of roads.
4. The **multi-modal transit center** for Downtown Bethesda, including the Bethesda Metro stop, bus bay station, and future terminus for the proposed and funded Purple Line light rail system, which are located below or near the existing plaza, making this public space the point of entry to Bethesda for regional commuters.

The Bethesda Metro Park site is currently an unprogrammed and unplanned plaza with multi-level access to the subterranean Metrorail and bus transit station, as depicted in the aerial photo of the site’s existing condition.

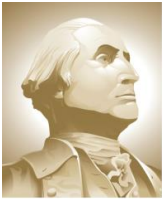
The proposed intervention at the Bethesda Metro Park is to redesign the existing public spaces to include larger lawns with more green space along with a variety of sidewalk and plaza spaces. The multi-level access to Metro is to be capped to allow for larger contiguous open space for public use and visibility at the intersection. The figure



Location Diagram. *Source: Google Maps*



Existing Condition – Aerial Photo



below shows one potential conceptual re-design by the architecture firm Cooper Carry. Refinements to the size, location and design details of the park are anticipated and will be based upon desired park programming and integration of future buildings. The size of the park is expected to be somewhere between 1.0 to 1.5 acres of actively managed public space. Critical to the success of the proposed park is its location at the intersection, providing visibility and access to the public.

Downtown Bethesda has a legacy of private public space in the middle of blocks. These types of common spaces do not have the visibility and public access that is a necessary prerequisite to the long term success of the actively managed public park space contemplated for this site. The Maryland-National Capital Parks and Planning Commission came to the same conclusion, as indicated in its Spring 2014 Bethesda Briefing Book<sup>1</sup>:

*"The optional method developments of the 1980's produced many privately provided public use spaces that serve as plazas. The 1994 Bethesda CBD Sector Plan recognized that the public use spaces need to be improved to be safer, more visible, and welcoming to the public. However this recommendation still have not been fulfilled. The Bethesda Downtown Plan will seek to address the failings of some of the open space areas from the 1994 Sector Plan."* (Pg. 22)

*"For the last two decades, commercial and residential development provided a number of privately-owned and publicly accessible open spaces, in the form of plazas, larger sections of sidewalk, and landscaped seating areas. Many of these spaces, which act as the primary network of public spaces in downtown Bethesda, are not perceived as public space because they are either elevated above the street level or are partially hidden from the street within an interior courtyard."* (Pg. 25)

On page 38, the writers identify the following typical observations of the existing open spaces in Bethesda:

- *"Majority of open spaces in Downtown Bethesda are separated from the street."*
- *Changes in elevation that makes it difficult to see into the park*
- *Located in the interior of the block*
- *Screened from streets and sidewalk by walls or plantings. Activating uses fail to enliven these spaces, retail uses tend to dry-up, doing little to draw people into these spaces"*

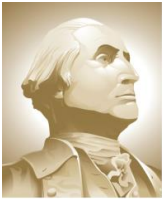
An alternative plan for the Bethesda Metro Park space proposes locating a new building at the corner nearest the Wisconsin and Old Georgetown Pike intersection, creating an internal open space in the center of the block, continuing the current pattern that the Maryland-National Capital Parks and Planning Commission identified as a failed public space strategy. The above proposal locates the new building on the inside of the



Proposed re-design concept by Cooper Carry.

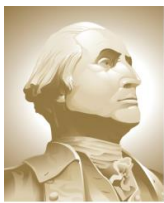
<sup>1</sup> [http://www.montgomeryplanning.org/community/bethesda\\_downtown/documents/bethesda\\_briefing\\_book\\_2014.pdf](http://www.montgomeryplanning.org/community/bethesda_downtown/documents/bethesda_briefing_book_2014.pdf)





block and allows full visibility and public access to the park from the adjacent streets, consistent with the Commission's preferred public space configuration. This visibility and access to adjacent streets is critical to the long-term success of the park as an active and vibrant public space for Bethesda's residents and visitors.

This park has the potential to provide more than increased value to the surrounding real estate. It will also function as an iconic central green and town square for all residents, employees, and visitors of downtown Bethesda. The park's configuration will be visible to the public and create an activated amenity that will redefine the central business district.



### **Literature Review of Parks and Real Estate Impacts**

The findings of the literature search strongly support the hypothesis that well designed parks with strong management positively affect surrounding real estate values. Case studies from across the nation indicate heavily managed urban parks positively impact the value of nearby existing commercial real estate.

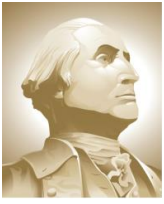
The notion parks have a positive impact on real estate has a long standing history. It was a key rationale for many world renowned 19<sup>th</sup> century parks such as London's Regent's Park (1812) and New York City's Central Park (1857) (Crompton, 2005). Although these studies of older parks lacked advanced statistical methods, they set the stage for modern research. The advent of new statistical tools, Multiple Listing Services (MLS), CoStar, and Geographic Information Systems (GIS) gave way to dozens of studies on parks and property values (Crompton, 2005).

As early as the 1970s, many studies identified a strong correlation between parks and residential real estate values. Most focused on what Crompton (2004) coins as the proximate principle – a theory that people are willing to pay more to live closer to parks. Crompton analyzed over 30 studies conducted between 1970 and 2000 and found that 25 supported the theory that properties located near parks hold more value than those further away, and he notes the five contradictory studies may have suffered from methodological deficiencies (Crompton, 2001b).

In some studies, premiums extend as far out as 1,500 feet. Positive value impacts increase with proximity, with the greatest impact to property within 500 feet (Bolitzer and Netusil, 2000; Lutzenhiser and Netusil, 2001). 1,500 feet from the Bethesda Metro Park site would include the majority of the Central Business District (CBD), and 500 feet from the site would include several blocks of the most intensive land uses in Bethesda.

While the proximate principle applies to both lower density and urban settings, its effects are greatest in locations where there is limited supply of alternative open space. Even in low density neighborhoods, several studies found positive correlations between parks and real estate values (Ready and Abdalla, 2003; Irwin 2002), albeit, lower premiums than those found in urban park locations. These studies would suggest funding for parks is most efficient when it is located in dense urban areas without pre-existing open space amenities. Considering that Bethesda has no centrally located park in its downtown to serve the dense population of employees, hotel patrons, urban condo dwellers and commuters, Compton's conclusion suggests that the proposed Bethesda Metro Park could provide strong value premiums for property in the CBD.

Since the 1990s many research projects have reframed parks from a community amenity to an economic engine for downtown development. Studies began to emerge showing parks had both direct and indirect economic values (Fage, 2001; Harnik, 1997). For instance, Martin (2006) discussed the economic activity generated from Lake Shore East Park. This six-acre park in downtown Chicago was identified as an essential element in attracting residents from the suburbs to condo developments downtown. From Post Office Square in Boston MA to Downtown Park in Bellevue Washington, studies from across the country began to highlight the economic benefits that parks could generate (Harnik, 1997; Lassar 1997).



The dramatic and well documented transformation of Bryant Park redefined park valuation. In 2002 and 2003 Ernst & Young partnered with New Yorkers for Parks to study the economic impacts of investment in parks on real estate. The authors found office buildings around Bryant Park in mid-town Manhattan significantly outperformed the broader Times Square District in rental rate growth between 1990 and 2002. Building owners attribute the value premiums to their proximity to Bryant Park, which underwent a major renovation of its six acres of public space starting in 1988 and fully re-opening in 1995. (Ernst & Young, 2002; Ernst & Young, 2003). Their study found that between 1990 and 2002, the average rent jump among four office buildings near the park was 154% (13% per year). In the same period, the broader Times Square District office market in mid-town Manhattan rose an average of 6% per year. The impact of Bryant Park was to double the annual rent growth of buildings around the park compared to the background sub-market.

**Bryant Park Building comps between 1990 and 2002 (asking rents)**

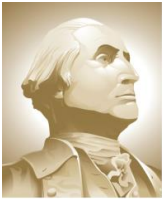
	Time Square District Office	Grace Building	Beaux Arts Bldg	London Fog Bldg	1065 Avenue of the Americas
starting rent	\$29.50	\$35.00	\$20.00	\$20.00	\$20.00
ending rent	\$49.00	\$75.00	\$65.00	\$45.00	\$50.00
% change		114%	225%	125%	150%
Average among the 4 buildings on the park:	66%	154%			
Avg. Annual Chg.	6%	13%			

The study also revealed not all park investment yields financial returns to the City. Of the 30 case studies evaluated throughout the city, only 45% resulted in an increase in tax assessment. These results were not isolated to a single borough. They represented a mix of residential and commercial areas of different income levels and demographics across the City. Their success was attributed to strong park operations, maintenance and programming (Ernst & Young, 2002).

For Bryant Park, this success can be traced to Bryant Park Management Corporation, the Business Improvement District (BID) that operates the park. It has become world renowned for its maintenance, management and programming that draws patrons and has completely transformed the district around it. The executive director of Bryant Park Management Corporation, Dan Biederman, was an early pioneer in the BID movement and is an innovator in developing creative strategies and programming to attract patrons to the public space.

Nearly a decade later, Bryant Park continues to demonstrate this value add proposition. In 2010 Bank of America completed its \$2 billion building at the corner of 42<sup>nd</sup> Street and Sixth Avenue, and Hines announced its new office tower on Sixth Avenue overlooking the park (Kozloff, 2012). One can speculate that these buildings would have happened with or without the park improvements but ten years later in 2012, a research study by CBRE suggested the park was indeed a strong market force. The study found properties adjacent to Bryant Park commanded rents 63% higher than those just one block away (CBRE, 2012).





Another iconic example of a park commanding premiums for nearby office rents is Klyde Warren Park, in Dallas TX. Like Bryant Park, Klyde Warren Park was also developed with consultation from Dan Biederman and his firm, Biederman Redevelopment Ventures (BRV) (Biederman). An analysis conducted by CBRE found dramatic increases in four office buildings near Klyde Warren Park. Between 2012 and 2015, rents in office building near the park outpaced the background rental growth rate of the CBD and Uptown sub-markets by more than double (Perez, 2015). CBRE attributes the rent premiums at these buildings to the completion and success of five acre, Klyde Warren Park, which was built on a deck spanning the previously existing 8-lane depressed highway that separates the Downtown and Uptown districts of Dallas (Perez).

**Klyde Warren Park comps between 2012 and 2015 (triple net rental rates)**

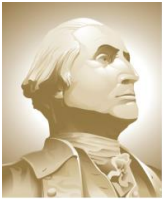
	Dallas CBD	Uptown Submarket	2100 McKinney	Trammell Crow Center	2100 Ross	2000 McKinney
starting rent	\$18.05	\$25.23	\$22.00	\$19.00	\$13.00	\$25.00
ending rent	\$21.52	\$29.40	\$36.00	\$25.00	\$19.00	\$37.00
% change	19%	17%	64%	32%	46%	48%
Average among the 4 buildings on the park:	N/A	N/A	47%			
Avg. Annual Chg.	6%	6%	16%			

Like other successful parks, Klyde Warren Park has a strong management team. The park is managed by the Woodall Rodgers Park Foundation, a 501c3 non-profit. The group programs a wide variety of activities and events at all times of day to attract patrons and grow park users (Klyde Warren Park, 2015).

Bryant Park and Klyde Warren Park illustrate the success of relatively large public spaces (six to eight acres) but additional research has showcased similar success with smaller parks as well. Ren's 2012 PhD dissertation analyzed 13 different urban park / plaza spaces constructed over sub-grade parking structures and found nine examples of parks that provided an average increase in office rents of 10% to 20% for the three blocks surrounding the park, with the first block around the park realizing between 13% and 29% increased rent as compared to the benchmark rents, which were represented by the rents in the fourth block away from the park (Ren, 2012).

Column	A	B	C	D	E
Row	Index of Economic Impact on Office Rents	Impact Block I	Impact Block II	Impact Block III	Average Increase Effect
1	Union Square, San Francisco, CA	29%	17%	15%	20%
2	Fountain Square, Cincinnati, OH	25%	15%	4%	15%
3	Ellis Square, Savannah, GA	23%	20%	12%	18%
4	Portsmouth Square, San Francisco, CA	22%	21%	17%	20%
5	Norman B. Leventhal Park, Boston MA	22%	18%	6%	15%
6	Millennium Park, Chicago, IL	17%	12%	3%	11%
7	Director Park, Portland, OR	19%	17%	14%	17%
8	Public Square, Nashville-Davidson, TN	15%	7%	10%	11%
9	Discovery Green, Houston, TX	13%	11%	7%	10%

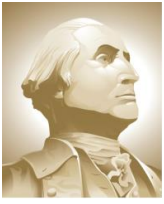
Excerpt from Table 4.6. Office Rent Index. Source: Ren, Lanbin. Park above Parking Downtown: A Spatial-based Impact Analysis. Pg. 119



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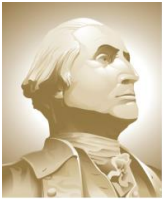
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[https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/12933/Ren\\_Lanbin\\_phd2012fa.pdf?sequence=1](https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/12933/Ren_Lanbin_phd2012fa.pdf?sequence=1)



### **Case Study Methodology**

The following case studies analyzed the effects of newly constructed or redeveloped urban parks on surrounding real estate values, specifically office values. For the case study analysis, parks were selected from an initial list of 30 provided in Ren's initial case study. The selection was further narrowed to reflect recently developed parks similar in size to Bethesda Metro Park, making them appropriate comparisons. The case studies reviewed below include:

1. Director Park, a .5 acre plaza in downtown Portland, Oregon
2. Dilworth Park, a 2.8-acre conversion of Dilworth Plaza, which sits atop and provides access to SEPTA's Suburban Square Station, connecting the regional rail system with the local subway system in Center City Philadelphia, Pennsylvania
3. Fountain Square, a two acre plaza in downtown Cincinnati, Ohio

Using similar methodology to Ernst & Young's study of Bryant Park and CBRE's analysis of Klyde Warren Park we first defined a broader submarket. This was used as the control group to compare background rent changes. Office buildings within 3 blocks were selected from Google Maps. The building selection was further narrowed, first based the availability of CoStar data for both pre- and post- park improvement dates. Next buildings were selected based on their proximity to the parks, with priority given to the closest structures. New or remodeled buildings were noted where applicable.



Director Park is a ½ acre park, which is open from 5am to 12am and attracts hundreds of thousands of annual visitors.<sup>2</sup> It is located above a 6-story sub-grade parking garage in the heart of downtown Portland. This central location is surrounded on all sides by public roads and sits adjacent to the intersection of 9<sup>th</sup> Avenue and Yarnhill Street, where there is both a surface Max Light Rail stop as well as the SW Yamhill & 9<sup>th</sup> St. bus shuttle stop. The park is surrounded by a mix of office, residential, municipal, and retail buildings.

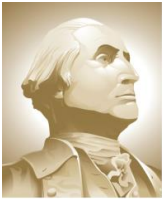


A unique feature of Director Park is that its development originated from private initiative. Although the urban block was dedicated for public use in 1848, it was eventually developed due to legal conflicts with the owner's heirs. By the 1970s the land became a surface parking lot. In 1995 the lot's owner proposed a 12-story parking structure but faced strong opposition. The community responded enthusiastically when Thomas P. Moyer, developer of the adjacent Fox Tower, pledged to acquire the block for an underground parking garage and donate the surface to the City in 1998.

The park concept came to fruition in the mid-2000s through a public-private partnership between the Portland Development Commission, City of Portland, the Portland Parks Foundation, and a number of other donors. The project began construction in 2008 and was completed in 2009. Today, this European-style piazza has light granite paving and features numerous amenities including:

<sup>2</sup> <http://landscapeperformance.org/case-study-briefs/director-park#/lessons-learned>





- Interactive water feature
- Inlaid Chess Board
- Café
- 6,000 sq. ft. glass canopy
- Free public restrooms
- >20 bike racks
- Permanent seating
- loose café seating
- 24 new trees
- Storm water management
- “festival streets”<sup>3</sup>
- Green storm water system

According to the City of Portland, the total cost of the Park was \$9.45 million – of that \$7.2 million (~ \$14.4 million per acre) was construction cost, and \$2.25 million was design and project administration. The land was donated to the City by the owner of the 6-story sub-surface parking garage constructed below the park, and was valued at \$6 million, bringing the total value of the park to \$15.5 million. Excluding the land, 2/3rds of the funding for the plaza came from public sources and 1/3rd from private gifts facilitated by the Portland Parks Foundation. The funding sources included the following:

#### Private Gifts

- The Moyer Family: \$1.1 million (12%)
- Jordan Director Schnitzer \$2.0 million (21%)

#### Public Funds

- Portland Development Commission, South Park Blocks Urban Renewal \$4.5 million (47%)
  - City of Portland General Fund \$0.7 million (7%)
  - Portland Parks & Recreation, System Development Charges \$1.2 million (13%)
- 
- Total Costs<sup>4</sup>** \$9.45 million (100%)

#### Management and Programming

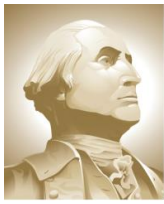
In addition to its hardscape amenities, Director Park offers a diverse mix of programming and rental space. The Park is active seven days a week with a wide array of cultural, artistic, educational, recreational, and community based activities including, just to name a few:

- Concerts
- Family Chess
- Movies
- Weddings
- Dance performances
- Live shows
- Yoga Classes



<sup>3</sup> “festival streets” are curbless streets which extend the park’s granite surface from building front on Park to building front on Ninth. When the roads are closed for special events this design element more than doubles the park space from 7,550 Sq. ft. to 15,750 Sq. ft. ([oregonlive.com/portland/index.ssf/2009/04/curbless\\_design\\_sought\\_for\\_new.html](http://oregonlive.com/portland/index.ssf/2009/04/curbless_design_sought_for_new.html))

<sup>4</sup> Source: <https://www.portlandoregon.gov/parks/article/340907>



These events and activities are managed by Portland Parks & Recreation with support and consultation by the Portland Development Commission.<sup>5</sup> The park has a staff of two full-time maintenance employees, an events coordinator, and numerous part-time positions. The park costs an estimated \$475,000 to manage per year<sup>6</sup>.

The café, Elephant's in the Park, is a branch of the local chain Elephants Delicatessen and operates independently from the park. This café employs five full-time equivalent employees and pays approximately \$23,000 in rent per year.<sup>7</sup>

### Financial Impact

Between 2009 and 2016 the office market in Portland experienced modest rent growth with average asking rents in the Central Business District (CBD) rising 8% from \$22 to \$24/sq. ft. During the same period of time, office rents near Director Park increased by 20%. Additional large scale investment continues around Director Park, including the recent renovations at 719 SW Morrison St and the additional 194,000 square feet of office space in Park Avenue West, located adjacent to Director Park.<sup>8</sup>

### Director Park Building comps between 2009 and 2016 (asking rents)

	Portland CBD	Park Avenue West*	719 SW Morrison St*	1020 SW Taylor St	Fox Tower
starting rent	\$22.42	N/A	\$18.79	\$15.50	\$22.29
ending rent	\$24	\$45.70	\$27.50	\$18.38	\$27.00
% change	8%	N/A	46%	19%	21%
Average among the 3 buildings on the park:	N/A	N/A		20%	
Avg. Annual Chg.	1.1%			2.9%	

*\*new construction or major renovation*

About half of the initial year's operating costs of \$475,000 were for programming, events, and security. The other half were for operations, maintenance and utilities. In addition to the rent paid by the on-site restaurant, the Park generates \$34,000 in annual revenue from event rentals<sup>9</sup>.

Because the park's design incorporated numerous green storm water elements it is estimated the park prevents 990,000 gallons of storm water from entering the city's combined sewer system. This saved the city a projected \$3.9 million in future capital costs to upgrade storm water infrastructure, such as constructing a larger combined sewer overflow (CSO) tunnel.<sup>10</sup>

<sup>5</sup> <https://www.portlandoregon.gov/parks/article/340907>

<sup>6</sup> Janie, Har (September 24, 2009). "Who gets a park? And at what price?". The Oregonian. Retrieved March 10, 2010.

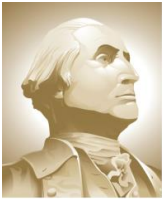
<sup>7</sup> <http://landscapeperformance.org/case-study-briefs/director-park#/lessons-learned>

<sup>8</sup> <http://www.bizjournals.com/portland/blog/real-estate-daily/2016/05/portlands-newest-office-building-is-all-leased-up.html>

<sup>9</sup> <http://landscapeperformance.org/case-study-briefs/director-park#/lessons-learned>

<sup>10</sup> <http://landscapeperformance.org/case-study-briefs/director-park#/lessons-learned>





### **Additional Sources**

Festival Streets: <https://www.portlandoregon.gov/parks/article/443671>

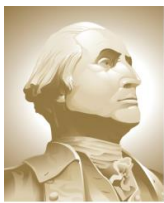
Commonly Asked Questions: <https://www.portlandoregon.gov/parks/article/340907>

Park Map: <https://www.portlandoregon.gov/parks/article/443671>

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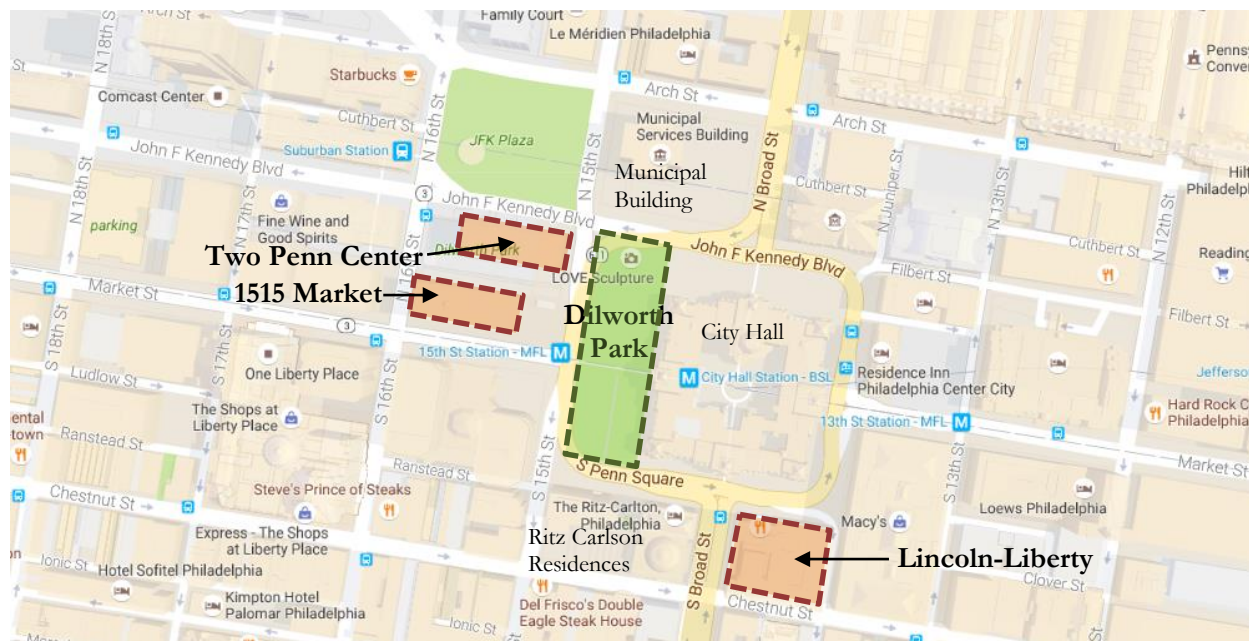


## Dilworth Park

*Philadelphia, PA*

### Park and Surroundings

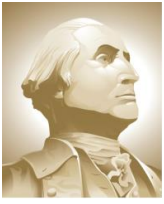
Dilworth Park is the redevelopment of the 2.8 acres<sup>11</sup> previously known as Dilworth Plaza located on the western portion of William Penn's original Center Square in the middle of Center City Philadelphia and is surrounded on three sides (north, west and south) by public roads and adjoins Philadelphia's iconic City Hall to the east. Similar to the proposed Bethesda Metro Park site, Dilworth Park provides access from the surface public space to the sub-grade network of SEPTA's subways, regional commuter trains, and trolleys, via two sky-lighted ramps and an elevator. Also like the Bethesda Metro Park site, it is located at the physical center of downtown, linking the Avenue of the Arts, the PA Convention Center, Benjamin Franklin Parkway and the offices of the West Market District to the destinations along East Market.



### History and Intervention

Like Bethesda, Dilworth Park was once a hard-surfaced, multi-level plaza. The 1970s plaza consisted of many unnecessary walls and steps which acted as barriers to the public. With little foot traffic or programming, the site was dirty and under used.

<sup>11</sup> <http://www.ccdparks.org/dilworth-park>



The re-development of this 2.8 acre park was led by the Center City District, a business improvement district funded by the private sector, which started planning the project in 2007, began construction in 2012 and reopened the Park in September of 2014. By removing the unnecessary barriers and bringing the park to street grade, the park's usable area increased by 20,571 square feet (21% of its original size)<sup>12</sup>. With additional space to work with, the new design incorporated numerous elements to ensure that Philadelphia's downtown not only looks welcoming, but also is brighter, safer and more accessible, including:

- Cafe
- Grass lawn
- Tree Grove
- Free Wi-Fi
- New security system
- Fountain/Ice Rink
- New Transit entrances
- Transit elevators
- Lighting
- Fire-alarm system

The construction budget of \$55 million covered both renovation costs to the park as well as improvements made to the regional transit station below grade and rebuilding of the plaza infrastructure. New subterranean passageways linked existing trolley, subway, and regional rail lines while new elevators make the transit levels handicapped-accessible for the first time. According to the Center City District, the budget for the project included the following components:

**Cost Budget (estimated)<sup>13</sup>**

**Soft Costs**

\$3,000,000	Project and construction management
\$2,000,000	Construction documents

**Plaza Hard Costs**

\$20,600,000	Plazas, landscaping and public improvements
\$8,050,000	Buildings and structures (including head houses)
\$9,000,000	Plaza infrastructure
<hr/>	
\$37,650,000 (~ \$13.45 million per acre)	

**Sub-surface and supporting infrastructure**

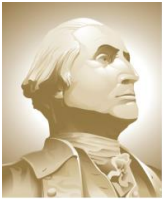
\$6,500,000	Concourse level improvements
\$3,200,000	Station improvements and connections

\$2,650,000	Contingency
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<b>\$55,000,000</b>	<b>TOTAL</b>
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<sup>12</sup> <http://www.ccdparks.org/dilworth-park>

<sup>13</sup> [https://www.centercityphila.org/pressroom/prelease\\_dilworthfacts.php](https://www.centercityphila.org/pressroom/prelease_dilworthfacts.php)



**Major contributors of capital included<sup>14</sup>:**

- Major Public Donors
  - Center City District \$15 million
  - City of Philadelphia \$5.75 million
  - Commonwealth of Pennsylvania \$16.35 million
  - Federal Transit Administration \$15 million (TIGER program grant)
  - SEPTA \$4.3 million
- Major Donors to Construction
  - The Albert M. Greenfield Foundation \$225,000
  - John S. and James L. Knight Foundation \$400,000
  - PNC Bank \$300,000
  - William Penn Foundation \$1.2 million
- Friends of Dilworth (including individuals, corporations and foundations): # of donors at each sponsorship level:
  - >\$100,000 4
  - \$50k - \$99.9k 8
  - \$20k - \$49.9k 11
  - \$5k - \$19.9k 13

**Management and Programming**

The City of Philadelphia provided the Center City District a 30 year free lease on the land. The 30 year lease was a pre-requisite for acquiring the state grant funds, which requires that the BID developer maintain control of the land for this term. The Center City District agreed to take responsibility for maintenance and operations costs for the term of the lease, including security, cleaning, lighting, and other services at the Park.<sup>15</sup>

The Center City District is continually programming the park with arts and cultural events for all ages including,

- Rosa Blanca Cafe
- Ice skating rink
- Festivals
- Movie screenings
- Happy hours

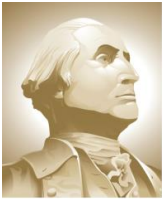
**Financial Impact**

In the period starting one year prior to commencement of construction (2011) and ending 2016 (nearly 2 years after the park's reopening) the overall office market in Center City Philadelphia experienced weak rent

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<sup>14</sup> [https://www.centercityphila.org/docs/DilworthPark\\_contributors.pdf](https://www.centercityphila.org/docs/DilworthPark_contributors.pdf)

<sup>15</sup> <http://www.philly.com/philly/blogs/our-money/What-youre-paying-and-getting-for-that-Dilworth-Plaza-renovation.html>



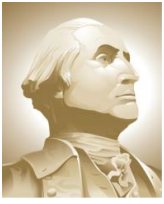
growth in the Central Business District (CBD) rising 2% from \$25 to \$26 per sq. ft. During the same period of time, office rents in the three buildings near Dilworth Park increased by 17%, substantially outperforming the market as a whole.

	Phila. CBD	Lincoln- Liberty	Two Penn Center	1515 Market
starting rent	\$25	\$22	\$24	\$24
ending rent	\$26	\$27	\$30	\$26
% change	2%	19%	25%	7%
Average among the 3 buildings on the park:	N/A	17%		
Avg. Annual Chg.	0%			

#### **Additional Sources**

Center City District: <http://ccdparcs.org/dilworth-park>

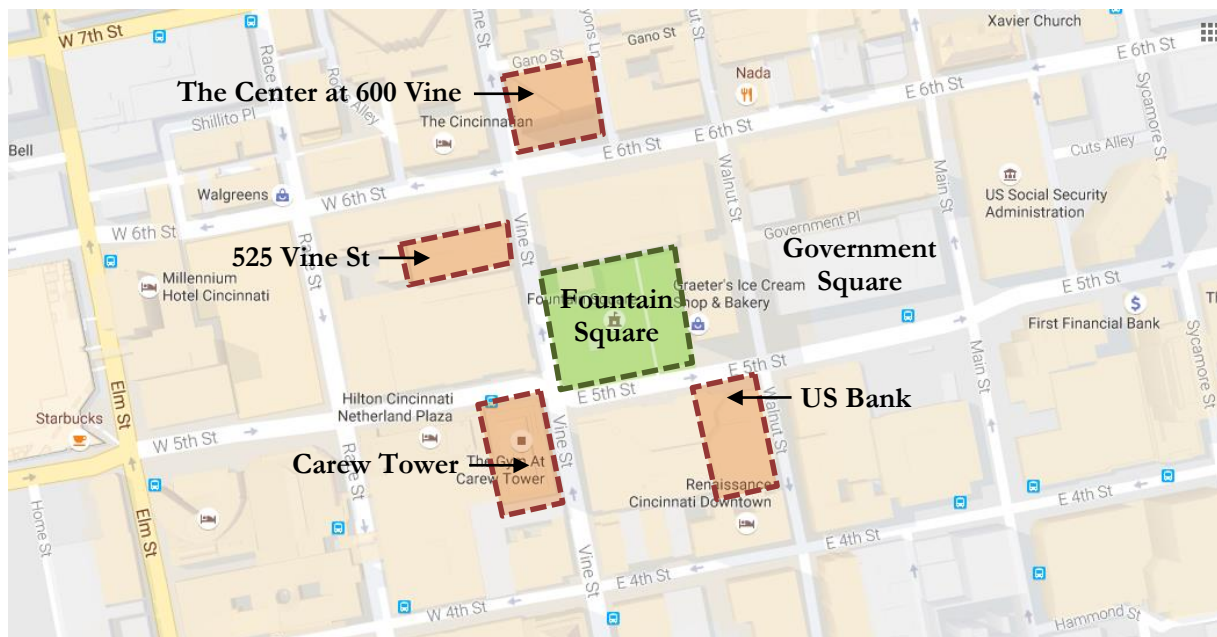
Hidden City Philly: <http://hiddencityphila.org/2012/01/dilworth-plaza-reconsidered/>



## Fountain Square *Cincinnati, OH*

### Park and Surroundings

Fountain Square is the location of Cincinnati's iconic Tyler Davidson Fountain. Following its redevelopment, it has become a popular destination for free concerts, movies, and other events. The plaza is located in the heart of Downtown Cincinnati, one block west of Metro's downtown bus transit hub, located at Government Square. Immediately adjacent to the open space are several high-rise office buildings and hotels, which have views of the park activity below. The Square's central location makes it both visible and accessible to a diverse population.

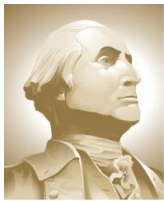


### History and Intervention

The 2-acre square has a rich heritage as the center of Cincinnati's civic, social, and commercial life. When the Tyler Davidson Fountain was dedicated in 1871, Fountain Square was simply a wide esplanade down the middle of Fifth Street.<sup>16</sup> In 1970, sub-grade parking was installed below the park and a skywalk was added. By the 1990s the garage was in disrepair and Fountain Square had become an unwelcoming place.

<sup>16</sup> <http://myfountainsquare.com/features-of-the-square/>





In an effort to revitalize downtown, the city embarked on a project to restore the park's infrastructure and reclaim the place as the heart of Cincinnati's public life. After a \$48.9 million renovation of the two acre public space atop a 635 space sub-surface parking structure that began in 2005 and reopening in 2006, the space now attracts two million people annually to the heart of Cincinnati every year for its special events, free concerts, tailgates and lunchtime contests. Improvements included:

- Fountain restoration
- Renovated Garage
- Public Restrooms
- Signage (including a large LED board)
- Seating and umbrellas
- Park like plantings
- New security system<sup>17</sup>
- Free Wi-Fi
- Bike Racks
- Water wall feature

According to Cincinnati Center City Development Corporation, the \$48.9 million cost for the redevelopment of Fountain Square's plaza and parking structure was split among the following costs:

<b>Acquisition</b>	<b>\$7,500,000</b> (lease of garage and plaza by the BID from the City)
<b>Plaza hard costs</b>	<b>\$23,783,036</b> (Approximately \$11.9 million per acre)
<b>Garage hard costs</b>	<b>\$7,927,679</b>
<b>Soft Costs</b>	<b>\$9,709,796</b>
<b>TOTAL</b>	<b>\$48,920,511</b>

The total costs of \$48.9 million for the park and garage renovation came from the following sources<sup>18</sup>:

Public Funds:

- State of Ohio \$4,000,000
- City of Cincinnati \$4,000,000

Private Funding:

- Bank Loan: \$15,000,000
- New Markets Fund \$13,000,000
- Cincinnati Equity Fund \$7,900,000
- Private Contributions \$5,000,000

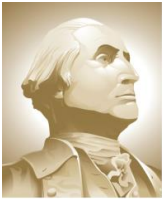
According to the Port of Greater Cincinnati Development Authority:

"To finance the acquisition of the facilities lease and the subsequent improvements, Fountain Square, LLC issued its adjustable rate taxable securities and also entered into loan agreements with the Cincinnati Equity Fund, the Cincinnati New Markets Fund and the State of Ohio. In 2009, the Port of Greater Cincinnati Development Authority served as a conduit issuer for the refinancing of a portion of the original debt. The

<sup>17</sup> <http://myfountainsquare.com/parking/>

<sup>18</sup> <http://planning.city.cleveland.oh.us/grouplan/presentations/Finance%20report.pdf>





refunding bonds were issued in two series. The 2009 bonds are backed by the gross revenues of the garage, a debt service reserve fund, a first leasehold mortgage on the facilities lease, an assignment of leases and rents on the garage and a security interest in certain additional collateral of Fountain Square, LLC. The 2009 bonds are non-recourse to the Port Authority.”<sup>19</sup>

### Management and Programming

In addition to capital improvements, a key part of the square’s success is the active programming. The space is managed by the Cincinnati Center City Development Corporation (3CDC) who organizes year round activities and events.<sup>20</sup> Over 2 million people visit the square annually for these activities, which include:<sup>21</sup>

- Speeches
- Movies
- Concerts
- Festivals
- Ice Skating
- Salsa Dancing
- Tailgates
- Markets



*Image Source: media.sogrp.com*

Third party events are a major source of income for the park space which operates with an annual budget of approximately \$2.5 million. This budget is spent on security, programming, maintenance, promotions, and events.

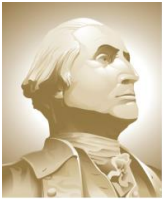
### Financial Impact

Cincinnati’s office market suffered significantly in the Great Recession of 2008, and the office rents across the central business district to this day average 19% lower than the office rents in 2005. However, among four large office buildings near the Square the average decline in rents between 2005 and today was only -1% and two of the buildings have asking rents today that are higher than they were in 2005. The stability of this area around the Square, compared to the greater CBD, is attributable to the redevelopment of the Square.

<sup>19</sup> <http://www.cincinnatiport.org/wp-content/uploads/Fountain-Square-Project-Profile.pdf>

<sup>20</sup> <http://www.3cdc.org/what-we-do/>

<sup>21</sup> <http://myfountainsquare.com/features-of-the-square/>

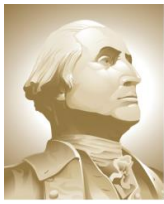


**Fountain Square Building comps between 2005 and 2016 (asking rents)**

	Cincinnati CBD	Carew Tower	525 Vine St	US Bank Tower	600 Vine
starting rent	\$17	\$18	\$17	\$22	\$12
ending rent	\$14	\$16	\$19	\$22	\$11
% change	-19%	-8%	9%	1%	-6%
Average among the 4 buildings on the park:		-1%			
Avg. Annual Chg.	-2%	-0.1%			

In addition to being a public amenity, Fountain Square has been a catalyst for significant economic development in the surrounding district. The Cincinnati Center City Development Corporation (3CDC) estimates the renovation has generated \$125 million in further investment.<sup>22</sup> Fountain Square has once again become the iconic hub for Cincinnati's Central Business District.

<sup>22</sup> [http://www.architectmagazine.com/technology/specialist-the-integrators\\_o](http://www.architectmagazine.com/technology/specialist-the-integrators_o)



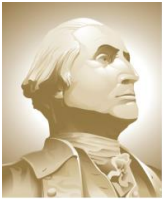
### Value creation potential of Bethesda Metro Park

Among the case studies identified or previously researched, the office buildings with close proximity to the parks realized premiums in annual rental growth rate from 1.6% to over 10% per year compared to the background rent growth rate realized in the submarket in which the buildings were located.

Park name	Bryant Park	Klyde Warren Park	Director Park	Dilworth Park	Fountain Square
Location	New York, NY	Dallas, TX	Portland, OR	Philadelphia, PA	Cincinnati, OH
Value comparison period	1990 - 2002	2012 - 2015	2009 - 2016	2011 - 2016	2005 - 2016
Starting rents (\$/sf)	\$24	\$20	\$19	\$24	\$17
Ending rents (\$/sf)	\$59	\$29	\$24	\$27	\$17
Total % change	154%	47%	29%	17%	-1%
Avg. Annual % Chg	12.8%	15.8%	4.1%	3.4%	-0.1%

Background Area	Time Square District Office	Uptown Submarket	Portland CBD	Philadelphia CBD	Cincinnati CBD
Background Avg. Annual % Chg.	5.5%	5.5%	1.2%	0.5%	-1.7%

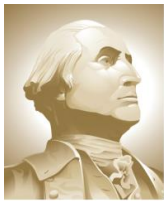
Annual rental growth attributable to park proximity.	7.3%	10.3%	2.9%	2.9%	1.6%
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If you were to ignore the outliers of 1.6% and 10.3% and only consider the impact of between 3% - 7% rent growth rate attributable to the park, the additional annual value created to the 3,481,700 sq. ft. of office space within 2 blocks of the park could be between \$83.6 million and \$195 million of capitalized value per year. Because leases tend to be long term, this capitalized value could be captured over many years if not decades.

Avg. Bethesda Rents (2 blocks of park)	\$40
Office capitalization rate	5%
Total office space sq. ft. (2 blocks of park)	3,481,700

	3.00%	7.00%
Average annual rent growth (per sq. ft.) due to park (assuming avg. of \$40 per sq. ft. in rents in Bethesda)	\$1.20	\$2.80
Average annual building value growth (per sq. ft.) based upon a 5% cap rate.	\$24.00	\$56.00
Total additional capitalized value created per year for the office space within 2 blocks of the park.	\$83,560,800	\$194,975,200



## Park Operating Ratio

Operating ratio guidelines measure park area per capita within a defined area as a performance measure of open space planning and management. For decades, the nationally accepted standards called for 10 acres of parkland for every 1,000 residents. In 1997, the National Recreation and Park Association (NRPA) presented a new philosophy, a “systems approach” to park system planning. The new approach reconsidered the old notion of a national standard and places greater emphasis on locally determined values, needs, and expectations.

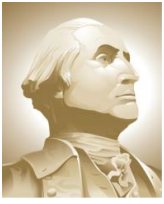
In order to compare Bethesda to its peers, we identified other Walkable Urban Places (WalkUps) in the Washington DC metropolitan area that were most similar to Bethesda. Regionally significant WalkUps are defined by research from the Brookings Institute and George Washington University School of Business Center for Real Estate and Urban Analysis as a minimum of 1.4 million square feet of office space and/or a minimum of 340,000 square feet of retail space.<sup>23</sup>

Downtown Bethesda is the largest WalkUP in the DC Metro region by population, at 21,169 people according to the 2010 US Census. The table below compares Bethesda with five other WalkUps that are comparable in regional significance and real estate product mix. In this group, Bethesda ranks second to last for its park operating ratio of only .5 with just 9.6 acres of park. In addition, there are no parks currently located in the center of downtown Bethesda. Rather, the parks that do exist near downtown are generally located at the perimeter of the central business district.

NAME	County	Acres	Park Acres	2010 Population	Operating Ratio	Population Density
Foggy Bottom	DC	312	27.5	10,604	2.6	34.0
Downtown BID + Mount Vernon Triangle	DC	702	18.6	11,498	1.6	16.4
Silver Spring	Montgomery	377	18.9	20,007	0.9	53.0
Friendship Heights	DC	140	6.9	10,309	0.7	73.5
Bethesda	Montgomery	457	9.6	21,169	0.5	46.3
Wheaton	Montgomery	473	1.0	12,775	0.1	27.0
				<b>Average</b>	<b>0.8</b>	

The new Bethesda Metro Park site is optimally located in the center of the CBD and can serve to increase Bethesda’s poor park operating ratio in a location that offers maximum access to the densest part of Bethesda.

<sup>23</sup> “Footloose and Fancy Free: A Field Survey of Walkable Urban Places in the Top 30 U.S. Metropolitan Areas,” December 2007. <http://www.brookings.edu/research/papers/2007/12/1128-walkableurbanism-leinberger>

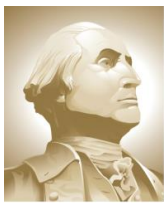


### Funding the New Bethesda Metro Park

Funding strategies for new parks must consider (i) the long-term management and operating costs and (ii) the initial capital to undertake the renovations. In general, sources for the funds fall under three categories:

1. Government capital (i.e. grants, financing programs)
2. Private owner / developer capital
3. Income streams generated by the park (i.e. rents, event fees, programming sponsorships)

Park name	Director Park	Dilworth Park	Fountain Square
Location	Portland, OR	Philadelphia, PA	Cincinnati, OH
Approx. size (acres)	0.5	2.8	2
Initial condition	Surface Parking Lot	Under-utilized public park over major regional multi-modal transit station.	Deteriorated public park over sub-grade parking
Intervention	Public plaza (constructed over a new underground parking garage)	Major re-design and renovation to park and sub-surface transit access.	Major renovation to plaza and garage below.
Intervention date	2009	2011	2005-2006
Initial improvement cost	\$9,450,000 (~\$14.4 million /ac. plaza hard costs)	\$55,000,000 (~\$13.45 million/acre plaza hard costs)	\$48,900,000 (~\$11.9 million / acre plaza hard costs)
Funding sources	<b>Public Funds:</b> Portland Dev. Com.: \$ 4.5 M City of Portland: \$ 0.7 M Portland Parks & Rec: \$ 1.2 M  <b>Private Gifts:</b> \$3.1 million;	<b>Major Public Donors</b> <ul style="list-style-type: none"> <li>• Center City District \$15 million</li> <li>• City of Philadelphia \$5.75 million</li> <li>• Commonwealth of Pennsylvania \$16.35 million</li> <li>• Federal Transit Administration \$15 million</li> <li>• SEPTA \$4.3 million</li> </ul> <b>Major Private Donors:</b> <ul style="list-style-type: none"> <li>• The Albert M. Greenfield Foundation \$225,000</li> <li>• John S. and James L. Knight Foundation \$400,000</li> <li>• PNC \$300,000</li> <li>• William Penn Foundation \$1.2 million</li> <li>• Additional private donations</li> </ul>	<b>Public Funds:</b> <ul style="list-style-type: none"> <li>• State of Ohio \$4,000,000</li> <li>• City of Cincinnati \$4,000,000</li> </ul> <b>Private Funding:</b> <ul style="list-style-type: none"> <li>• Bank Loan: \$15,000,000</li> <li>• New Markets Fund \$13,000,000</li> <li>• Cincinnati Equity Fund \$7,900,000</li> <li>• Private Contributions \$5,000,000</li> </ul>
Management	Portland Parks & Recreation with support from the Portland Development Commission.	Center City District (BID)	Cincinnati Center City Development Corporation (BID)



### **Capital Improvement Funding**

Funding strategies to finance major park improvements across the nation vary, but the examples identified as case studies were made possible through public-private partnerships that included federal, state, and local funding sources, private debt and equity, and generous donations by foundations, businesses and individuals who care deeply about improving the vibrancy and character of the public spaces in their downtowns.

The Bethesda Metro Park site offers a unique circumstance in its situation sitting above the most important multi-modal transit hub in Bethesda's Central Business District. This provides opportunity for government, transit agencies and the private sector to work together to secure funding similar to Dilworth Plaza in Philadelphia, where transit money was obtained because the project's scope was not only a park, but also an improvement and upgrade to an important regional transportation hub. No other potential park site in Bethesda can offer this level of transit access or tap into the funding associated with its improvement.

A preliminary list of public funding sources that should be further explored as the scope and design of the Bethesda Metro Park are refined have been identified in Exhibit A. This list represents potential funding sources (both loans and grants) for a variety of hard costs and soft costs that could be applicable, depending on the ultimate project scope. Available funding will depend on the elements that are ultimately integrated into the project scope, the structure of the public/private partnership, and the nature and structure of the on-going management of the facilities.

### **Operating Expenses**

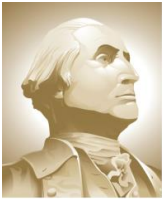
The two major categories of operating expenses for a park are operations and programming. At Franklin Park, in Washington DC, efforts are currently under way to establish a sustainable management structure for the park over the long term. The draft operating expense budget of over \$1.5 million estimated for the 4.65-acre park is attached as Exhibit B.<sup>24</sup> This represents over \$322,000 per acre at Franklin Park. Operations expenses include security, general maintenance, horticulture care and maintenance. Programming expenses include programming, sponsorships, events, rentals, visitor services, marketing and communications.

The level of expenses depends on whether the park requires full-time employees or if the park is managed in partnership with an organization that can provide services at a lower cost. In the proposed Franklin Park example, many park functions (both operating and programming) are proposed to be handled by staff from the Downtown DC Business Improvement District. In Bethesda, the Bethesda Partnership could be approached to play a similar role for the new Bethesda Metro Park. Based on the proposed expenses for Franklin Park (with 7AM to 11PM security), expenses for the new Bethesda Metro Park could fall into the range of \$500,000 to \$700,000 per year, without a management partner (i.e. Bethesda Partnership). With a partner, these costs may be reduced to \$300,000 to \$500,000 per year. Further refinement of the scope of the park and details of its intended program of uses will be required in order to better define the specific operating costs.

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<sup>24</sup> page 16 of the July 2015 Operations and management Report on Franklin Park





## Operating Revenue

The park itself will be able to generate revenue from several sources: sponsorship, rentals and restaurant rental.

- Sponsorships/Events: It is highly probable that the park could obtain a sponsor/event producer for (1) a summer music series (perhaps two or three –think Strathmore Summer Concert) and (2) a morning workout program. Based on estimates for Franklin Park, Washington, DC, this could generate \$50,000 to \$100,000 per year.
- Rentals: This is for events such as weddings, bar mitzvahs, dinners and parties. This would require the ability to close off much, if not all, of the park to the public. Based on estimates for Franklin Park, this could raise \$30,000 to \$50,000 per year.
- Restaurant: Based on estimates for Franklin Park, this could raise \$40,000 to \$60,000 per year.

Based on Franklin Park, the net operating expenses to be funded after park generated revenues (not including a restaurant) will be \$150,000 to \$430,000 per year. Three ways to fund the revenue gap include:

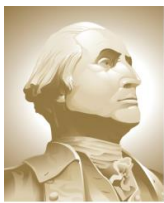
- a specific special assessment property tax
- a business improvement district tax
- contributions from local or state government

Special Assessment Property Tax: This special property tax would be levied on the property owners facing the park and within one or two blocks. Based on value impact research, the first block would pay two to three times the amount paid by the second block. In Franklin Park, Washington, DC, the initial private sector funding plan called for a payment of \$0.11 per sq. ft. for the buildings facing the park and \$0.055 per SF for the buildings one half a block away. This plan was not adopted, but was supported by many property owners, but not all.

In the case of the Bethesda Metro Park, if there is 2,277,227 SF of office space in buildings within one block of the park, then a special assessment of \$.11 per sq. ft. in the first block could generate over \$250,000. And, with 1,204,444 SF of office space in the buildings in the second block, a special assessment of \$.055 per sq. ft. in the second block could generate an additional \$66,000, for a total of over \$316,000 per year in the two block area. The special tax would be able to be raised up to 3% per year without seeking government approval.

	Office sq. ft.	Special Assessment (per sq. ft. )	Total Special Assessment
Block 1	2,277,227	\$0.11	\$250,495
Block 2	1,204,444	\$0.055	\$66,244
Total potential revenue			\$316,739

Business Improvement District (BID) Taxes: This is a form of special assessment property tax, but would cover more property owners, not just those adjacent or within one or two blocks of the park. In the case of Franklin Park, this addition to the current BID tax of \$0.16 per SF will amount to \$0.005 to \$0.02 per SF and

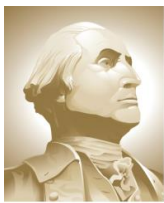


will be applied to public space management throughout the Downtown DC BID's 135 blocks (including other parks owned by the National Park Service: three large parks, 20 or so "pocket parks" and Pennsylvania Avenue sidewalks).

This concept could be applied to the boundaries of the Bethesda Partnership so that all of the buildings that are located inside its service district would be assessed an additional minimal special assessment that could be lower than the scenario in which only the two blocks around the park would pay. If the entire Bethesda office submarket's approximately 10 million SF were included, this would mean a BID-like special assessment property tax of \$0.0316 per SF to raise \$316,739 per year. It may make sense to propose funding the park as part of a broader public space management program and set a fee of \$0.05 per SF.

Lastly, if apartment and condo buildings were included in the BID-like special assessment district, this would further reduce the cost to office building owners. In DC, the BIDs charge apartments and condos on a per unit basis assuming a unit size of 800 SF. Thus, if an office building rate was \$0.05 per SF, then an apartment or condo unit would be charged \$40 per year.

Coalescing support from the County, local business leaders, property owners, community stakeholders, non-profit / quasi-public community and the transit agencies will be critical to the ultimate success in identifying the funds to create the new Bethesda Metro Park and develop a sustainable operating structure to allow the new park to serve as the "heart" of downtown Bethesda's public realm.



## **EXHIBIT A. Preliminary list of public funding sources**

### **Transportation Investments Generating Economic Recovery (TIGER)**

Grant topic: Transportation

Supported activities: Construction/capital, Project financing

Eligible recipient: Tribal Government, Local/Regional government, State government

Sponsor: US DOT (Department of Transportation)

View Website: [www.dot.gov/tiger](http://www.dot.gov/tiger)

Other information: TIGER is a competitive grant program funding infrastructure projects that promote economic competitiveness, improve energy efficiency, reduce greenhouse gas emissions and improve safety, quality-of-life and working environments in communities. Unlike last year, no planning grants will be awarded this year and all the funding will be for project implementation. This year 52 projects were granted funds ranging from \$1.5 to \$20 million.

### **Bus and Bus Facilities Discretionary Grant Program (5309)**

Grant topic: Transportation

Supported activities: Construction/capital

Eligible recipient: Local/Regional government, State government, Private sector

Sponsor: US DOT (Department of Transportation)

View Website: [www.transit.dot.gov/funding/grants/buses-and-bus-facilities-grants-program-5339](http://www.transit.dot.gov/funding/grants/buses-and-bus-facilities-grants-program-5339)

Other information: Funds new and replacement buses, equipment, facilities, as well as intermodal transit centers in rural cities and cities over 200,000. Funds remain available for obligation for three fiscal years. This includes the fiscal year in which the amount is made available or appropriated plus two additional years Call (202) 366-2053 for amount and deadline.

### **Transportation Infrastructure Finance and Innovation Act (TIFIA)**

Grant topic: Transportation

Supported activities: Construction/capital, Project financing

Eligible recipient: Non-Profit or For-Profit Organization, Independently or jointly with public-private team, Local/Regional government

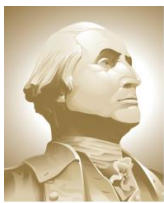
Sponsor: US DOT (Department of Transportation)

View Website: [www.fhwa.dot.gov/ipd/tifia/](http://www.fhwa.dot.gov/ipd/tifia/)

Other information: TIFIA provides Federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance. TIFIA credit assistance provides improved access to capital markets, flexible repayment terms, and potentially more favorable interest rates that can be found in private capital markets for similar instruments. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues. Many surface transportation projects – highway, transit, railroad, intermodal freight, and port access – are eligible for assistance. Each dollar of Federal funds can provide up to \$10 in TIFIA credit assistance – and leverage \$30 in transportation infrastructure investment. Project minimum cost is \$50 million.

### **TIFIA TOD Program**

The TOD loan program may be utilized for a project to improve or construct public infrastructure that is located within walking distance of, and accessible to, a fixed guideway transit facility, passenger rail station,



intercity bus station, or intermodal facility, including a transportation, public utility, or capital project and related infrastructure. In the case of transit oriented development projects, eligible project costs shall be reasonably anticipated to equal or exceed \$10,000,000.

### **State of Maryland Funding Programs**

#### **Community Engagement and Restoration Mini Grant Program**

**Grant topic:** Environment

**Supported activities:** activities that enhance communities, engage residents, and improve natural resources (such as tree plantings)

**Maximum award:** \$5,000

**Eligible recipient:** 501©3 Private Nonprofit Organizations, Faith-based organizations, Community Associations, Service and Civic Groups, Public Agencies, Conservation Districts, Higher Education Institutions.

**Sponsor:** Chesapeake Bay Trust

**View Website:**

[http://www.cbtrust.org/site/c.mjPKXPCJnH/b.8600101/k.F6D8/Community\\_Engagement\\_and\\_Restoration\\_Mini\\_Grant.htm](http://www.cbtrust.org/site/c.mjPKXPCJnH/b.8600101/k.F6D8/Community_Engagement_and_Restoration_Mini_Grant.htm)

#### **Regional Institution Strategic Enterprise (RISE) Zone Program**

**Grant topic:** Economic Development

**Maximum award:** may qualify for real property tax credits and income tax credits related to capital investment

**Sponsor:** Department of Commerce

#### **Local Government Infrastructure Financing**

**Grant topic:** Economic Development

**Supported activities:** projects that serve the community at large. These projects can include, but are not limited to, streetscape improvements, transportation enhancements, and water and sewer treatment facilities.

**Maximum award:**

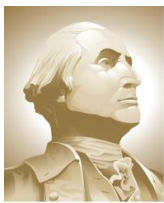
**Eligible recipient:** All Maryland counties, municipalities and/or their agencies are eligible, provided they have legal authority necessary for:

- Constructing, operating and maintaining the proposed project,
- Pledging security for and repaying the proposed loan, and
- Pledging income tax payments and various other shared revenue from the State.

**Sponsor:** Maryland Department of Housing and Community Development's Community Development Administration

**View Website:** <http://dhcd.maryland.gov/Communities/Pages/lgif/default.aspx>

**Other information:** State issued bonds, on behalf of counties, municipalities and/or their instrumentalities, to finance projects that serve the community at large



### **Community Legacy Program**

**Grant topic:** Economic Development

**Supported activities:** Projects should capitalize on the strengths of a community and be part of a larger revitalization strategy to revitalize a declining area. Projects/activities typically include, but are not limited to:

- Mixed-use development consisting of residential, commercial and/or open space
- Business retention, expansion and attraction initiatives
- Streetscape improvements
- Increasing homeownership and home rehabilitation among residents
- Residential and commercial façade improvement programs
- Real estate acquisition, including land banking, and strategic demolition
- Establishing funds to provide loan guarantees and credit enhancement to leverage other public or private financing

**Eligible recipient:**

- Local governments
- Community development organizations (for example: county councils, community development corporations, main street organizations, downtown partnerships)
- Groups of local governments sharing a common purpose or goal

**Sponsor:** Maryland Department of Housing and Community Development's Community Development Administration

**View Website:** <http://dhcd.maryland.gov/Communities/Pages/programs/CL.aspx>

**Other information:** The Community Legacy program provides local governments and community development organizations with funding for essential projects aimed at strengthening communities through activities such as business retention and attraction, encouraging homeownership and commercial revitalization.

### **Technical Assistance Grants Program**

**Grant topic:** Economic Development

**Supported activities:** funding to obtain or provide advisory, consultative, training, information, and other services which will assist or carry out community development activities.

**Maximum award:** \$50,000

**Eligible recipient:** nonprofit organizations, local governments, local development agencies and local development corporations

**Sponsor:** Maryland Department of Housing and Community Development

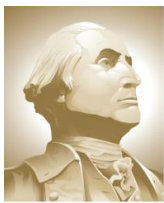
**View Website:** <http://dhcd.maryland.gov/Communities/Pages/tag/default.aspx>

**Other information:**

### **Community Investment Tax Credits Program**

**Supported activities:** Projects must be located in or serve residents of a Priority Funding Area and typically involve activities such as:

- Education and Youth Services
- Housing and Community Development
- Job and Self-Sufficiency Training
- Enhancing Neighborhoods and Business Districts
- Arts, Culture and Historic Preservation



- Economic Development and Tourism Promotion
- Technical Assistance and Capacity Building
- Services for At-Risk Populations

**Maximum award:** tax credits equal to 50% of the value of donated money, goods or real property contribution

**Eligible recipient:** 501c(3)

**Sponsor:** Maryland Department of Housing and Community Development

**View Website:** <http://dhcd.maryland.gov/Communities/Pages/programs/CITC.aspx>

**Other information:** annual, competitive application process to support project or activity that is either located in or serving a community in a Priority Funding Area.

### **Program Open Space-Local**

**Sponsor:** Department of Natural Resources

**View Website:** <http://dnr2.maryland.gov/land/Pages/ProgramOpenSpace/home.aspx>

<http://dnr2.maryland.gov/land/Pages/ProgramOpenSpace/Program-Open-Space-How-to-Apply.aspx>

**Other information:** provides financial and technical assistance to local subdivisions for the planning, acquisition, and/or development of recreation land or open space areas.

### **Public Art Project Grant**

**Eligible recipient:** County Arts Councils and designated Arts & Entertainment Districts

**Sponsor:** Maryland State Arts Council

**View Website:** <http://www.msac.org/programs/public-art>

<https://www.msac.org/sites/default/files/files/FY2017%20Public%20Art%20Project%20Guidelines.pdf>

**Other information:** supports and encourages the implementation local public art projects throughout the entire state

### **Maryland Bikeways Program**

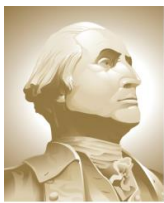
**Grant topic:** Transportation

**Supported activities:** The Program supports projects that maximize bicycle access and fill missing links in the state's bicycle system, focusing on connecting bicycle-friendly trails and roads and enhancing last-mile connections to work, school, shopping and transit. On-road bicycle projects, such as bike lane striping, sharrows (shared lane markings), and wayfinding signage are eligible for funding. Off-road shared-use path and trail projects are also eligible for funding. Eligible project types include:

- Feasibility assessment and Design of proposed or potential bikeways to assess issues, such as environmental impacts, right-of-way issues, ADA compatibility, local support, and cost estimates.
- Minor Retrofit including bicycle route signing, pavement markings, parking, drainage grate replacement and other minor retrofits to enhance bicycle routes.
- Construction of bikeways, generally leveraging other sources of funding, such as Transportation Alternatives, Maryland Heritage Areas, etc.

Only public agencies are eligible to apply for Bikeways Program funding. Program criteria and requirements are in place to target the Bikeways Program to priority areas. More detail on the targeted areas and other program criteria and requirements is provided in the funding application instructions.





**Eligible recipient:**

- Maryland local governments, alone or in partnership with other jurisdictions or private organizations
- Maryland State Agencies
- Metropolitan Planning Organizations (MPOs)
- Transit entities operating in Maryland
- Federal public lands agencies

**View Website:** [http://www.mdot.maryland.gov/newMDOT/Planning/Bike/Bikeways\\_About.html](http://www.mdot.maryland.gov/newMDOT/Planning/Bike/Bikeways_About.html)

**Other information:** To be eligible for funding through the Bikeways program, a project must meet **at least one** of the following criteria:

- Located substantially within the Priority Funding Area (PFA), Located within 3 miles of a rail transit station or major bus transit hub,
- Provide or enhance bicycle access along any gap identified in the Statewide Trails Plan “A Greener Way to Go”, and/or
- Identified as a transportation priority in a County’s most recent annual priority letter submitted to MDOT.

\*state has a database <http://planning.maryland.gov/OurWork/Infoportal/>

**Montgomery County, MD Parks**

<http://www.montgomeryparks.org/projects/capital-improvements-program/#cip-funding>

All development, improvement, and maintenance are governed by the *Capital Improvements Program (CIP)*, prepared every two years to cover a six-year cycle. The CIP includes new or renovation projects costing over \$25,000 with a useful life greater than 15 years. It also includes smaller planned life cycle asset replacement (PLAR) projects that increase the life of assets.

The most recent CIP was approved by the Montgomery County Council on March 26, 2016. The County’s Office of Management and Budget (OMB) maintains information about prior CIPs on their website. Please [click here](#) to access their library by fiscal year.

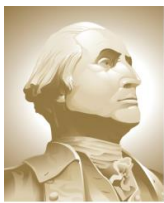
**CIP Projects**

Projects considered for inclusion in the CIP evolve from various sources, including but not limited to:

- Variety of plans and studies, e.g. master plans, functional plans, needs plan (Land Preservation, Parks and Recreation Plan [LPPRP] )
- Approved facility plans
- Citizen requests at public forums, letter etc.
- Planning Board directives
- County Council directives
- CIP requests submitted via an intra-departmental on-line CIP Request Form
- Land acquisitions and developer park donations

There are two major types of capital development projects in the CIP: (1) Stand Alone Projects and (2) Level-of-Effort Projects.





**Funding Sources**

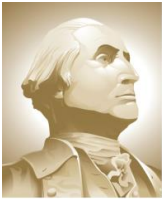
- Park and Planning General Obligation Bonds
- County General Obligation Bonds
- State Bond Bills and Grants
- Program Open Space
- Contributions and Donations
- Federal Grants
- Enterprise Funds
- Current Revenue

**Factors to Consider**

- CIP Projects are prioritized based on several factors, including:
- Planning Board criteria, including safety and environmental factors
- Infrastructure Condition Assessment Study priorities
- Facility planning evaluation matrices
- Priorities assigned by field staff
- Priorities assigned by a CIP evaluation committee, consisting of senior management
- Public needs
- New projects versus renovation projects

**CIP capacity is limited by the following:**

- Fiscal Capacity
  - Available funding sources
  - Spending Affordability Guidelines (SAG)
    - Local Projects – SAG limits on Park and Planning Bonds
    - Non-Local Projects – All Montgomery County agencies compete for same funding and SAG
- Balancing a growing backlog of projects with new priorities and needs
- County Executive's Readiness Criteria
- Implementation capability (limited resources, including staff)
- Operating budget impact (OBI)



**EXHIBIT B. Draft Operating Expense Budget proposed for Franklin Park in Washington DC.**

16

YEARS 2-6 (Establishment Period)					
Operating Costs for Franklin Park Washington, DC	Hrs	\$/hr	Cost	Total Cost	Comments
<b>Park Maintenance</b>					
<b>Maintenance Personnel</b>					
In-house park staff (semi-skilled)	7154	\$22	\$157,396		General cleaning and maintenance
In-house park staff (skilled)	642	\$29	\$18,612		General cleaning and maintenance
Contracted horticultural service	661	\$55	\$36,355		Horticultural care and maintenance
Contracted tree service	100	\$100	\$10,000		Tree care and maintenance (tradesperson + helper)
Contracted trades	634	\$115	\$72,910		Irrigation, water feature, facilities, etc. (tradesperson + helper)
<b>Subtotal Maintenance Personnel</b>	<b>9191</b>			<b>\$295,274</b>	
<b>Maintenance Expenses</b>					
Materials & supplies			\$30,956		See Appendix (Table A-25)
Pest control			\$10,000		Non-horticultural rodent/pest control
Replacement plants			\$56,000		10% of plants
Equipment maintenance			\$5,000		
Equipment rental			\$7,500		Rental of bucket truck, etc.
Water feature materials/replacement parts			\$10,000		Allowance for materials + equipment replacement (e.g. motor, pump, controls, bromine)
Facility replacement costs			\$7,500		Replacement of damaged furnishings
Electrical			\$50,000		Lighting, water feature, facilities (temporary estimate)
Water			\$50,000		Irrigation, water feature, facilities (temporary estimate)
Storage facility rental			\$6,600		Off-site storage of large equipment and materials
Uniforms & communication devices			\$2,000		Replacement of all-weather gear, radios
<b>Subtotal Maintenance Expenses</b>				<b>\$235,556</b>	
<b>Total Maintenance Costs</b>				<b>\$530,830</b>	
<b>Park Security</b>					
Security supervisor	2,920	\$35	\$102,200		Security supervisor (1/3 time)
Security staff	8,760	\$25	\$219,000		Contracted security to provide 1 person patrol (24/7)
Indirect costs (25%)			\$80,300		
Park Monitor	1,344	\$20	\$26,880		Seasonal uniformed presence for Children's Garden and fountain plaza (24-week peak season, 8hrs/day)
<b>Subtotal Park Security</b>				<b>\$428,380</b>	
<b>Programming</b>					
Program/event support	2,800	\$15	\$42,000		Staffing for programs and events
Rentals and miscellaneous event-related costs			\$100,000		Allowance for temporary rental of stage, AV equipment, portable toilets, etc. for Park Management Entity sponsored events/activities
Materials & supplies			\$20,000		Advertising/communications for events, program infrastructure (e.g. art cart, yoga mats, etc.)
<b>Subtotal Programming</b>				<b>\$162,000</b>	
<b>Administrative</b>					
Executive Director			\$62,500		1/2 time
Operations Director			\$85,000		
Program Director			\$80,000		
Communications Specialist			\$18,500		1/3 time
Administrative Assistant			\$30,000		
Indirect costs (25%)			\$69,000		
Liability insurance			\$48,000		
Office expenses			\$10,000		Office materials/supplies, IT
<b>Subtotal Administrative</b>				<b>\$403,000</b>	
<b>TOTAL</b>				<b>\$1,524,210</b>	
<b>Annual Capital Replacement</b>				<b>\$250,000</b>	

\*The total operating expense budget represents \$322,000 per acre



**MONTGOMERY COUNTY PLANNING DEPARTMENT**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

**Staff Report: Project Plan 91992004B, 4 Bethesda Metro Center**

**ITEM #:** \_\_\_\_\_

**MCPB HEARING**

**DATE:** June 12, 2008

**REPORT DATE:** May 28, 2008

**TO:** Montgomery County Planning Board

**VIA:** Rose Krasnow, Chief  
Robert Kronenberg, Supervisor  
Development Review Division

**FROM:** Joshua Sloan, Coordinator  
Development Review Division  
301.495.4597  
Joshua.Sloan@mncppc.org



**APPLICATION  
DESCRIPTION:**

Addition of 246,084 square feet of gross floor area for office and retail space in the CBD-3 Zone; located on the southwest quadrant of the intersection of Old Georgetown Road and Wisconsin Avenue; in the Bethesda Central Business District Sector Plan.

**APPLICANT:** Bethesda Metro Center Holdings, LLC

**FILING DATE:** July 7, 2007

**RECOMMENDATION:** Approval with conditions

**EXECUTIVE  
SUMMARY:**

The proposed development would amend the existing project plan to replace the existing 3-story food court building at the Bethesda Metro Center with a 16-story office building with ground-level retail. The Sector Plan offers varied and contradictory recommendations regarding the development of the Metro Core Area of Bethesda but a focus on the basic "garden" and "cultural district" themes allows for a unifying concept to emerge. Analysis of the Sector Plan recommendations and the calculation of available density on this site lead to the conclusion that the proposed development conforms to the Sector Plan and meets the standards of the Zoning Ordinance. This conformance is achieved by focusing the design of the project on specific lines of thought within the Sector Plan and requiring the provision of significant new amenities that will help maximize the potential of the site for the benefit of downtown Bethesda and the region.

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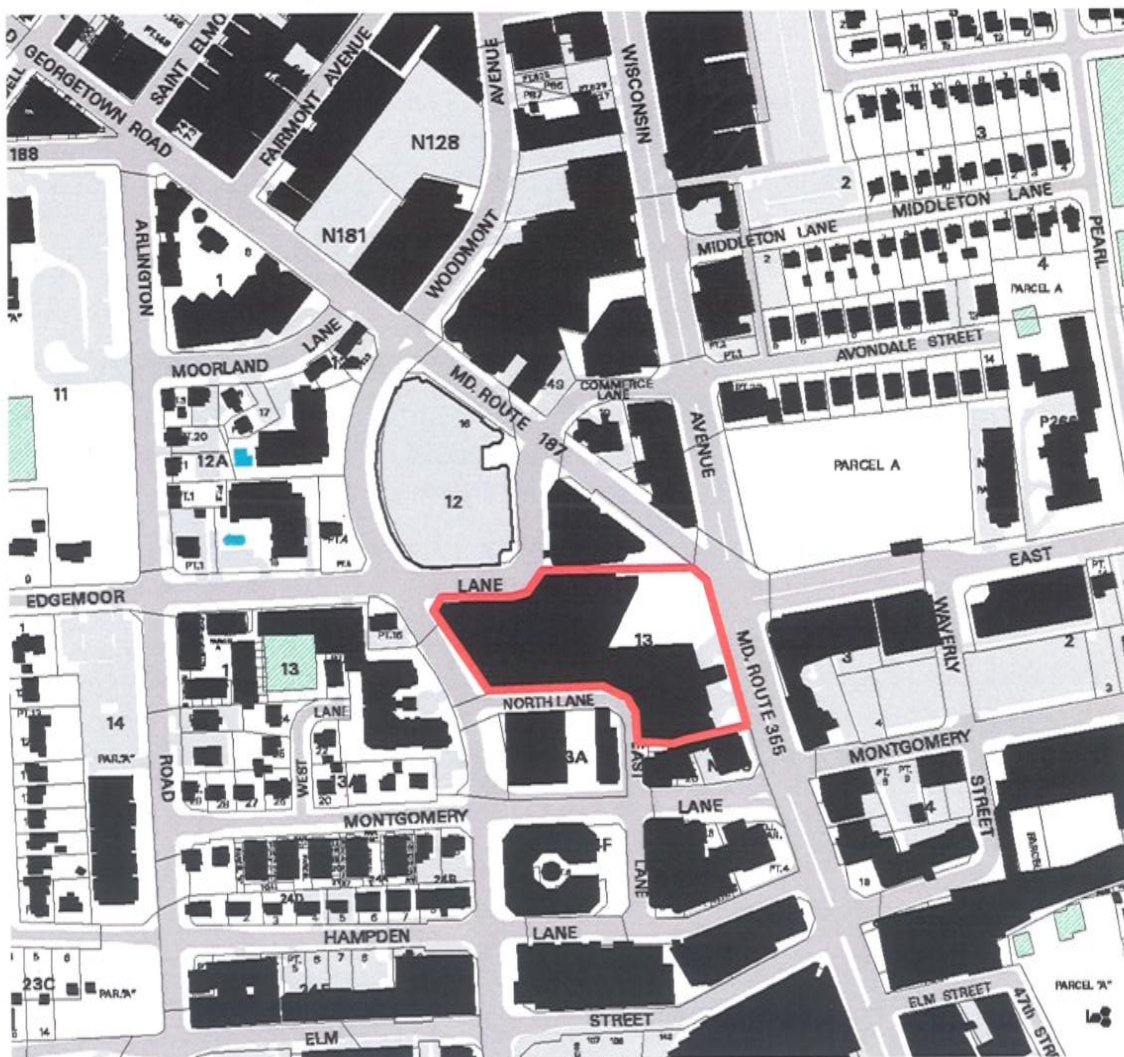
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## SITE DESCRIPTION

### Vicinity

The subject property is located on Wisconsin Avenue at the western terminus of East West Highway and the eastern terminus of Old Georgetown Road. It is directly above the Bethesda Metro Station and Metro Bus facilities, as well as a below-grade parking garage. The site is surrounded by office and retail/service uses in the heart of a primarily commercial area of Downtown Bethesda. The Clark Building is directly north; the Lorenz Building and Post Office Building are directly south as well as some smaller commercial establishments. The Chevy Chase Building sits diagonally across the intersection of Wisconsin Avenue and Old Georgetown Road. The site is within walking distance of several residential condominiums as well as one-family detached dwelling units and a variety of transit options and commercial establishments.



*Vicinity Map*



### Site Analysis

The subject property is currently improved with one office building, a hotel, and restaurant uses. The smaller portion of the office building is the original “food court” – an almost opaque brown glass building with little aesthetic or functional value – with an enclosed arcade and rising three stories above the plaza. The site provides direct access to the Metro subway and bus facilities via steps and an escalator. The key feature of the site, however, is the large public plaza, which opens up to Wisconsin Avenue and provides access via a large set of steps to Montgomery Lane through the Lorenz property. This underutilized space contains a large grass area, plantings, artwork, and seating. Although originally intended to be surrounded by retail and restaurant uses, only a couple of restaurants face the plaza and those are used primarily by the surrounding office workers. The Discovery Trail enters the site from the north and south but direct access through the site is blocked by the current Food Court leaving this cultural amenity underutilized due to lack of way-finding signage and markers. “Beacon I”, the yellow-painted aluminum sculpture by Mary Ann Mears, is a significant Bethesda icon and must be maintained on site.



*Aerial Photo Looking North*



## PROJECT DESCRIPTION

### Previous Approvals

Project Plan 919810050 (CBD 81-5) was approved on September 2, 1981 for a 231,164 square foot, 400-room hotel and 400,110 square feet of office and retail uses on 3.59 net acres.<sup>1</sup> The approved FAR for the project was 4.04, based on the net tract area.<sup>2</sup> The commercial uses were found to be a permitted use in the CBD-3 Zone and the hotel use was subsequently approved by the Board of Appeals as a special exception use. The development standards as set forth in the Opinion are:

*Original Project Plan Data Table Approved by the Planning Board on 9/2/81*

CBD-1 Zone	Permitted or Required	Provided
59-C-6.31		
Minimum Area of Lot (sq.ft.)	22,000	156,241
59-C-6.233		
Minimum Amenity Space (sq.ft.)	31,248	80,000
Gross Floor Area (sq.ft)	757,446 (net)	631,274
59-C-6.234 (b)		
Maximum density of development (FAR). The Planning Board may permit not more than the maximum density, but in no case more than the density recommended in the Sector Plan.	6	-
Density Recommended by Sector Plan (FAR)	* <sup>3</sup>	4.04
59-C-6.234 (b)		
Maximum building height (ft.) (normally)	143	-
If approved by the Planning Board as not adversely affecting the surrounding properties (ft.)	200	195

### Proposal

The amended project plan proposes demolition of the existing 37,116 square foot "food court" building, which is currently primarily office space. The site would then be redeveloped with a 16-story office building with first floor cultural, restaurant, and retail uses. The proposed development would also renovate the existing plaza and Metro bus facilities.

<sup>1</sup> An amendment (919810070 (CBD-81-7)) was approved on November 18, 1981 for minor changes that did not materially affect the design or development standards of the project. The current plan numbers are based on these original project plans, but were given new numbers and approved conversion of retail space to office uses.

<sup>2</sup> This application was approved before the 1989 zoning text amendment that added dedicated area to the measurement of gross tract area.

<sup>3</sup> The asterix references the following note in the Opinion: "A specific density for this parcel is not recommended in the Sector Plan. Instead, the Plan recommends an average FAR of 4 over the entire CBD-3 zoned area."

### Land Use

The proposed development would provide 246,084 square feet of additional gross floor area for office and retail/restaurant uses bringing the total density of the subject site to 4.65 FAR.<sup>4</sup> The retail and restaurant uses are proposed on the first floor in addition to a lobby used by office employees. At least one restaurant would be located on the southeast corner of the building with an entrance and café seating directly visible from the Metro staircase and Wisconsin Avenue. Further retail and cultural amenities would front along the façades facing Wisconsin Avenue, the pedestrian sidewalks between the subject property and the Clark Building, and the internal frontages formed by the arcade discussed below. The upper 15 floors would be developed with Class A office space.

### Architecture

The footprint of the proposed building is roughly similar to the existing food court footprint (including the covered arcade), but curved along the interior corner. And, due to the arcade running from the northwest corner of the plaza to the pedestrian bridge that leads across Edgemoor Lane, there are several points of access between the plaza, the building, and the adjacent sidewalks.



*Illustrative Rendering: Façade Concept 1*

<sup>4</sup> The allowed density in the CBD-3 Zone is 6 FAR for non-residential uses on individual lots. The Sector Plan recommends that properties within the Metro Center be allowed to develop according to the optional method of development but caps density for the "area" at an FAR of 4. This requirement is met, as discussed further in the "Zoning and Density" section of the Sector Plan analysis.



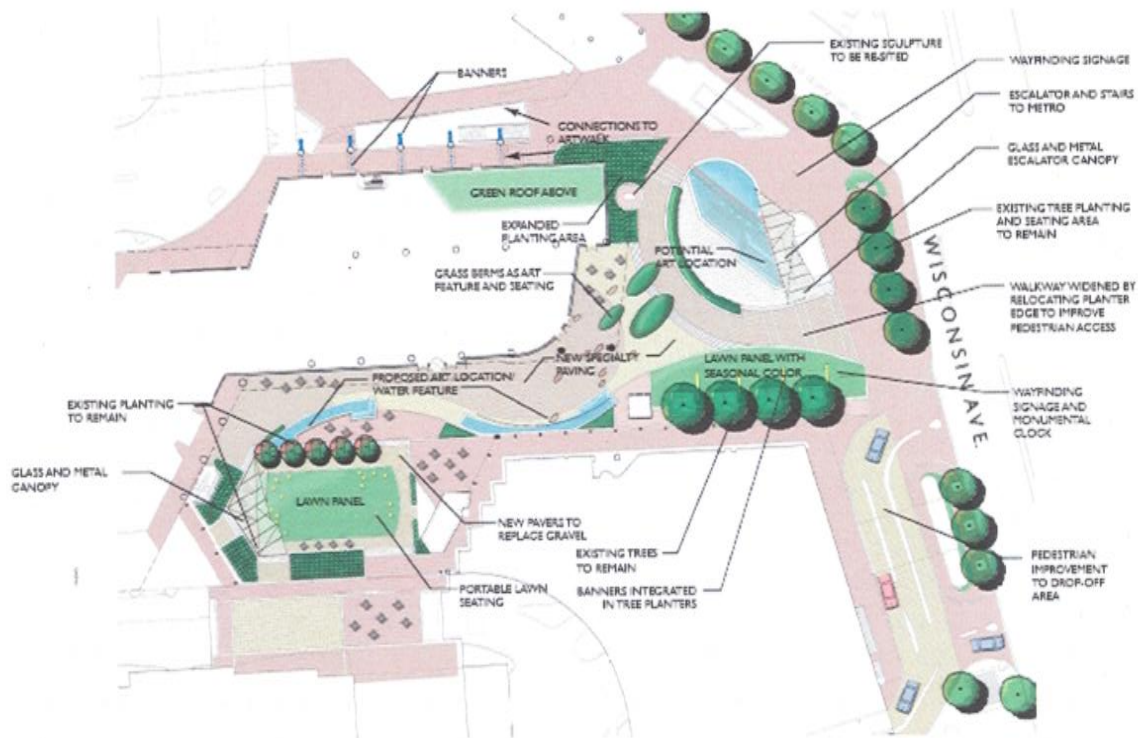
The area of the ground floor footprint is maintained for three stories and then extends over the arcade to 3 Bethesda Metro Center to the west and over a portion of the plaza to the southeast. At the fifth floor, a large section from the glass-sheathed façade facing the Clark Building is cut away and a green roof is created to maintain sunlight and views for most of the area of the Clark Building that overlaps the proposed building. Currently, there are two façade designs being contemplated; one or the other will be chosen during the site plan review process to ensure that the design concept is fully integrated with the plaza design. One option is an angular façade that, in addition to the green-roof cut-out, would have a façade that actually slopes back to maintain a greater amount of direct sunlight on the Clark Building, while the adjacent angle – closer to the street - slopes outward slightly to provide a sculptural and dynamic effect. An alternative to this angular design is a design with a curved façade that is also being examined and would allow the designers to better incorporate a lighting scheme that would add drama to the building at night. The detailed specifications of the building façade and of all public amenities and their integration into the landscape and architecture will be detailed with the site plan submission.



*Illustrative Rendering: Façade Concept 2*

### Public Use Space & Amenities

The entire Metro Center block has been designed and constructed around a public plaza. Although originally intended to be located directly adjacent to Wisconsin Avenue, with two interior courtyards, the plaza has become an internal space with pedestrian access from both Wisconsin Avenue and Montgomery Lane. It is imperative that the total amount of public use space remain and that the area be enhanced and enlivened. The proposed development contains 58,980 square feet of on-site public use space and 34,000 square feet of on-site public amenity space as well as 9,070 square feet of off-site public amenity space.<sup>5</sup> The original project plan was approved with 80,000 square feet of “amenity space”, which was not broken into on/off-site areas in the data table. Thus, the proposal includes a net increase in public use and amenity space improvements of 22,050 square feet – in addition to the open arcade – with little change to plaza level public use space calculations.



*Illustrative Landscape Plan*

To enliven and make use of this large plaza, the Applicant is proposing a number of physical improvements as well as a program of activities to attract local residents and employees during the day and on weekends and evenings. The physical improvements to the plaza include new art, water features, landscaping, lighting, paving, seating, and a covered performance stage for outdoor events. The existing lawn panel (aka the skating rink) would be retained for casual sitting, relaxing, and informal play but would also act as a site for gathering to watch movies, concerts, or other events – the aforementioned stage being located at the western end of the lawn.

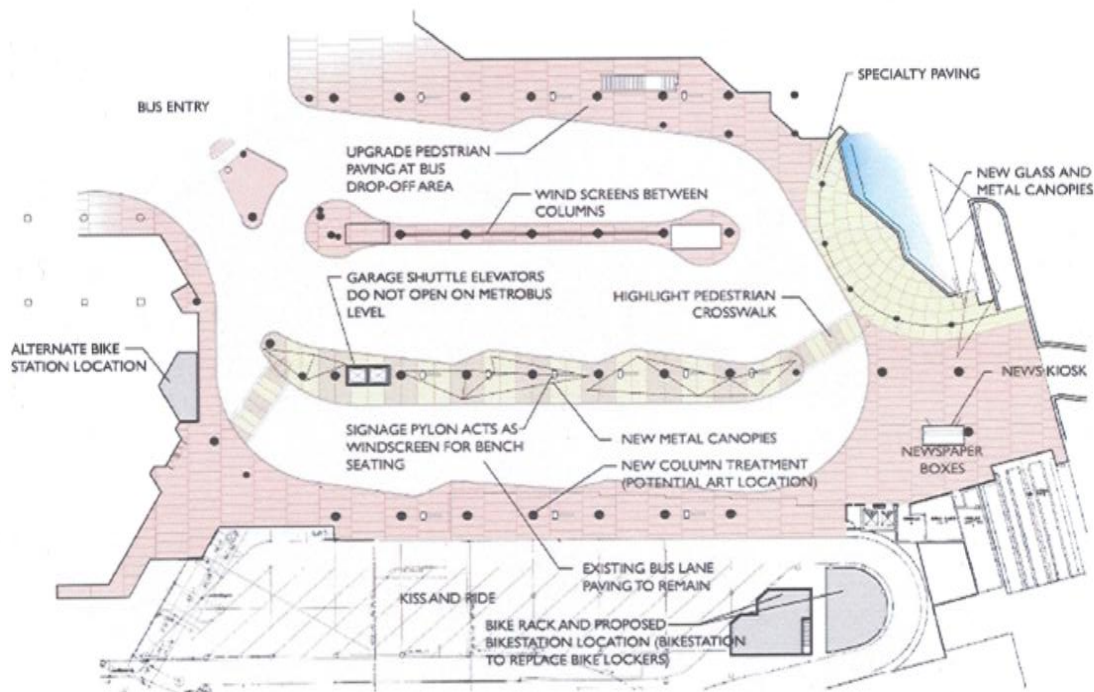
<sup>5</sup> This equals a total of 67% of the net lot area. The on-site public use space (20% required) totals 39% of the net lot area.



Other sitting areas would offer movable furniture, benches, and sitting walls. The proposed water feature is an expansive, undulating form with art work and fountains to create sound and interest. The existing sculpture would be moved to a more prominent position in front of the northern section of the building façade facing Wisconsin Avenue. This is more visible from the street and will be incorporated into a walking tour of public art in Downtown Bethesda.

Two areas of the existing site present especially difficult problems regarding activation and usefulness: the northwest corner of the plaza and the sidewalk skirting the northern façade of the Food Court. To fulfill the need to create a direct and continuous connection for the Discovery Trail and to directly confront the problem of these two dead spaces, a roughly 30-foot by 30-foot arcade will run through the building at grade with the plaza. This arcade provides a pedestrian connection through the site, enlivens the dead-end spaces around the Food Court, and adds ground floor frontage for retail and cultural amenities. In particular, this will become the focal point of the evolving way-finding and interpretive program being developed along with several other projects in downtown Bethesda. This will include markers, signage, and descriptions of the trails and sites within Bethesda and their connections to other areas of the County. Such signage is proposed at two locations on the current plan and will be developed and coordinated during the site plan amendment review.

With respect to programmed events for the plaza, the Applicant has submitted ideas that include free movies, art and book fairs, lunchtime concerts, and kiosks and vendors. The Applicant will need to work with Staff and groups such as the Bethesda Urban Partnership to finalize an event schedule and agreement to ensure that the program is provided and enforceable.



*Bus Facility Enhancements*

A final consideration of the project plan amendment is the renovation and improvement of the pedestrian experience in the Metro bus facility. The Applicant has worked with WMATA to develop a plan to enhance the lighting, signage, and spatial experience for Metro patrons. To this end, the proposed development would create a system of hanging ceilings of angular architectural forms above the pedestrian areas of the bus facility as well as over the escalators and stairs that rise up to Wisconsin Avenue. These ceilings will be lower and better lit than the existing garage ceilings and, along with the proposed wind screens, will provide a better sense of enclosure and comfort. The lighting will be more natural and improved seating and signage will be provided to give riders information and help direct them upon arrival. The paving will be colored to differentiate the pedestrian and vehicular areas, and new bicycle facilities and consolidated newspaper boxes will be provided. Finally, the Applicant proposes to install artwork within the bus facility to provide interest and beauty in this rather desolate space.

#### Vehicular and Pedestrian Circulation

There are no proposed changes to the vehicular circulation patterns but, as discussed above, the pedestrian connections and choices will be greatly enhanced. There will also be a greater number of bicycle facilities and amenities and the qualitative pedestrian experience will be augmented by the numerous improvements to the bus facility, plaza, and streetscapes. One important note, related to the activation of the plaza, is that there will not be any direct access to the proposed office building from the Metro. Instead, Metro riders will exit the station onto Wisconsin Avenue and walk through the plaza to the office. The parking garage below the station, however, will continue to have access to the office building via elevators.

## **PLANNING AND REGULATORY FRAMEWORK**

### Sector Plan

The Bethesda Central Business District Sector Plan (Sector Plan) was approved and adopted in 1994. The Staff review of any project plan requires that the proposal conform to the Sector Plan. As no plan can meet every recommendation of a sector plan, various specific goals are weighed against the entirety of the plan's objectives. As the "Notice to Readers" (page VII) of the Sector Plan reminds us:

"Area master plans are intended to provide a benchmark point of reference with regard to public policy. Together with relevant County-wide functional master plans, they should be referred to by public officials and private individuals when decisions are made.... It should be noted that master plan guidelines are not intended to be specifically binding on subsequent action, except in certain circumstances where an ordinance or regulation requires a specifically defined linkage to be established."

"Master plans generally look ahead to a time horizon of about 20 years from the date of adoption, although it is intended that they be updated and revised about every ten years. It is recognized that the original circumstances at the time of plan adoption will change over time, and that the specifics of a master plan may become less relevant as time goes on."



Although many cultural, economic, and demographic circumstances have changed since 1994 – not to mention the contemporary focus of our Annual Growth Policy on sustainability and design – the overall goals of the Sector Plan remain the guiding principles for the review of any Project Plan. In particular, the Sector Plan has six goals for the CBD in general and several recommendations specific to this site and the area. The general goals, from Section 1.2 on pages 3-4, are:

- *Downtown*  
Realize the vision of Bethesda as a diverse and lively downtown for Bethesda-Chevy Chase. Continue well-designed redevelopment within the Metro Core and reinforce the physical character and varied activities of districts radiating out from the Core so that each district has a distinct identity yet is linked into a coherent whole.
- *Urban Form*  
Encourage infill development that complements the underlying physical form of Bethesda. Create a high-quality built and pedestrian environment, including a network of pathways and open spaces. Enhance Bethesda's commercial and residential districts with improvements appropriate to the character of each.
- *Housing and Neighborhoods*  
Encourage and maintain a wide range of housing types and neighborhoods in and around Bethesda for people of all incomes, ages, lifestyles, and physical capabilities, in keeping with County goals. Provide an adequate supply of housing, including affordable units, to reinforce Bethesda as a place to live as well as work. Protect adjacent neighborhoods from commercial intrusion, undue traffic, and environmental degradation.
- *Employment*  
Provide opportunities for additional jobs in this major down-County employment center, in keeping with County policy to concentrate growth in the urban ring near Metro stations and to increase the County's revenue base.
- *Community Character*  
Enhance Bethesda as an appealing environment for working, shopping, and entertainment. Strengthen its attraction as a destination for visitors while ensuring that residents find a sense of community. Reinforce a unique sense of place through the themes of Bethesda as a "garden" and a "cultural district".
- *Circulation*  
Provide a safe and functional transportation system to serve the current and recommended land uses. Achieve a significant shift of travel from drive-alone auto use to transit, carpooling, and other alternatives. Enhance the pleasure, safety, and convenience of walking and bicycling.

#### Project plan

As noted earlier, certain aspects of the Sector Plan are not simply guidelines but “linked” to the Zoning Ordinance. In optional method projects in the CBD zones, density is one of those linked

development standards. Those standards and the following considerations are the basis of the Findings and Recommendation.

The subject project plan amendment was filed on April 19, 2007 and accepted for review on July 30, 2007. According to Section 59-D-2.11 of the Zoning Ordinance,

“in order to ensure that the [proposed] development [in the cbd, rmx, and tomx zones] will include the public facilities, amenities and other design features that will create an environment capable of supporting the greater densities and intensities permitted by the optional method of development, the developer is required to submit a project plan as a part of the application for the use of the optional method; and a site plan must be approved in accordance with the requirements of Division 59-D-3 prior to the issuance of any building permit. The project plan shall be such as would result in the satisfaction of the stated purposes of the zone applied for, and the fact that a project complies with all of the stated general regulations, development standards or other specific requirements of the zone shall not, by itself, be deemed to create a presumption that the proposed development would be desirable and shall not be sufficient to require the approval of the project plan or granting of the application.”

In reaching its determination on a project plan the planning board must consider the following:

- (a) The nature of the proposed site and development, including its size and shape, and the proposed size, shape, height, arrangement and design of structures, and its consistency with an urban renewal plan approved under chapter 56.
- (b) Whether the open spaces, including developed open space, would serve as convenient areas for recreation, relaxation and social activities for the residents and patrons of the development and are planned, designed and situated to function as necessary physical and aesthetic open areas among and between individuals structures and groups of structures, and whether the setbacks, yards and related walkways are located and of sufficient dimensions to provide for adequate light, air, pedestrian circulation and necessary vehicular access.
- (c) Whether the vehicular circulation system, including access and off-street parking and loading, is designed to provide an efficient, safe and convenient transportation system.
- (d) Whether the pedestrian circulation system is located, designed and of sufficient size to conveniently handle pedestrian traffic efficiently and without congestion; the extent to which the pedestrian circulation system is separated from vehicular roadways so as to be safe, pleasing and efficient for movement of pedestrians; and whether the pedestrian circulation system provides efficient, convenient and adequate linkages among residential areas, open spaces, recreational areas, commercial and employment areas and public facilities.
- (e) The adequacy of landscaping, screening, parking and loading areas, service areas, lighting and signs, in relation to the type of use and neighborhood.
- (f) The adequacy of provisions for construction of moderately priced dwelling units in accordance with chapter 25a if that chapter applies.

- (g) The staging program and schedule of development.
- (h) The adequacy of forest conservation measures proposed to meet any requirements under chapter 22a.
- (i) The adequacy of water resource protection measures proposed to meet any requirements under chapter 19.

As the Analysis and Findings Sections demonstrate, the subject project plan amendment adequately addresses each of these considerations, as conditioned by the Staff Recommendation.

## PROJECT ANALYSIS

### Sector Plan<sup>6</sup>

The Bethesda CBD Sector Plan has numerous and, at times, contradictory recommendations. While no plan can meet all of the recommended guidelines this plan meets a majority of the recommendations and the intent of all of the overall goals of the Sector Plan. In the past, an emphasis on certain recommendations for projects in this vicinity, has led to the continuing lackluster performance of the site. But by focusing the emphasis back on the goals regarding the creation of “garden” and “cultural” districts, the potential of this site can be realized.

### Downtown Environment

Downtown Bethesda is envisioned as a place with diversity and liveliness generated by redevelopment and the establishment of varied activities radiating from the Core. The proposed amendment provides several features that address this goal:

- The landscape and architecture are well-designed, complementary, and integrated conceptually;
- The physical character of plaza is reinforced at the appropriate scale with proportional massing and the creation of an edge;
- Programmed amenities generate activity at hours that are otherwise “dead” times in a predominantly office environment;
- The building and plaza will become a landmark focal point; and
- The redevelopment will fulfill the directive to “approve optional method projects that provide or contribute to public benefits such as cultural facilities, open spaces, or other public gathering places identified in the plan”.<sup>7</sup>

The proposal thus fulfills a greater objective of activating and utilizing open space in downtown while developing on an existing footprint. Although the “Existing and Proposed Community Facilities Map”<sup>8</sup> does not include this plaza as an open space or park facility it is, in fact, one of the only large open spaces in the Metro Core that can provide outdoor festivals, movies, fairs,

<sup>6</sup> Appendix A is a summary of the pertinent sections of the Sector Plan’s maps and text.

<sup>7</sup> Bethesda CBD Sector Plan, page 29.

<sup>8</sup> Ibid, Figure 8.1, page 216.

and concerts without closing a street. Further, it is directly above a Metro Station that can bring people to these events.

The Sector Plan identifies particular themes for the development downtown, namely, Bethesda as a “garden” and a “cultural district”. To this end, the Applicant’s design proposes a “greening” of the site through green roofs, more plantings, and LEED-Silver certification. The cultural attributes include more prominent staging of existing artwork and the inclusion of other art pieces. Also, the Discovery Trail will be centered on site with a “Discover Bethesda” interpretive wall in a sheltered arcade. These amenities go far in enhancing the cultural character of the area by integrating several recommended objectives of the Sector Plan:

- The Plaza renovation and proposed building will enhance the visual environment;
- The building itself will provide a distinct form in a rather bland context;
- The artistic and cultural amenities will provide a sense of destination; and
- The site design will add to the County’s goals of more sustainable development.

In sum, the proposed development is supported by the Sector Plan’s goals for increasing the type and amount of open spaces and variety of amenities. In fact, the Sector Plan encourages “support [of] optional method amenities that strengthen the cultural resources of Bethesda, both historic and arts-related and that may well serve as anchor activity centers”.<sup>9</sup> When exploring incentives to encourage provisions of such facilities and amenities, an analysis of two determinants of urban form for which the Ordinance has specific standards is required: height and density, which are discussed below.

### Urban Form

In general, the Sector Plan encourages infill development that will create a high-quality built environment and a network of paths and open spaces. Although not shown as a community facility, the “Open Space Concept” plan<sup>10</sup> defines the large amount of open space on and around the existing Food Court footprint, which will be enhanced and better connected to surrounding pathways by this proposal. This site is further specified as a primary focal point on the “Views and Focal Points” plan<sup>11</sup> and a primary destination on the “Pathways and Places” plan.<sup>12</sup> At this time, the site does not meet the aesthetic standards of a “focal point” and is certainly only a “place” for the office workers in the area. To the extent it is a destination, it is only so because of the Metro. The overly large block has been consolidated over the years and requires internal connections for pedestrians to get from place to place and from one street to another. As other areas have shown, the action of urban areas occurs on the streets – this block has only a taste of street life along Montgomery Lane and will require innovative solutions to become a Place in-and-of itself. The proposal meets the objectives of the Sector Plan’s “Focal Points” and “Places” concept plans in several ways:

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<sup>9</sup> Ibid, page 36.

<sup>10</sup> Ibid, Figure 3.5, page 45.

<sup>11</sup> Ibid, Figure 3.3, page 41.

<sup>12</sup> Ibid, Figure 3.7, page 48.

- The proposed building and renovated plaza will “respond to views and vistas within the CBD [by continuing to develop] focal points and landmarks that improve the orientation and strengthen the perception of existing centers”,<sup>13</sup>
- The existing urban form will be strengthened by “improving and reinforcing the districts and transitional areas, open space and gathering places, landmarks and focal points”,<sup>14</sup>
- The proposed design will create a sculptural form and roof line and add to the diversity of architectural styles;
- The plaza renovation will encourage more use by adding interactive features and amenities that emphasize the heritage of Bethesda through art and garden elements;
- The new pedestrian connections and choices will allow for easier use by more people and increase access to the Metro station;
- The proposed design will activate the plaza with additional retail and restaurant space; and
- The cultural and artistic amenities will allow for the development of a meaningful “Discovery Trail” and art walk that is being coordinated with several other projects in Bethesda.

These factors will create a context that will begin providing a sense of place at this “Major Destination”. The plaza, in particular, lacks a pedestrian scale because of its lack of definition – the space tends to bleed through and around buildings because the current Food Court is too low to hold the edge of the space. Proper scale can be created by defining an active edge to this space and can become more pedestrian-oriented through interesting design and detailing below the third floor façade. This proposal can engage the plaza in a way that the existing building does not; as the Sector Plan states: “Open Spaces in an urban setting are defined by building edges: the taller the building edge within recommended limits, the stronger the sense of visual containment. Good spatial definition is important to achieving a comfortable sense of human scale and proportion”.<sup>15</sup> The new connections make the ground plane less of an obstacle and more open to use from pedestrians travelling from the northwest corner into the plaza and down the “cascade of steps” or vice-versa.

With regard to height and its context, numerous Sector Plan citations speak to anticipated infill development with higher-density employment uses and taller buildings at the center of the Metro Core area. The shade and massing relationships associated with this proposal are typical in an urban environment. In this case, it is important to note that the shade is cast to the north of the Plaza and not on the open space itself; further, much of the shade is cast by existing buildings to the south and west of the proposed addition. But when looking at the issue of Sector Plan conformance for buildings above the heights recommended in a Sector Plan, there is greater attention to the details of the façade and building articulation and proposed amenities to ensure that larger goals are being met and that the context is not visually or environmentally compromised. The Applicant afforded particular attention to the massing of the proposed building in order to minimize the shade cast on the building to the north. And the numerous amenities and fulfillment of other recommendations of the Sector Plan, such as the realization of

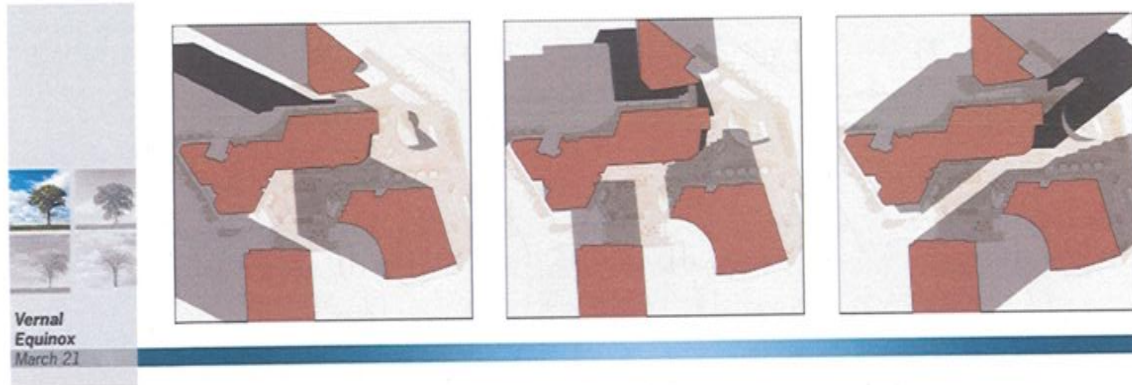
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<sup>13</sup> Ibid, page 40.

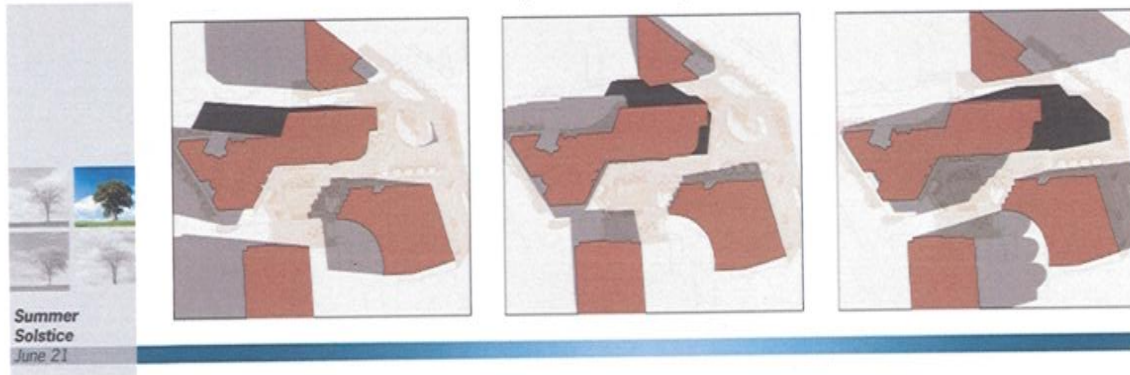
<sup>14</sup> Ibid, page 36.

<sup>15</sup> Ibid, page 47.

the Discovery Trail and renovation of transportation facilities, were incorporated into the overall proposal. For this site, like other projects in the area, the options to place density near transit opportunities and provide height in order to obtain recommended public amenities meet general conformance criteria as well as newer regional goals, such as WMATA's transit-oriented development program, and the County's new Annual Growth Policy concentration on sustainability, infill development, and good design.



*Shadow Study – Vernal Equinox<sup>16</sup>*



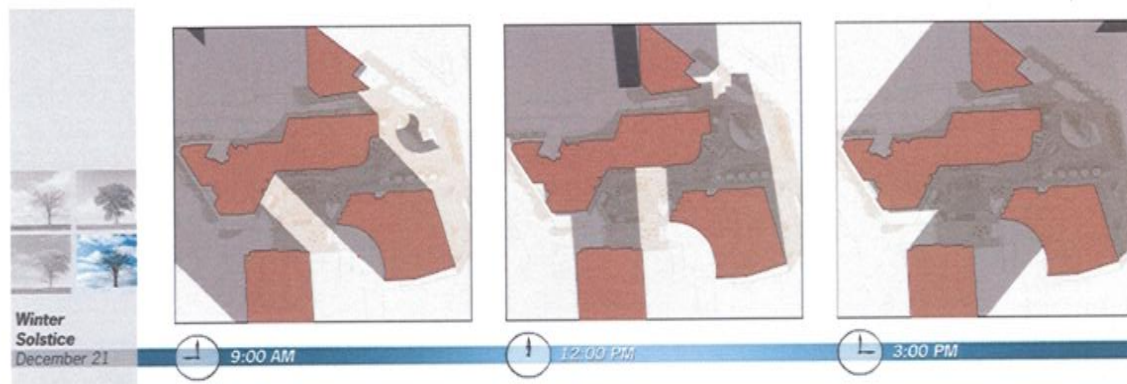
*Shadow Study – Summer Solstice*

<sup>16</sup> Studies shown at 9:00 am, Noon, 3:00 pm; impact of proposed building in dark gray.





*Shadow Study – Autumnal Equinox*



*Shadow Study – Winter Solstice*

#### Employment, Redevelopment Potential, & Land Use

Virtually all of the references to density within the Core area of the Metro Center refer to increased employment and infill development. The specific objectives of the Metro Core area, as outlined in the Sector Plan,<sup>17</sup> are worth providing in full:

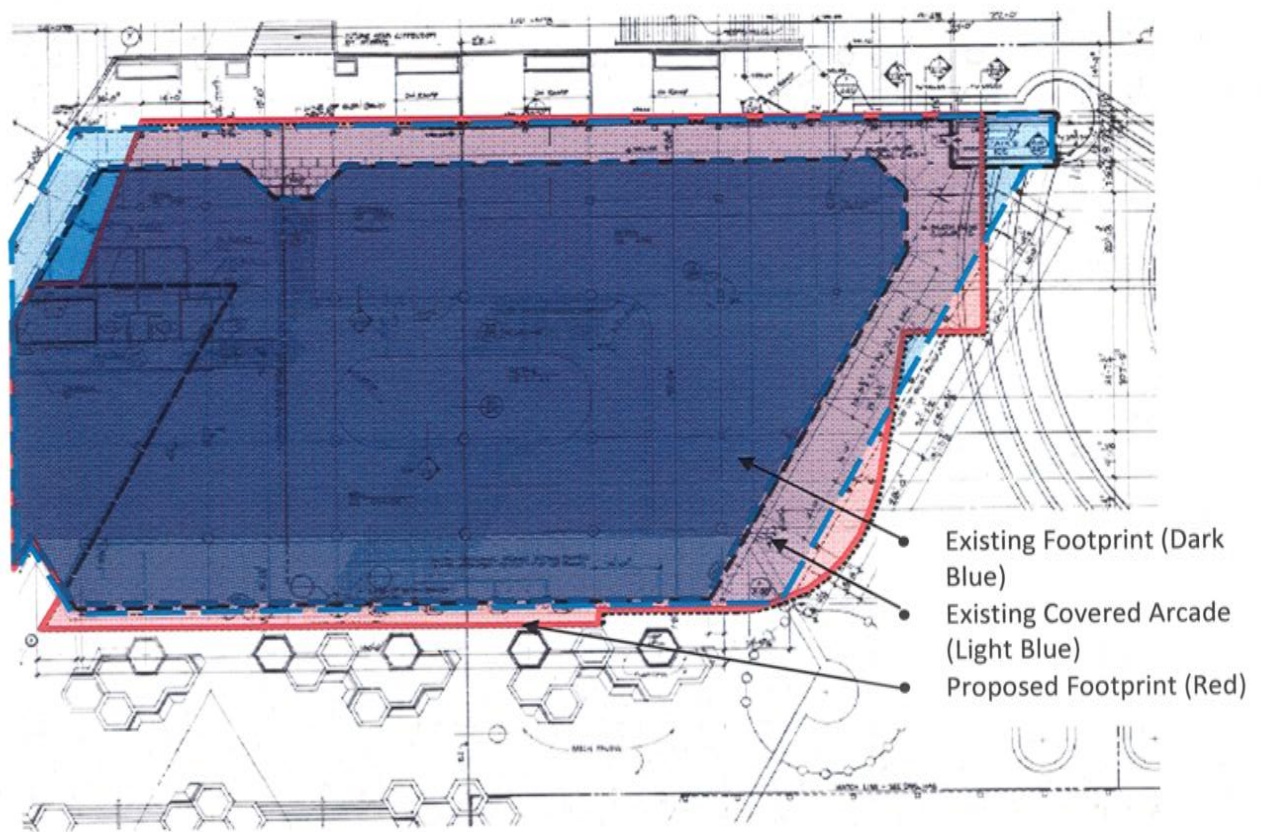
- Strengthen the Metro Core as the center of Bethesda, with greatest emphasis on and around the Metro Center and plaza.
- Increase the choices and activities in the Metro Core associated with retail, restaurants, cultural programming, open space, and pathways.
- Develop a compact core that places the highest intensity in the center, provides distinctive infill buildings, and steps down to lower densities and heights near the edge of the district.
- Emphasize employment near Metro transit to complete Metro Core development.

Like other sites that have been redeveloped in downtown Bethesda, e.g., the Lot 31 project, the subject site is not indicated as one with “Redevelopment Potential” on the map of the same name on Page 24 of the Sector Plan. According to the Sector Plan, this map was created based on

<sup>17</sup> Bethesda CBD Sector Plan, page 58.

assumptions regarding 14 year-old business prospects and the 1976 zoning plan and, therefore, has little to do with the current environment. Further, the owner of the site, WMATA, has not only approved the submission of this Application, they have also published a task force report that concludes “that WMATA’s transit station areas represent unmatched development opportunities that have the ability to take advantage of responsible transit-oriented development principles”.<sup>18</sup> The proposed amendment takes advantage of such land-use and metro-area employment opportunities in many ways:

- The proposal creates jobs near high-density residential areas and directly above various modes of public transportation,
- The design concept provides no net increase in parking, thus lowering the parking-to-employees ratio, which promotes a pedestrian and street-activating environment,
- The design is infill but redevelops above an existing building footprint rather than on open space, and
- The proposed use fulfills the dual objectives to “encourage primarily office development in the Metro Core to maximize the number of jobs created”<sup>19</sup> and “focus the highest densities within the Metro Core District to achieve a tightly configured center”.<sup>20</sup>



*Comparison of Existing and Proposed Footprints*

<sup>18</sup> Report of the Joint Development Task Force to the Washington Metropolitan Area Transit Authority, May 2007, page 5.

<sup>19</sup> Bethesda CBD Sector Plan, page 27.

<sup>20</sup> Ibid, page 40.

The Sector Plan's "Future Land Use" plan<sup>21</sup> recommends retail and service only on this portion of the site surrounded by office and hotel uses. The objective of providing retail and service at this location, of course, is to activate the space by attracting shoppers and restaurant patrons. This proposal can offer ground level retail and service that fulfills the recommendation of the "Future Land Use" plan while adding office space above. This will ensure that the building will also fulfill the more prevalent recommendation to add employment in the Core. Diversity of uses is nothing without the concentration of people to make use of those uses.

### Zoning and Density

The subject site is zoned CBD-3, as recommended in the Sector Plan. This makes sense in light of the description of the CBD-3 Zone as the core area of urban centers with the highest density. The CBD-1 and CBD-2 Zones, on the other hand, are used as transition zones or urban centers for smaller areas where such high density is not appropriate. The CBD-3 Zone allows up to 200 dwelling units per acre for residential projects, up to a floor area ratio (FAR) of 6 for non-residential projects, or up to an FAR of 8 for mixed-use projects but "in no case more than the density recommended by the sector plan". In most cases this recommended density is set for individual lots, in this case it is set for a more ambiguous area. Traditionally this area has been defined as the net lot areas of all properties within the borders created by Woodmont Avenue, Montgomery Lane, Wisconsin Avenue, Old Georgetown Road, and Edgemoor Lane.

The exact text from the Sector Plan that sets the recommendation is found in the section on the Metro Core District that discusses a larger area including the "Hot Shoppes" site [Clark Building], the Miller Property on Elm Street, and "a number of smaller sites":

"In the block containing the Metro Center, individual properties should be permitted to develop under the CBD-3 optional method, provided that the overall density of the area retains an average of 4 FAR, including streets, open space, and public facilities."<sup>22</sup>

This sentence has been the subject of months of debate regarding the subject amendment. This is due, in large part, to the fact that the calculation of FAR was changed by a zoning text amendment in 1989 and this is the first development application on this site since the 1989 text amendment. The text amendment involved two changes to the Zoning Ordinance. First, it added and defined the term "gross tract area" as "the total area or parcel of land including any existing or proposed streets, highways, or other land required for public use that is attributable to the lot or parcel dedicated by the owner or a predecessor in title." Second, it defined FAR, in pertinent part, as "a figure which expresses the total gross floor area as a multiple of the gross tract area of the lot." Prior to this amendment, instead of "gross tract area of the lot," it merely read "area of the lot."

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<sup>21</sup> Ibid, Figure 4.5, page 59.

<sup>22</sup> It is interesting to note, given the inconsistencies between the Sector Plan language and the language in the Zoning Ordinance, that the term "block" in the Sector Plan sentence, does not follow the Zoning Ordinance definition. The Zoning Ordinance defines "block" as that area abutting one street and between two others. As used in the Sector Plan sentence, "block" indicates those properties that should be included in the calculation of FAR, yet because "because it is interrupted by streets, namely, North Lane and East Lane, it does not meet the definition in the Zoning Ordinance



These changes to the Zoning Ordinance expanded the area upon which FAR could be calculated in this case by including “land required for public use that is attributable to the lot or parcel dedicated by the owner or predecessor in title.” In other words, based on the Sector Plan language above that states “the overall density of the area retains an average of 4 FAR” (hereinafter “Sector Plan Area”), this area now includes this additional land. By including in the calculation of FAR the land dedicated for public use that is attributable to the parcel or lot, the proposed project can achieve an overall density of 4.0 FAR in the Sector Plan Area.

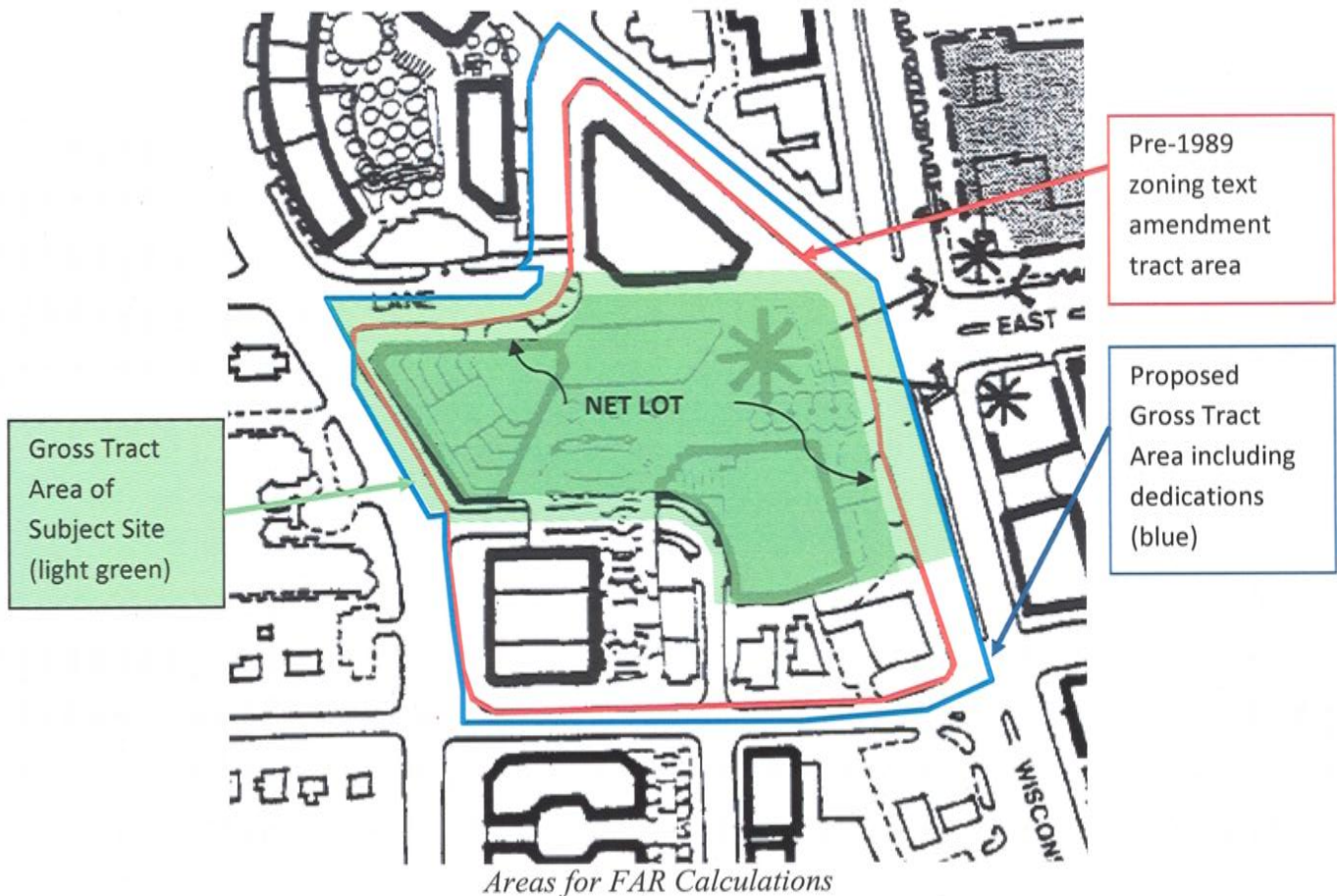
Based on the previous method of calculating FAR and opposing interpretations of case law, the Applicant and a group opposed to the project plan amendment disagree about 1) whether certain areas may be considered “attributable to the lot,” 2) whether certain areas have been “dedicated,” and 3) whether these certain areas should, or should not be, used in determining the FAR for this project. The specific areas of contention are portions of Wisconsin Avenue and Old Georgetown Road, which abut the Sector Plan Area. Based on the language of the Zoning Ordinance and the Planning Board’s past practice interpreting these provisions, as well as the language in the Sector Plan, Staff finds that the properties included in the Sector Plan Area<sup>23</sup> are encircled by Woodmont Avenue, Edgemoor Lane, Old Georgetown Road, Wisconsin Avenue, and Montgomery Lane, while the gross tract area for the Sector Plan Area includes these properties and certain dedications as shown on the figure on page 29 and calculated in the Project Data Table on page 28.<sup>24</sup>

As shown in the illustration below, the Applicant’s proposed gross tract area for the properties, which result in an FAR of 4.0 for the area, meets the development standards of the Zoning Ordinance.

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<sup>23</sup> The FAR recommendation for the Sector Plan Area is based on the 1976 Sector Plan and tied to an illustration that shows a “block” stretching across both Old Georgetown and Wisconsin Avenue including within it numerous interior streets, open spaces, and other amenities. (Long Range Illustrative Site Plan, p. 86 of the 1976 Bethesda Central Business District Sector Plan.) In this context the FAR recommendation for the Sector Plan Area makes sense—that area, as shown by the illustration, should develop according to the optional method as long as the Bethesda Core Area (which encompasses a larger, predominantly CBD-2 area containing the higher density, CBD-3 Metro Center properties) maintains a 4.0 FAR with a large amount of open space and amenities. This would allow a tight concentration of density in the Sector Plan Area zoned CBD-3 (around the area of the metro) while maintaining the overall lower 4.0 FAR density of a CBD-2-zoned area around Sector Plan Area with numerous open spaces and pedestrian connections. (See Appendix B)

<sup>24</sup> Staff’s conclusion also reflects the fact that the District Council, which adopted both the 1989 text amendment and the 1994 Sector Plan, is charged with knowing and understanding the effect of the text amendment on the allowed density in the Sector Plan Area.



### Block & Site Recommendations

The existing problems with respect to the lack of active uses at the Metro Center were anticipated and discussed in the Sector Plan as were the compounding of these problems if the (then) proposed Lorenz [Newland's] building was built according to the application, which it was. As originally conceived, building height, shadow, and activation of uses were to be addressed very differently, but the site, as it exists today, is a much different space with a number of issues to reconcile as well as potential to take advantage of. The only real advice to future developers of the Metro Center is on page 61: "Additional improvements to the existing Metro Center could help achieve a greater focus of activities, a better sense of community, and a more attractive open space". The proposed development will begin to address these issues by drawing on the "garden" and "cultural district" themes:

- There is currently poor visibility into the plaza and many pathways are cut-off or directed around buildings rather than into the plaza, which will be addressed by the new footprint and manipulation of the space and building,
- Seating and amenities to make the space more comfortable and usable will be provided, including benches, way-finding and interpretive features, water features, and activation of the Plaza as a Wi-Fi hotspot,
- Barriers to pedestrian circulation will be removed and new connections will open-up,
- Existing art work will be better situated and new art work will be integrated into the landscape and structures,

- A restaurant serving breakfast through dinner will activate the space from morning to night, and
- Plantings, paving upgrades, color, and a program of cultural activities will create an “outdoor room” for downtown.

Because there are no retail establishments to “form a continuous line of retail uses”, the proposed development is a beginning that may encourage other first floor occupants around the plaza to consider reverting (or providing) additional retail services. In that event, the space will only become more attractive and will provide an alternative to the “shopping district” along Woodmont Avenue that will focus the community on the cultural facilities of Bethesda.

### **Transportation**

Transportation Planning Staff has made a preliminary review of Adequate Public Facilities for the proposed development. Further analysis and findings will be made at the time of the review of the preliminary plan amendment. At this time the following summary is provided.

#### Site Location and Vehicular Access Points

The proposed commercial redevelopment is located on Lot 37, Block 13 that is surrounded by Wisconsin Avenue, Old Georgetown Road, Edgemoor Lane, Woodmont Avenue, North Lane, East Lane, and Montgomery Lane. The vehicular access points to the existing underground parking garage are from Wisconsin Avenue and North Lane.

#### Pedestrian Circulation

The proposed commercial redevelopment has five pedestrian access points on north, east, and south sides of the building from the plaza level.

#### Sector-Planned Roadways and Bikeways

In accordance with the *Bethesda CBD Sector Plan* and the *Countywide Bikeways Functional Master Plan*, roadways and bikeways are designated as follows:

1. Wisconsin Avenue (MD 355) is classified as a major highway, M-6, with a minimum recommended 115-foot right-of-way width along the site’s frontage.
2. Old Georgetown Road (MD 187) is classified as a major highway, M-4, with a minimum recommended 80-foot right-of-way width.
3. Edgemoor Lane is classified as a business district street with a minimum recommended 80-foot right-of-way width and a *Sector-Planned* Route H, Class 2 bikeway (or bike lanes) between the Bethesda Metrorail Station and Arlington Road. Signed shared roadway, SR-8, is identified on the *Countywide Bikeways Functional Master Plan* along this segment of Edgemoor Lane.
4. Woodmont Avenue is classified as an arterial, A-68, with a minimum recommended 80-foot right-of-way width and a *Sector-Planned* Route C1, Class 1 bikeway between the North Lane and Montgomery Lane. Bike lanes, BL-6, is identified on the *Countywide Bikeways Functional Master Plan* along Woodmont Avenue between Battery lane and Bethesda Avenue.
5. North Lane is classified as a business district street with a minimum recommended 50-foot right-of-way width.



6. East Lane is classified as a business district street with a minimum recommended 50-foot right-of-way width and a *Sector-Planned* Route C, Class 2 bikeway (or bike lanes) and Biker Friendly Area between the Bethesda Metrorail Station entrance and Montgomery Lane.
7. Montgomery Lane as a business district street with a minimum recommended 70-foot right-of-way width.

#### Available Transit Service

The site is located above the Bethesda Metrorail Station. The following bus routes operate along the adjacent roadways as well as connecting to the Bethesda Metrorail Station:

1. Old Georgetown Road: Ride-On route 42 and Metrobus routes J-2 and J-3.
2. Edgemoor Lane: Ride-On routes 29, 30, 32, and 70 and Metrobus route J-4.
3. Woodmont Avenue: Ride-On route 34 & Metrobus routes J-4, J-8, and J-9.
4. North Lane: None.
5. East Lane: Metrobus routes J-2 and J-3.
6. Montgomery Lane: Ride-On route 33 and Metrobus routes J-2 and J-3.

#### Local Area Transportation Review

Table 1 shows the number of peak-hour trips generated by the proposed commercial redevelopment within the weekday morning (6:30 to 9:30 a.m.) and the evening (4:00 to 7:00 p.m.) peak periods.

Table 1: New Site-Generated Vehicular Trips

Land Use	Square Feet	Peak-Hour Trips	
		Morning	Evening
Proposed General Office Use	272,130	408	408
Proposed Retail Use	11,070	7	29
Total of Site-Generated Trips		415	437
Existing Retail/Food Court	18,000	- 12	-47
Existing Office Use	19,119	- 29	- 29
Total of Existing Trips		-41	-76
Net Increase in Trips		374	361

In accordance with the *Local Area Transportation Review Guidelines*, a traffic study was submitted to satisfy Local Area Transportation Review (LATR) because the proposed commercial redevelopment generates 30 or more peak-hour trips within the weekday morning and evening peak periods. Based on the results of this traffic study, Table 2 shows the calculated Critical Lane Volume (CLV) values at studied intersections in the each traffic conditions.

Only the CLV values for Wisconsin Avenue and Old Georgetown Road/East-West Highway exceed the 1,800 congestion standard for the Bethesda CBD Policy Area within the weekday evening peak hour. With the proposed intersection improvement described in Recommendation No. 2, the CLV value in the total improved traffic condition still exceeds the 1,800 congestion standard. However, LATR is satisfied because the CLV reduction from the total improved traffic

condition to the total traffic condition is at least 150% of the impact attributable to the traffic generated by the proposed commercial redevelopment as shown in Table 3.

Table 2: Calculated Critical Lane Volumes at Studied Intersections

Intersection	Weekday Peak Hour	Traffic Condition			
		Existing	Background	Total	Improved
1. Wisconsin Avenue & Norfolk Avenue/Cheltenham Drive	Morning	895	903	933	
	Evening	827	838	883	-----
2. Wisconsin Avenue & Commerce Lane/Avondale Street	Morning	518	526	555	-----
	Evening	659	670	716	-----
3. Wisconsin Avenue & Old Georgetown Road – East-West Highway	Morning	1,454	1,470	1,566	1,566
	Evening	1,745	1,880 <sup>26</sup>	1,919 <sup>27</sup>	1,828 <sup>28</sup>
4. Wisconsin Avenue & Montgomery Lane/Avenue	Morning	1,051	1,129	1,156	-----
	Evening	1,191	1,261	1,400	-----
5. Wisconsin Avenue & Waverly Street/Elm Street	Morning	764	805	808	-----
	Evening	887	937	942	-----
6. Wisconsin Avenue & Elm Street	Morning	645	655	672	-----
	Evening	737	756	771	-----
7. Montgomery Avenue & Waverly Street	Morning	838	871	971	-----
	Evening	880	956	1,061	-----
8. East-West Highway & Waverly Street	Morning	697	778	808	-----
	Evening	1,089	1,154	1,220	-----
9. Old Georgetown Road & Commerce Lane/ Edgemoor Lane	Morning	501	541	564	-----
	Evening	683	775	791	-----
10. Old Georgetown	Morning	879	990	1,041	-----

<sup>26</sup> Exceeds the 1,800 congestion standard.

<sup>27</sup> Exceeds the 1,800 congestion standard.

<sup>28</sup> Exceeds the 1,800 congestion standard but satisfies LATR by reducing the CLV by at least 150% of the impact attributable to the traffic generated by the proposed commercial redevelopment.

Road & Woodmont Avenue	Evening	867	939	953	-----
11. Woodmont Avenue & Edgemoor Lane	Morning	751	817	886	-----
	Evening	672	715	734	-----
12. Woodmont Avenue & North Lane	Morning	546	612	668	-----
	Evening	622	665	758	-----
13. Woodmont Avenue & Hampden Lane	Morning	503	503	503	-----
	Evening	654	654	654	-----
14. Arlington Road & Edgemoor Lane	Morning	621	621	621	-----
	Evening	862	862	862	-----
15. Arlington Road & Montgomery Lane	Morning	405	405	405	-----
	Evening	656	656	656	-----
16. Montgomery Lane & East Lane	Morning	446	511	529	-----
	Evening	649	692	785	-----

Table 3: Site Generated Peak Hour Trips Mitigation

Traffic Condition	Analysis Include:	CLV Value
Total	Site Traffic	1,919
Background	No Site Traffic	1,880
CLV Increase Attributable to the Proposed Redevelopment		39
Total	Site Traffic	1,919
Total Improved	Site Traffic & Improvement	1,828
CLV Reduction Attributable to the Improvement		91
Percentage of the CLV Reduction to the CLV Increase		233%
Minimum Percentage Required in the <i>FY07-09 Growth Policy</i>		150%

At the three approaches to the intersection of Wisconsin Avenue and Old Georgetown Road/East-West Highway, a queuing analysis was required because the intersection's CLV values within the evening peak period exceeded the 1,800 standard in a CBD Policy Area. The submitted traffic study included the observed existing maximum queue of vehicles upstream from the intersection's approaches during the weekday peak hours. The existing queues were compared with the projected queuing when adding the traffic attributed to the proposed commercial redevelopment. The resultant average queue length on each approach did not exceed more than 80% of the distance to the adjacent signalized intersection (located at least 300 feet upstream from this intersection), thus satisfying the LATR queuing requirement.

#### Sector-Planned Transportation Demand Management

The site is located in the Bethesda Transportation Management District (TMD). The Applicant must enter into a Traffic Mitigation Agreement with the Planning Board and DPWT to participate in the Bethesda Transportation Management Organization (TMO) to assist in

achieving the 37% non-auto-driver mode share goal for employees working in the Bethesda Central Business District.

#### Policy Area Mobility Review

Under the new *FY 2007-2009 Growth Policy*, the applicant of a development located within the PAMR's Bethesda/Chevy Chase Policy Area must mitigate 30% of the new peak-hour trips generated by their proposed development. The required number of new peak-hour trips to be mitigated is 112 trips. This is calculated by multiplying 30% by 374 peak-hour trips (i.e., the higher morning peak hour number on Table 1 above). The 112 new peak-hour trips may be mitigated by a combination of the following methods:

1. Enter into a Traffic Mitigation Agreement to implement a Trip Reduction Program that is monitored and operated for 15 years to mitigate a minimum of 30 peak-hour trips. A draft Agreement must be submitted for the Montgomery County Planning Department and DPWT staff review prior to preliminary plan amendment submittal and executed prior to certification of the site plan amendment.
2. Provide non-automobile transportation facilities off-site such as bus benches with pads and information kiosks.
3. Build or widen a *Sector-Planned* roadway segment in the Bethesda CBD Sector Plan area.
4. Buy a full-sized hybrid-electric Ride-On bus and operate it for 12 years.
5. Fund relevant publicly programmed improvements that cannot be implemented prior to the projected issuance of building permits.

#### **Environment**

The entire proposed development is built over a bus facility and parking garage; there are no existing environmental features on site. There are numerous environmental issues, however that this project should and does address. Given the extraordinary amount of non-porous surfaces, planting beds and containers should be maximized to absorb rainfall. In addition, these planting areas should contain a variety of plantings, some of which should grow to a large size to increase the amount of overall biomass within Downtown Bethesda. This will provide, to some extent, environmental comfort, shade, beauty, and carbon sequestration.

The Applicant proposes to retain one lawn panel, add another, and add several larger planting areas. Further, the Applicant proposes to construct the building to meet the Leadership in Energy and Environmental Design (LEED) Silver Standards. This entails creating a building with lower than typical environmental impacts regarding material use, energy consumption, heat-island effect, and stormwater run-off among other factors. Staff will continue to work with the Applicant through the preliminary and site plan amendment reviews to minimize the environmental impacts, while maximizing the environmental benefits of renovating the site in a sustainable manner.

#### **Development Standards**

The subject project plan amendment is zoned CBD-3, which is governed by the development standards in Section 59-C-6.23 of the Montgomery County Zoning Ordinance. First, here is a minimum lot size of 18,000 square feet for optional method projects, which this project plan

amendment satisfies. Second, there is no maximum building coverage for optional method projects, but there is a requirement for the provision of a minimum of 20% of the net lot area to be devoted to public use space, which this project plan amendment also satisfies. Third, the maximum FAR for optional method projects in the CBD-3 Zone that do not provide any residential uses is 6.0 FAR; the project plan amendment provides an FAR of 4.77. Fourth, as discussed in the Sector Plan analysis, this project has a further restriction on development limiting the FAR of the area containing the Metro Center Block to 4.00 and this amendment complies with this limit. Finally, the last development standard for a CBD-3 optional method project is building height, which normally limits height to 143 feet but may be increased to 200 feet under Section 59-C-6.235(b) of the Montgomery County Zoning Ordinance “[if] approved by the Planning Board in the process of site plan ... as not adversely affecting surrounding properties”. In other words, during project plan review, a recommendation of approval for a proposed height is set as a maximum and a final determination is made during site plan review in accordance with this section. Also as discussed in the Sector Plan analysis, the height limit of 200 feet is appropriate for this most densely-zoned area of the Bethesda CBD and does not adversely affect the surrounding properties in any detrimental way given the urban context.

As the data table shows, all of the requirements of the zone are met by the subject project plan amendment, but, because of the unusual terminology in the Sector Plan, the FAR for the Sector Plan Area is exceeded by 10,713 square feet. One condition of approval for the subject amendment is to decrease the gross floor area by this amount. Because this project is within the Bethesda Parking Lot District, parking spaces are not required to be provided but parking calculations have been made on the submitted project plan.

*Project Data Table for the CBD-3 Zone*

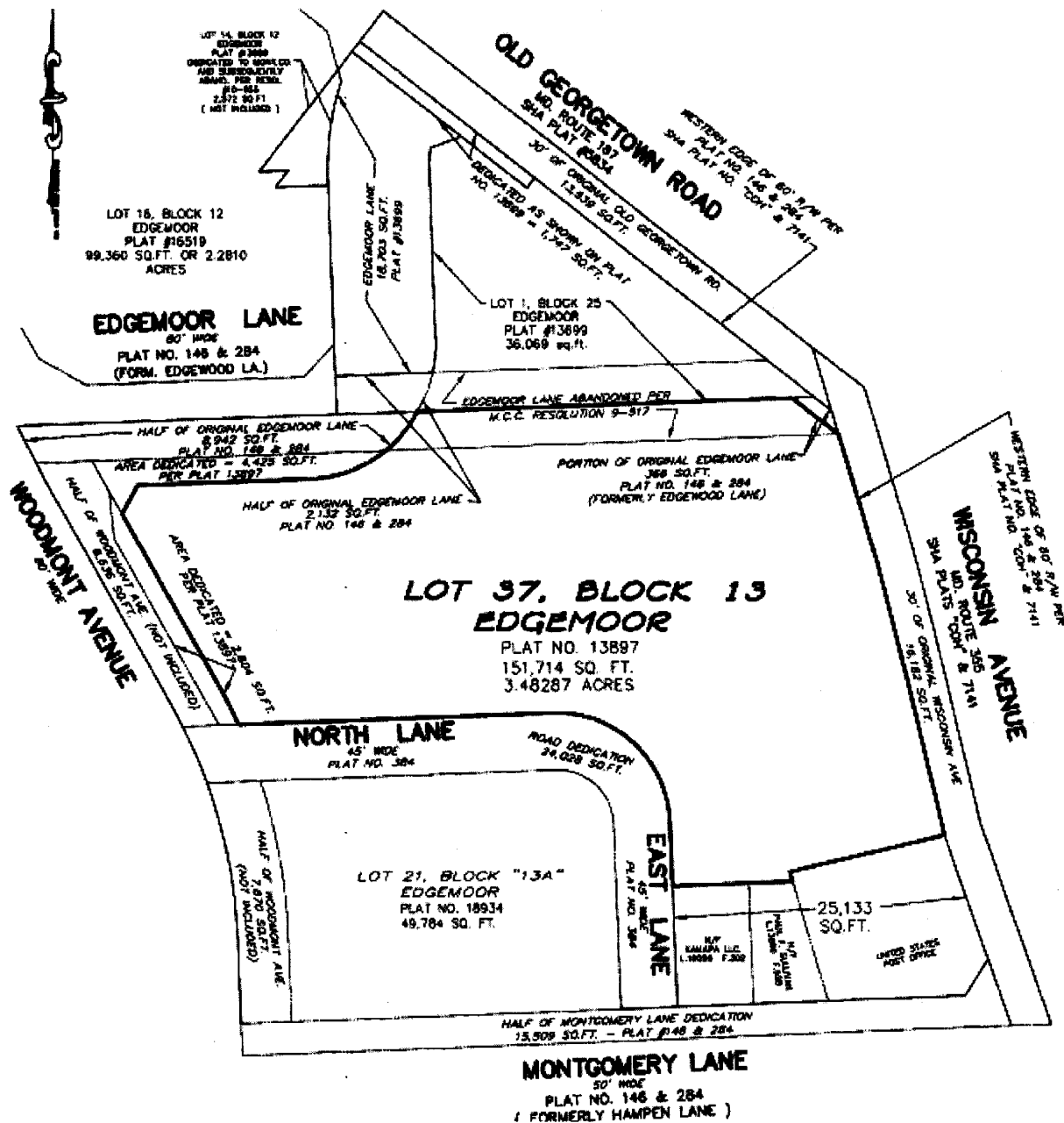
<b>Development Standard</b>	<b>Permitted/ Required</b>	<b>Approved Project Plan 919920040/ Site Plan 81988045</b>	<b>Approved Project Plan 91992004A</b>	<b>Proposed for Approval</b>
<b>Building Height (feet)</b>	143/200 <sup>29</sup>	195	195	200
<b>Building Setbacks for Proposed Addition (feet)</b>				
East Property Line	n/a	n/a	n/a	130
North Property Line	n/a	n/a	n/a	12
West Property Line	n/a	n/a	n/a	0
South Property Line	n/a	n/a	n/a	107
<b>Tract Area for Lot (minimum square feet)</b>				
Net Tract Area	n/a	156,174 <sup>30</sup>	156,174	151,714
Dedications	n/a	n/a	n/a	37,569
Gross Tract Area	18,000	n/a	n/a	189,283
<b>Tract Area for Sector Plan Area (square feet)</b>				
Net Tract Area	n/a	n/a	n/a	262,700 <sup>31</sup>
Dedications	n/a	n/a	n/a	108,377
Gross Tract area	n/a	n/a	n/a	371,077
<b>Gross Floor Area (maximum square feet)</b>				
For Site (GTA of site * 6)	1,135,689	632,774	632,774	878,858
For Sector Plan Area (GTA of block *4)	1,484,308	1,248,937	1,248,937	1,495,021
<b>Floor Area Ratio (FAR) (maximum gross floor area/gross tract area)</b>				
For Site	6.00	4.05	4.05	4.65
For Sector Plan Area	4.00	4.36	4.36	4.03
<b>Public Use Space (minimum % of net lot area)</b>				
On-Site Public Use Space	20	n/a	n/a	38.61
Total Amenity Space	n/a	n/a	n/a	28.39
Total Public Use & Amenity Space	20	50.26	50.26	67

<sup>29</sup> Normally 143 feet, if approved by the Planning Board ... as not adversely affecting surrounding properties, height may be increased to 200 feet. (Sec.59-C-6.235(b))

<sup>30</sup> Although the definition of FAR did not allow dedications to be included in the calculation prior to the zoning text amendment in 1989, this figure does seem to include an area roughly the size of a dedication of land for Edgemoor Lane per plat 13897.

<sup>31</sup> This is based on the following square-foot areas: 36,069 - Clark property; 151,714 - Bethesda Metro Center; 49,784 - Newlands property; 25,133 - Post Office/Weitzman/Nagel/County properties. In calculations for density on the Site Plan Area, both North Lane and East Lane were included in the calculations of FAR resulting in a "net" tract area of 286,728 square feet (although this varies in different documents).





*Areas for calculation of net and gross tracts for the subject site and the Sector Plan Area.*

## FINDINGS

Section 59-D-2.42 of the Zoning Ordinance establishes the findings, which must be made by the Planning Board and form the basis for the Board's consideration of approval. In accordance herewith, the Staff makes the following findings:

(a) *As conditioned, the proposal complies with all of the intents and requirements of the zone.*

#### Intents and Purposes Of The CBD Zones

The Montgomery County Zoning Ordinance states the purposes which the CBD zones are designed to accomplish. The following statements analyze how the proposed Project Plan conforms to these purposes:

- (1) *"To encourage development in accordance with an adopted and approved master or sector plan, or an urban renewal plan approved under Chapter 56 by permitting an increase in density, height, and intensity where the increase conforms to the master or sector plan or urban renewal plan and the site plan or combined urban renewal project plan is approved on review by the Planning Board."*

With respect to density, page 61 of the Sector Plan recommends that *individual* CBD-3 properties be allowed to develop under the optional method of development, which allows up to a 6 FAR for nonresidential projects (including transient lodging, i.e., hotels). The proposed development is requesting a 4.65 FAR for nonresidential uses – well below the allowed 6 FAR maximum. This is because a second recommendation of the Sector Plan is that individual properties may develop to their full individual density provided that the "overall density of the area retains an average of 4 FAR, including streets, open space, and public facilities."<sup>32</sup>

To calculate the FAR of the individual property is straightforward – the gross floor area is divided by the gross tract area as defined by the Zoning Ordinance. To calculate the FAR of the Sector Plan Area, the FAR is calculated as if those properties were one entity and the sum of the gross building area of each property is divided by the gross tract area of each property en masse, resulting in an FAR of 4.00. Thus, as conditioned, the development standards of the CBD-3 Zone are met by the proposed application.

Building heights recommendations are illustrated on Figure 3.2 of the Sector Plan, on page 39. In this figure,, the subject property is primarily within the area limiting building height to a 143-foot/12 story maximum. For this project amendment, the Applicant is requesting a height of 200 feet, which is permitted under Section 59-6.235(b) of the Zoning Ordinance, if the Planning Board finds that the building will not adversely affect the surrounding properties. In fact, recent Planning Board approvals have allowed projects to the south and west of the site to develop to the same height as the subject project plan amendment (above their recommended heights in the Sector Plan.<sup>33</sup> As these approvals illustrate, there is a recognition that the Sector Plan recommendations for infill development and greatest height and employment density at the Metro Core support the proposed height of 200 feet at this location.

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<sup>32</sup> This is not a "guideline", per se, as are many of the recommendations in sector plans, because the Zoning Ordinance explicitly states that the allowed density in the CBD Zones may not be "more than the density recommended by the sector plan" (Section 59-6.234(b)).

<sup>33</sup> Namely, the Newlands Building was built to 200 feet and 3 Bethesda Metro Center was built to 195 feet.

The Sector Plan contains a number of recommendations vis-à-vis the type and intensity of development in the Metro Core District. The Sector Plan recommends that the Metro Core be the “center” of the CBD, with the nexus on and around the Metro Center and plaza. Although much of the attention and focus in the CBD has shifted to Bethesda Row, the objectives of the Sector Plan – as carried out by the proposed development – will help refocus use on the Metro Core. These include an increase in the number of retail, restaurants, culture, and open space activities for residents and employees; a higher intensity of development through infill; and an emphasis on “employment near Metro transit”. Thus, the intensity of allowed development should be maximized at this location, as long as the nature of that development is balanced with the Sector Plan recommendations for quality of design and public amenities.

- (2) *“To permit a flexible response of development to the market as well as to provide incentives for the development of a variety of land uses and activities in central business districts to meet the needs and requirements of workers, shoppers and residents.”*

The Sector Plan specifically states, “The land use recommendations for the Metro Core District emphasize employment land uses”.<sup>34</sup> The applicability of this recommendation is reinforced by the numerous recent plans for residential development in the CBD, which need employment opportunities to balance the land uses in the area. According to the Metro Core District Map on page 59, however, the Sector Plan envisions employment in this section to be more retail and service-oriented. The current Application will provide retail and service oriented uses to a greater extent than currently exists and these will be visible and accessible from a greater number of pedestrian access points. Especially in light of the large number of residential and retail proposals in the vicinity that have recently been approved by the Planning Board, this intensity and diversity of land use conforms to the Sector Plan recommendations: both the general goals of the Sector Plan and the specific objectives of the Metro Core area advocate approval of optional method projects that provide employment opportunities near both transit stations and residential density.

- (3) *“To encourage designs which produce a desirable relationship between the individual buildings in the central business district, between the buildings and the circulation system and between the central business district and adjacent areas.”*

The proposed development will have no impact on the arrangement of existing streets and sidewalks but significant changes to the existing building footprint will provide more options and better access for pedestrians. The changes above grade, however, dramatically affect the skyline and building relationships on and around the block. The design changes to the circulation systems will also change the quality of the experience for the better. Pedestrians will now be able to access the plaza from the bridge over Edgemoor Lane (and vice-versa) and views into the plaza will be created or enhanced at the northern corner of the site as well as from Wisconsin Avenue. The relationship of the

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<sup>34</sup> Bethesda CBD Sector Plan, page 58.

proposed building to the existing circulation system will only enhance the use of this section of the Discovery Trail and the Metro Station by employees, residents, shoppers, and visitors. Due to the layout of doors, sidewalks, elevators, and the arcade, circulation will be directed in and around the plaza to access this and adjacent buildings and streets.

One concern voiced by adjacent property owners is the proximity of the proposed building to the Clark Building immediately north. This relationship, though, is not unlike many instances in the CBD and is ameliorated in some important ways including the “cut-out” for the green roof on the fifth floor and the minimal overlap between the two buildings.<sup>35</sup> In other words, although the space between the buildings is approximately 29 feet at the closest point at the northwest corner, this space is much wider towards the east and even more so above the fifth floor. In most cases in the CBD, adjacent buildings with windows are required to be at least 15 feet setback from each other; this proposal exceeds that standard in order to minimize the impacts on available sunlight and existing views

*(4) “To promote the effective use of transit facilities in the central business district and pedestrian access thereto.”*

The proposed development sits atop Metrorail and bus facilities that provide transit opportunities to travel to and from the site throughout the DC Metropolitan area. In fact, it is a short Metro ride to transportation hubs that can take downtown Bethesda residents and employees throughout the world. It is a local and regional imperative that infill development be provided at such sites as an alternative to suburban sprawl. As conditioned, the location and accessibility of the proposed development to the local transit system is an excellent realization of the Sector Plan transit and sustainability goals, for example the provision of jobs within walking distance of the Metro and high-density residential areas.

An important aspect of the public amenities provided by the Applicant is the Metro Station and Bus Facility improvements. These include upgrades to the paving, lighting, signage, weather buffering, and ambiance of the drop-off area and escalators to the station. Although, the specific design and implementation of these upgrades will need to be refined by the Applicant through the development review process in consultation with Staff and WMATA, the concept is important and will enhance the functionality and aesthetic quality of the on-site transit facilities.

*(5) “To improve pedestrian and vehicular circulation.”*

As envisioned, there will be no changes to vehicular circulation in and around the site. The pedestrian environment, however, provides numerous enhancements to help realize the potential of the plaza and Discovery Trail. With respect to the Discovery Trail, the Sector Plan recommends locating new open space to tie into the existing ‘Discovery Trail’ network and to expand the pedestrian connections. The plan creates an interesting

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<sup>35</sup> Less than one-half of the south façade of the Clark Building is within 25 feet of the proposed building above the fourth floor ceiling.

new center for the Discovery Trail in the proposed arcade, which also provides better circulation flow into the plaza. New way-finding signs will also be placed on site to increase knowledge of the trail and area cultural sites/programs.

(6) *"To assist in the development of adequate residential areas for people with a range of different incomes."*

The proposed development contains no residential uses.

(7) *"To encourage land assembly and most desirable use of land in accordance with a sector plan."*

The proposed development is located on one existing lot.

#### Further Intent of the CBD-3 Zone

Section 59-C-6.213(b) of the Zoning Ordinance states:

"In the CBD-R-1, CBD-R2, CBD-2 and CBD-3 zones it is further the intent to foster and promote the orderly development of the Central Business Districts of the county so that these areas will enhance the economic status of the county as well as providing an expanding source of employment and living opportunities for its citizens in a desirable urban environment."

As an economic engine, Downtown Bethesda provides parking fee income and sales tax revenue through its immensely successful Bethesda Row and the surrounding streets. To complement this revenue stream, and provide more stable resources to the County, a strong residential and business presence is required to provide other forms of budget income. While most recent development in the area has concentrated on retail, restaurant, service, and residential uses, a demand for high-quality office space has not been adequately addressed in several years. The proposed development would help balance the land uses in the CBD and help minimize cyclical fluctuations in tax revenue by broadening the property tax base. A further aspect of the proposed development that should be considered is its impact on required infrastructure and public services. Because this is infill development on an existing improved lot, new infrastructure requirements are minimal. Also, unlike the expanding residential uses in the CBD, office uses tend to require fewer fire and rescue and police services. Thus, while providing an expanding source of employment for residents, the proposed development does so at an opportune site for minimizing strains on County resources.

#### Requirements of the CBD-3 Zone

The table on page 27 of the staff report demonstrates the conformance of the project plan with the development standards under the optional method of development. Among other standards, the proposed development meets the area, public use space, building height, and density requirements of the zone.

According to the Zoning Ordinance (59-C-6.215(b)) a further requirement of optional method projects is the provision of additional public amenities:

“Under the optional method greater densities may be permitted and there are fewer specific standards, but certain public facilities and amenities must be provided by the developer. The presence of these facilities and amenities is intended to make possible the creation of an environment capable of supporting the greater densities and intensities of development permitted.”

To this end, the proposed development is proffering the following package of amenities and public facilities:

#### Amenities and Facilities Summary

##### *On-Site Public Use Space Improvements*

- Relocation of existing art and new art within plaza.
- Arcaded expansion of Discovery Trail and interpretive facility.
- Wi-Fi hotspot.
- New plaza paving and plantings.
- Way-finding signage.
- Additional and improved seating.
- New water features.
- LEED Silver building.
- Programmed events, such as movies, concerts, and book fairs, within the plaza.

##### *On and Off-Site Amenity Improvements to Hotel Drop-Off, Bus Station & Streetscape*

- Better paving and pedestrian orientation of hotel drop-off area.
- Escalator/stair canopy from Bus/Metro Station.
- Paving coloration to differentiate bus and pedestrian circulation.
- New furniture and signage.
- New bike racks and a bike station.
- Consolidated newspaper boxes.
- New lighting and canopy ceilings.
- Possible artwork.

- (b) *The proposal conforms to the approved and adopted Master or Sector Plan or an Urban Renewal Plan approved under Chapter 56.*

#### Zoning and Land Use

The subject property is zoned CBD-3, which is recommended by the Sector Plan. All proposed uses are allowed in the CBD-3 Zone and the proposed commercial development is in keeping with the general guidelines to provide employment uses in the Metro Core District. Specifically, the Sector Plan recommends retail and service uses on the plaza, and the project proposes a floor of retail and restaurant use. Of course, the past problems with second floor retail (and lack of complementary uses within adjacent buildings) seem to make this alternative less promising on the upper stories. Because of numerous recommendations for increased office employment density in downtown Bethesda – both in the general goals and the Metro Core objectives outlined in the Sector Plan - the proposed offices are appropriate for the subject site.



### Sector Plan Conformance

The Approved and Adopted Bethesda CBD Sector Plan is organized around several goals that the Project satisfies:

- Establishment of a vibrant and diverse downtown,
- Development by infill that complements the existing urban fabric,
- Development of a wide range of housing (n/a),
- Creation of employment opportunities,
- Creation of an appealing environment for working, shopping, and entertainment.
- Creation of a circulation patterns that encourage walking, cycling, and the use of mass transit.

The proposed development will help enhance the existing vibrancy and diversity of downtown and help expand the area that is currently enjoying such activity along Woodmont Avenue. This will be due to the increased foot traffic through the plaza and from the Metro Station as well as the increased number of activities in the plaza for residents, shoppers, and visitors. The infill development complements the existing urban fabric with regard to use and function.

While the proposed development does not offer new housing, it does help create a more diverse workforce and employment base in the area and will create a more appealing pedestrian environment in and around the plaza. Due to its location and the circulation system established by the placement of the arcade, doors, and elevators in relation to the surrounding sidewalks, trails, and transit centers, the proposed development will encourage employees and residents to walk, bike, or take transit to the site.

In accordance with the Sector Plan vision for the most intense density and highest buildings being located at the center of the Metro Core area, the proposed development is maximizing both density and height. Although below the density limit allowed in the CBD-3 zone, the project conforms to the recommended density of development of a 4 FAR for the area containing the Metro Center block, as discussed in detail in the Sector Plan Analysis section above. And in keeping with the urban context and similar building relationships throughout the CBD, the height and density are compatible with adjacent buildings and uses. As required by the zone, certain facilities and public amenities are provided to ensure that the area can support this intensity of development.

- (c) *Because of its location, size, intensity, design, operational characteristics and staging, it would be compatible with and not detrimental to existing or potential development in the general neighborhood.*

The location is optimal for as much intensity of use and density as are found to be compatible with the context, i.e., given the recommendations for the most density being located at the center of the Metro Core, the proposed development must be designed so as not to adversely affect adjacent buildings and uses. To this end, the architecture has been designed to contrast with the surrounding building types thereby providing interest and diversity, while being sensitive to the impacts on light and air to the Clark building and pedestrian spaces to the

north. Currently, the plaza has an overwhelming sense of scale and no visual edge to the north or east, which the proposed building ameliorates by increasing the sense of enclosure in keeping with the typical uses that will occur in the space. Outdoor rooms are like interior rooms and need walls to provide a psychological sense of security and comfort. As the Sector Plan says:

“Open spaces in an urban setting are defined by building edges: the taller the building edge within recommended limits, the stronger the sense of visual containment. Good spatial definition is important to achieving a comfortable sense of human scale and proportion.”

And because the footprint of the proposed building is virtually identical to the existing building's footprint, the proposal maintains the existing amount of open space, while it better defines that space and provides an edge to the Plaza. The enclosure provided by a taller building creates a better sense of scale for the plaza and will make it more amenable to a variety of activities. The activation of uses visible from the street and new, well-designed connections through the space will provide a variety of benefits to the neighborhood, such as providing a space for enjoying music, movies, and fairs and providing better signage and green space.

The operational characteristics will not change for loading, service vehicles, or auto and transit users, but will put more people in the plaza and on the sidewalks around the site. This will only enhance the viability of nearby retail, restaurant, and service-oriented businesses.

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

A draft traffic management agreement has been submitted by the Applicant and will be finalized during the preliminary plan amendment review process. Other public facilities exist on site and no expansion or renovation of these services will be required to be completed by the County. Further, requirements for public safety and fire will be minimally impacted due to the nature of the land use and the fact that on-site security will be used by the Applicant. As the traffic study has shown, the project does exceed the critical lane volumes at two intersections, but these will be addressed through the Local Area Transportation Review and the Policy Area Mobility Review to mitigate trips and make improvements as necessary at the time of review of the preliminary plan amendment.

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

A standard method project would only allow a 3 FAR for nonresidential projects on this site. Further, the requirement for public amenities would be removed and the public use space requirement would be reduced by one-half. Because infill development and density at transit hubs is a core value of smart growth and given the number and quality of public amenities

being proffered, the optional method of development is much more desirable and more efficient for this particular site.

- (f) *The proposal will include moderately priced dwelling units in accordance with Chapter 25A of this Code, if the requirements of that chapter apply.*

The proposed development does require MPDUs because it does not provide any residential uses.

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

The proposed development is located on one existing lot and does not propose any open space or density transfers.

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

The project is exempt from the requirements of the forest conservation law.

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

The project is exempt from Chapter 19 water quality resources protection requirements.

## **RECOMMENDATION AND CONDITIONS**

Approval of project plan 920070070 subject to the following conditions:

1. Development Ceiling

The proposed development is limited to an additional 235,371 square feet of gross floor area.

2. Building Height and Mass

The proposed development is limited to the building footprint as delineated in the project plan drawings submitted to MNCPPC dated January 17, 2008 unless modified at site plan review and to 200 feet in height as determined by the Department of Permitting Services approved building height measurement point.

3. TRANSPORTATION

- a. At the time of preliminary plan amendment, the Applicant must satisfy Local Area Transportation Review (LATR) by reconfiguring the right-turn lane on

westbound East-West Highway (MD 410) at its intersection with Wisconsin Avenue (MD 355) and Old Georgetown Road (MD 187) to provide for a combined right-turn and through lane. The Applicant must provide the associated changes to the curbs, signs, traffic signal installation, and pavement markings as required by the Maryland State Highway Administration (SHA) and the Montgomery County Department of Public Works and Transportation (DPWT). The Applicant must complete the proposed improvement and open it to traffic prior to release of any use and occupancy permit. If the improvement is not required to be completed by SHA at the time of building permit, the Applicant must provide funding for this improvement in a SHA "Intersection Capacity Improvements" project under its "Safety, Congestion Relief, Highway and Bridge Preservation Program" so it can be implemented when the increased traffic warrant its implementation.

- b. At the time of preliminary plan amendment, the Applicant must provide a draft Traffic Mitigation Agreement with the Planning Board and DPWT to satisfy the traffic mitigation requirements for the *Bethesda Central Business District (CBD) Sector Plan* by participating in the Bethesda Transportation Management Organization (TMO) in perpetuity. The Agreement must be signed and *executed by all parties prior to certification of the site plan*. A Trip Reduction Program may also satisfy a portion of the Policy Area Mobility Review (PAMR) by mitigating for 15 years a minimum of 30 new peak-hour trips within the weekday morning (6:30 to 9:30 a.m.) and evening (4:00 to 7:00 p.m.) Peak periods that are generated by the proposed commercial redevelopment. The draft Trip Reduction Program must identify the measures to reduce peak-hour vehicular trips and include them in the Traffic Mitigation Agreement. The measures must be feasible and agreed upon by Transportation Planning and DPWT.
- c. At the time of preliminary plan amendment, the Applicant must dedicate additional right-of-way for truncation at the corner of Wisconsin Avenue and Old Georgetown Road.
- d. At the time of preliminary plan amendment, the Applicant must dedicate and additional 2.5 more feet of right-of-way for the required 25 feet from the centerlines of North Lane and East Lane.
- e. The Applicant must provide the following pedestrian and transit improvements for the bus circulation, bus bay, and the Kiss-and-Ride areas at preliminary plan amendment:
  - i. Confirm and show on the plan the fact that no elevator access/egress is being proposed in the middle median on the bus circulation level.
  - ii. Show on the plan the crosswalk and handicapped ramps across Edgemoor Lane at the access points of the bus bays and the parking garage. Show on the plan clear delineation for pedestrians and motorists at these two adjacent access points.
  - iii. Ensure that the improvements in the bus circulation/bay areas and the Kiss-and-Ride area are consistent with WMATA's Station Site and Access Planning Manual, March 2007.
- f. The applicant must provide details for the following pedestrian and transit improvements at site plan amendment:

- i. Enhance lighting for the Kiss-and-Ride area to be consistent with the standards for these facilities, such as those outlined in Planning and Urban Design Standards, American Planning Association, 2006 (page 474) or in the Roadway Lighting Design Guide of the Association of American State Highway and Transportation Organization's (AASHTO).
- ii. Revitalize the bus bay area to be a pedestrian friendly environment and to enhance the area's aesthetics so that transit users feel safe and comfortable.
- iii. For the improvements above, continue to work with the Montgomery County Planning Department, DPWT, Division of Transit Services (Ride-On), WMATA, and the Bethesda Urban Partnership regarding all improvements to the bus circulation level.
- g. The Applicant should relocate the proposed bike racks in the redesigned plaza to be in a more visible and prominent area, and the alternate bike station should be on the Metrobus level near Edgemoor Lane. These identified new locations must be approved by Transportation Planning staff at the time of site plan amendment.

#### 4. Public Use Space

- a. The Applicant must provide a minimum of 39% of the net lot area for on-site public use space and a minimum of 28% of the net lot area for on and off-site public amenity space. The final design and details will be determined during site plan review.
- b. The proposed public use space must be easily and readily accessible to the general public and available for public enjoyment.
- c. The Applicant must provide new plantings, water features, artwork, paving, and other features in general conformance with the illustrative landscape plan depicted in the staff report.
- d. The Applicant must present the plaza design and public artwork to the art review panel for comment prior to approval of the site plan amendment.

#### 5. Staging of Amenity Features

- a. The proposed development will be completed in one phase. A detailed development program will be required prior to approval of the certified site plan.
- b. The Applicant must complete the on-site plaza improvements prior to issuance of use-and-occupancy permits unless modified by the site plan development program.
- c. The Applicant must install the landscaping no later than the next growing season after completion of the building and plaza.

#### 6. Maintenance and Event Management Organization

Prior to issuance of use-and-occupancy permits, the Applicant will create and implement a program management schedule for events to be held at the on-site plaza and a maintenance plan for all on-site public use space unless an alternative arrangement is made with the Bethesda Urban Partnership (BUP) or another entity.

#### 7. Coordination for Additional Approvals Required Prior to Preliminary Plan and Site Plan Approval

- a. The Applicant must obtain written approval from the Montgomery County Department of Transportation (DPT) and the BUP for the final design and extent of any and all streetscape improvements within the rights-of-way.
- b. The Applicant must obtain written approval of WMATA for all improvements to the bus facility.
- c. The Applicant must present preliminary and final public art and amenity concepts to the Art Review Panel prior to approval of the site plan amendment.

## **APPENDICES**

Numerous legal filings and supporting documentation have been placed into the public and administrative record. These are available upon request for review at the M-NCPPC offices at 8787 Georgia Avenue in Silver Spring, Maryland.

Appendix A: Sector Plan Conformance – Citations & Maps

Appendix B: Excerpt from the 1976 Bethesda CBD Sector Plan

Appendix C: Public Correspondence Received



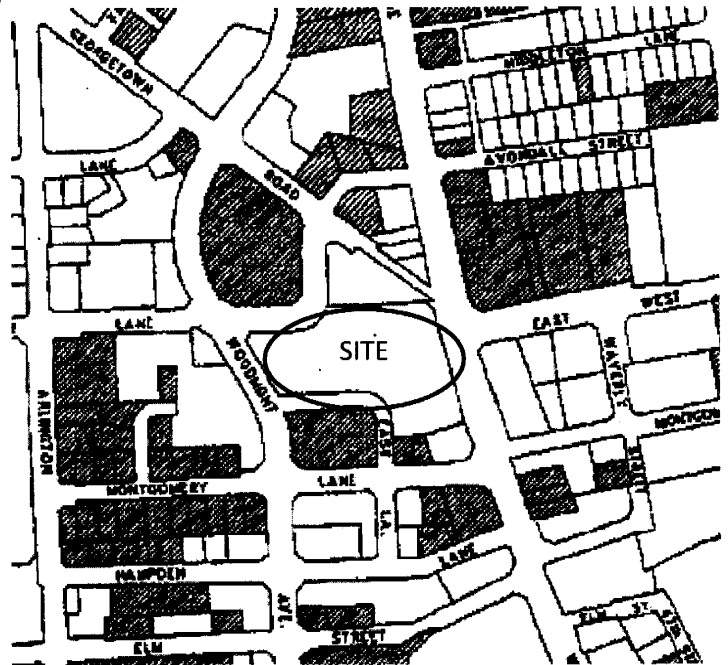
## APPENDIX A

## 4 Bethesda Metro Center and Conformance with the Bethesda CBD Sector Plan

### 1. Maps

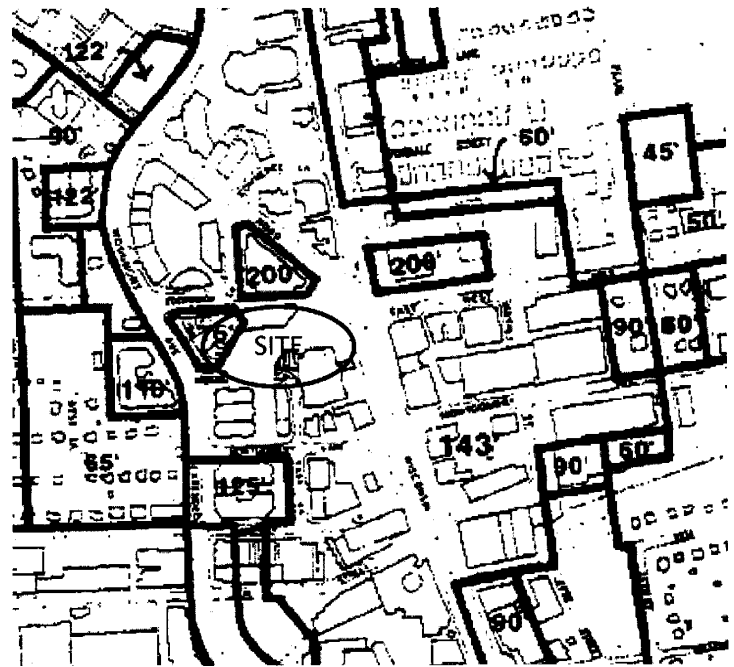
#### a. Redevelopment Potential, Figure 2.5, Page 24

- Site is not indicated as having redevelopment potential.
- Map is based on 1976 Sector Plan's recommended zoning. (page 23)
- "The criteria for determining redevelopment potential reflect both the technical standards of the zone and assumptions concerning decisions by property owners". (page 23)



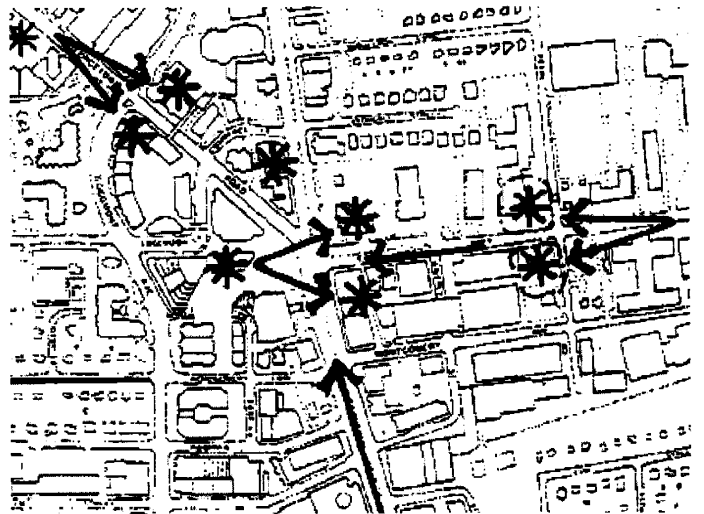
#### b. Building Height Limits, Figure 3.2, Page 39

- Footprint of existing Food Court is within 143' limit.
- Adjacent buildings are limited to 200', 175', and 143'.
- A staff report, dated August 29, 1988, for an amendment to Bethesda Metro Center (819880450) recommended the approval of a plan with 195' indicating that a 200' height was earlier, "Approved by the Planning Board as not adversely affecting surrounding properties."
- Newland's Building is 200' from Montgomery Avenue (scaled from Pictometry).
- Original Newland's approval stated that, "Since the Lorenz [Newland's] Building has been designed to continue the 'cornice' line set by Bethesda Metro Center, which measured its 140' from a higher point on Woodmont Avenue, the staff believes that this variation is acceptable under the guidance of the Sector Plan". Both Buildings have since been built basically to the maximum allowed by the development standards.
- Development standard: 200' maximum height, "If approved by the Planning Board in the process of site plan ... as not adversely affecting surrounding properties."
- The map is generally contradicted by other statements in the Sector Plan, such as "The major center has developed at [the Metro Center] where the Metro station and the tallest buildings are found". (page 37)



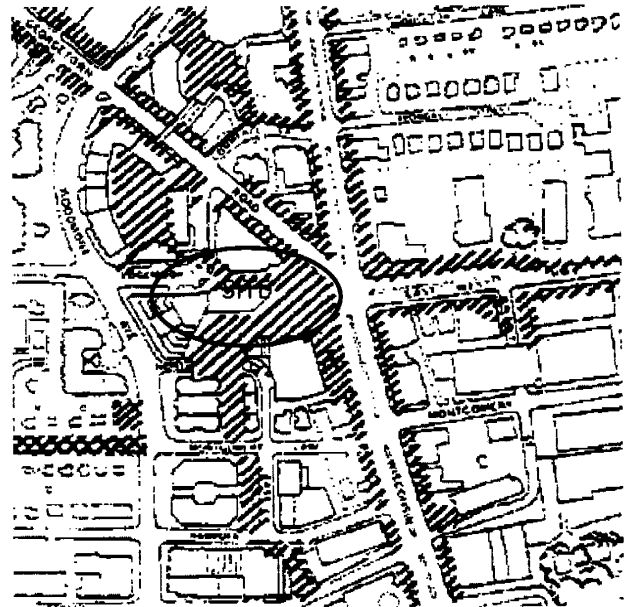
**c. Views and Focal Points, Figure 3.3, Page 41**

- Food Court building is indicated as a Primary Focal Point with views towards and away from plaza area.
- “Strengthen the existing urban form by improving and reinforcing the districts and transitional areas, open space and gathering places, landmarks and focal points”. (page 36)
- “Design new buildings that respond to views and vistas within the CBD to create focal points and landmarks that improve the orientation and strengthen the perception of existing centers”. (page 40)



**d. Open Space Concept, Figure 3.5, Page 45**

- Urban open space is indicated around entire footprint of the Food Court building and the existing plaza between the Metro Center buildings.
- Food Court building is not indicated as part of the open space plan nor as part of the plaza.
- Plan preserves open space in a virtually identical area.
- “Open spaces in an urban setting are defined by building edges: the taller the building edge within recommended limits, the stronger the sense of visual containment. Good spatial definition is important to achieving a comfortable sense of human scale and proportion”. (page 47)



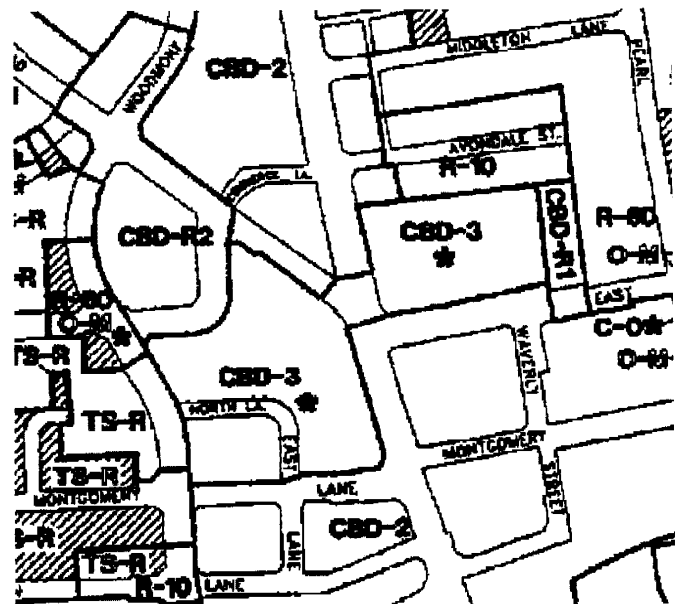
**e. Pathways and Places, Figure 3.7, Page 48**

- Site is indicated as the Major Destination in the CBD with the Discovery Trail running through the site and Primary Pedestrian and Vehicular routes surrounding the site.
- The Discovery Trail currently has no signage or indication of its existence.
- The surrounding sidewalks to the east, north, and west have little retail or service activation – this is an office-oriented place.



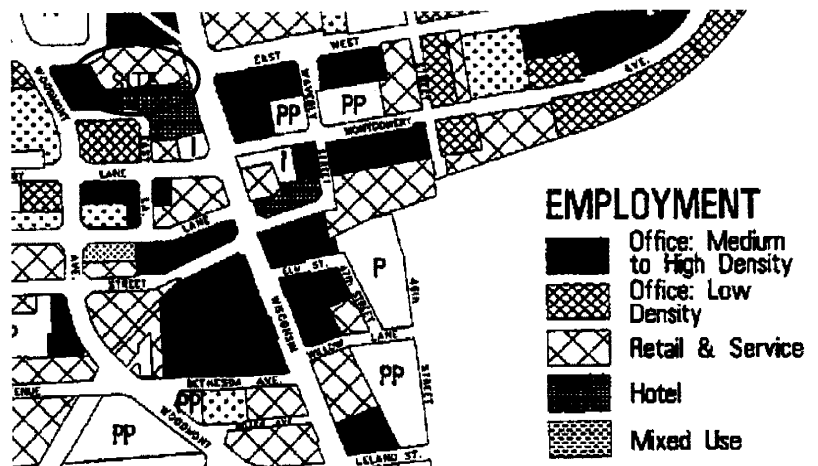
**f. Zoning Plan, Figure 4.3, Page 54**

- Site is recommended CBD-3, with density limits.
- “In the block containing the Metro Center, individual properties should be permitted to develop under the CBD-3 optional method, provided that the overall density of the area retains an average of 4 FAR, including streets, open space, and public facilities.” (page 61)
- “The Metro Core District should be ‘infill’ in nature.... Reinforce Metro Center as the focus of urban activity. Maintain a compact development with the tallest buildings concentrated in the center.” (page 61)



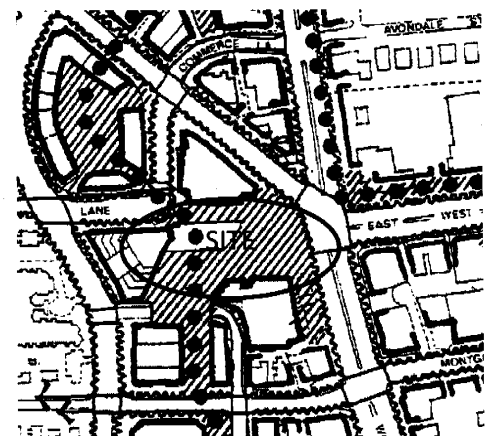
**g. Metro Core District: Future Land Use, Figure 4.5, Page 59**

- Area covering Food Court footprint and surrounding sidewalks is indicated as “Retail & Service”. No “Open Space” is indicated on map, although it is listed in the key. The map actually connects the “Office: Medium to High Density” area to the “Hotel” area.
- “The land use recommendations for the Metro Core District emphasize employment land uses.” (page 58)
- “Locate additional stores within the inner plaza areas that have good street visibility or connect with other retail space to form a continuous line of retail uses to help animate the plaza.” (page 63)
- The “Retail and Service” category is characterized as including, “retail or service businesses on the ground floor of a building with less than 2 FAR up to three floors.” (page 55)



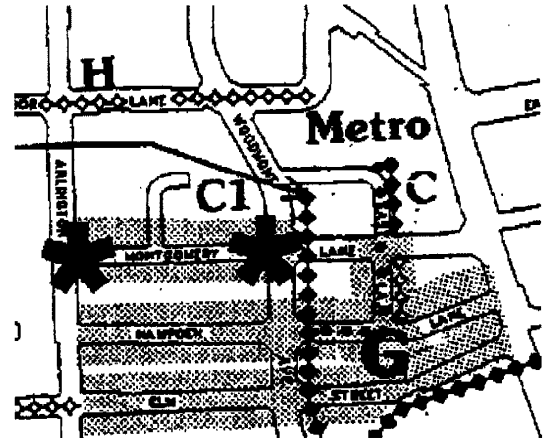
**h. Metro Core District: Urban Design Guidelines, Figure 4.7, Page 62**

- Site is indicated as primarily open space with well defined building lines, but the Food Court does not seem to be considered a definitive building edge. Neither is it within the symbolized open space. The discovery trail moves directly through the Food Court – maybe an interesting idea for the building: an art walk/arcade through the first floor! (See attached sketch.) Primary Pedestrian Paths surround the property.
- The proposal maintains open space, office building footprints, and creates a space-making edge with the old Food Court footprint; the Discovery Trail will be enhanced, signed, and enlivened; the plaza will become greener, more colorful, and more useful/productive with an active amenities program; the sidewalks will be enhanced as will the bus terminal.



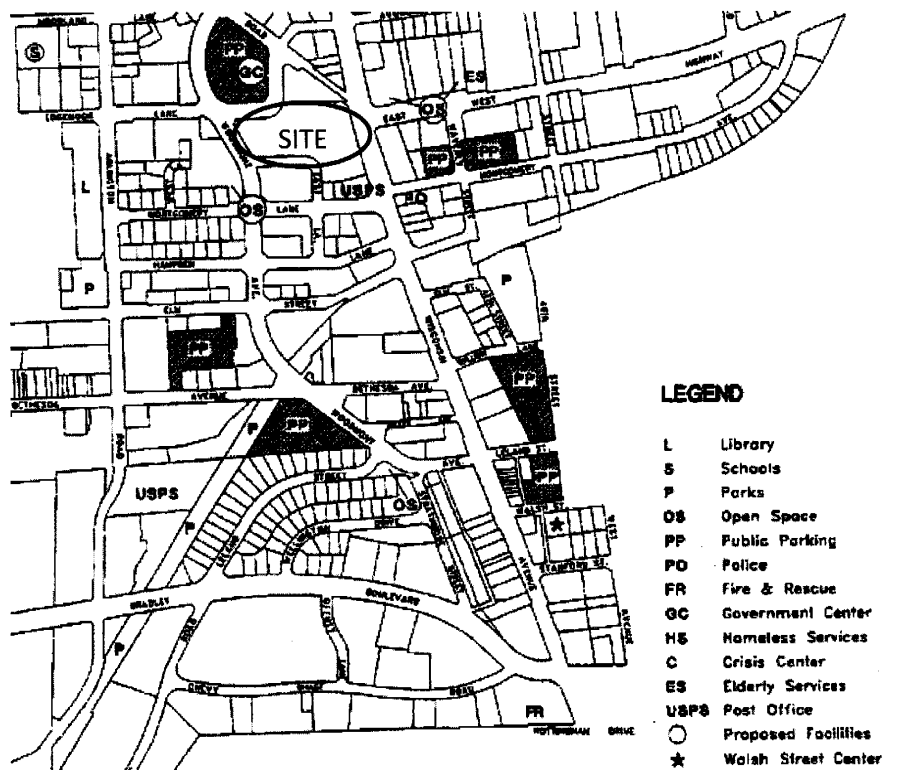
**i. Bicycle Network Plan, Figure 5.5, Page 158**

- Site maintains Class 2 bike route and pedestrian route to Metro on Edgemoor Lane.
- East Lane will be maintained as a “Biker Friendly Area”.



**j. Existing and Proposed Community Facilities Map, Figure 8.1, Page 216**

- Site is not indicated as “Open Space”, “Park”, or any other type of community facility.



## 2. General Sector Plan Goals (pages 3-4)

### a. Downtown

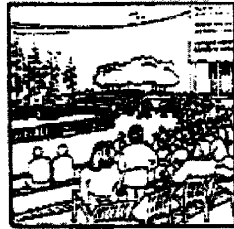
Realize the vision of Bethesda as a diverse and lively downtown for Bethesda-Chevy Chase. Continue well-designed redevelopment within the Metro Core and reinforce the physical character and varied activities of districts radiating out from the Core so that each district has a distinct identity yet is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

- “Approve optional method projects that provide or contribute to public benefits such as cultural facilities, open spaces, or other public gathering places identified in the plan.” (page 29)

### b. Urban Form

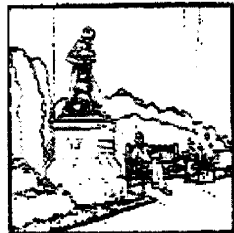
Encourage infill development that complements the underlying physical form of Bethesda. Create a high-quality built and pedestrian environment, including a network of pathways and open spaces. Enhance Bethesda's commercial and residential districts with improvements appropriate to the character of each.

- “Encourage new development and redevelopment that follows the guidelines for urban form, open space, streets, and pathways.” (page 28)
- “Achieve an infill character for new development by dividing large projects into several buildings, which will achieve an urban form with a “fine grain” versus a “course grain” created by larger single structures.” (page 40)
- “Treat rooftops as sculptural elements that contribute to the visual interest of the skyline.” (page 40)
- “Allow a diversity of architectural styles that achieve good building proportions, reduce the sense of bulk, and maintain human scale. Clearly identify the building entrance in the façade design and locate it a street level.” (page 40)
- “Locate open space in a manner that achieves easy access and good visibility from the street so that open space is perceived as public.” (page 47)



### A. GENERAL OBJECTIVES

1. Strengthen the existing urban form by improving and reinforcing the districts and transitional areas, open spaces and gathering places, landmarks and focal points.



2. Reinforce Bethesda's sense of community by encouraging attractive environments that refer to Bethesda's cultural heritage and emphasize the more recent design themes of Bethesda as a “garden” and a “cultural district.” Encourage use of local building materials, such as the Bethesda stone.

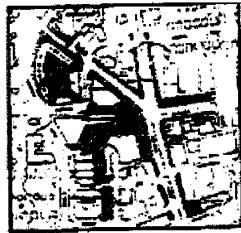


3. Provide street-activating uses, such as retail stores with storefront display windows or building entrances. Activating uses help promote a safe, interesting, and lively environment.





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



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



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

- “Design buildings to avoid undesirable environmental impacts on adjacent open spaces and other properties.” (page 47)
- “Locate street level, activating uses such as storefront retail, restaurants, or office building entrances next to existing and future open spaces to encourage use.” (page 47)

#### c. Housing and Neighborhoods

Encourage and maintain a wide range of housing types and neighborhoods in and around Bethesda for people of all incomes, ages, lifestyles, and physical capabilities, in keeping with County goals. Provide an adequate supply of housing, including affordable units, to reinforce Bethesda as a place to live as well as work. Protect adjacent neighborhoods from commercial intrusion, undue traffic, and environmental degradation.

- “Create opportunities to build a sense of neighborhood through providing community facilities and public meeting spaces in new development, where people can gather.” (page 31)

#### d. Employment

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

- “There are numerous benefits to continuing employment growth in Bethesda. Jobs with Metro access will be available to a wider pool of employees, making efficient use of a multi-billion dollar transit system, while decreasing traffic congestion and air pollution from drive-alone commuters.” (page 27)
- “Encourage street oriented retail where it would extend the existing retail environment, particularly along the Wisconsin Avenue Corridor. Retail space is not supported in parts of buildings with low visibility and is not needed in all new projects.” (page 32)
- “Locate retail directory maps for each district at key locations, such as the Metro station, public garages, and other gathering spaces.” (page 33)

### **e. Community Character**

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

- “Support optional method amenities that strengthen the cultural resources of Bethesda, both historic and arts-related and that may well serve as anchor activity centers.” (Page 36)
- “Explore a range of other incentives to encourage the provision of cultural facilities and activities. For example, a review of the zoning ordinance requirements for optional method amenities may yield creative new possibilities to encourage cultural features.” (page 36)

### **f. Circulation**

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

## **3. Metro Core Recommendations**

### **OBJECTIVES**

1. Strengthen the Metro Core as the center of Bethesda, with greatest emphasis on and around the Metro Center and plaza.
2. Increase the choices and activities in the Metro Core associated with retail, restaurants, cultural programming, open space, and pathways.
3. Develop a compact core that places the highest intensity in the center, provides distinctive infill buildings, and steps down to lower densities and heights near the edge of the district.
4. Emphasize employment near Metro transit to complete Metro Core development.

### **a. Land Use**

- “Concentrate high-density office development in the Metro Core and allow lower-density infill development along with housing in other districts.” (page 27)
- “Encourage primarily office development in the Metro Core to maximize the number of jobs created.” (page 27)
- “Focus the highest densities within the Metro Core District to achieve a tightly configured center....” (page 40)
- “The Metro Core District should be ‘infill’ in nature and all development should follow the general Sector Plan urban design objectives and principles....” (page 61)

### **b. Urban Design**

- “Step down building heights from the Bethesda Metro Center properties to achieve desirable and compatible transitions to adjacent areas.” (page 40)
- “The Metro Core District, consistent with adopted planning principles, has the tallest buildings. Building heights step down from the 200-foot Clark Building to the surrounding 143-foot heights allowed in the CBD-2 Zone.” (page 57)

#### 4. Block & Site Recommendations

- a. Locate additional stores within the inner plaza areas that have good street visibility or connect with other retail space to form a continuous line of retail uses to help animate the plaza areas.
  - b. Remove existing physical barriers to pedestrian circulation and retail visibility, especially within the inner plaza. Increase outdoor seating.
  - c. Improve visibility of the existing food court by modifying building entrances, facade treatments, and lighting in a manner compatible with the surrounding buildings.
  - d. Improve the overall attractiveness of the Main Plaza by retrofitting the existing sculpture at the Metro escalator, "Rainbow Forest," to achieve a more colorful and kinetic piece.
  - e. Add more greenery and seasonal flowers to the area around the Metro fountain and seating areas on the main plaza in a manner that does not restrict visibility to retail areas or the food court.
- a. "The Plan recommends that conversion of poorly located retail space in the interior of Metro Center 3, to office uses be considered in exchange for various recommended improvements. Additional improvements to the existing Metro Center could help achieve a greater focus of activities, a better sense of community, and a more attractive open space." (page 61)

## APPENDIX B

## CORE AREA PLAN

The Core Area (see Figure 13) extends from Cheltenham Drive on the north to Bethesda Avenue/Willow Lane on the south; it is bounded on the west by Woodmont Avenue and extends to the east CBD boundary. The Core includes the METRO Center, which is recommended for CBD-3 zoning, and also embraces all of the area proposed for CBD-2 zoning. The need to expand business space has become characteristic of the growing economy in Bethesda, as well as that of other suburban business centers. How to accommodate this growth efficiently, gracefully, and with concern for human values is the challenge which the urban design element of this Sector Plan proposes to resolve.

The urban design plan for the Bethesda Core Area places great emphasis on the sensitive design of building elements and the linkages between them, the open space around buildings, and the network of pedestrian facilities which provides access to the various elements within the Core. In essence, the design plan relates users and activities to one another within the urban setting which surrounds them.

### - METRO Center

The METRO Center, an area of approximately 5.95 acres, is bounded by Woodmont Avenue, Montgomery Lane, Wisconsin Avenue, and Edgemoor Lane relocated. The CBD-3 zoning recommended for the METRO Center encourages highest densities at the point of greatest accessibility. The surface area to be acquired by WMATA for the transit station site is approximately 2.76 acres in size and extends south from the present line of Edgemoor Lane to North Lane and the post office and between Wisconsin Avenue and a line slightly to the east of the proposed Woodmont Avenue extension. The remainder of the Core Area is indicated for the lesser intensity allowed under the CBD-2 Zone.

Montgomery County owns a portion of the property in the METRO Center. It is one of the major objectives of the County Council to encourage and to attempt to achieve coordinated intensive development of that strategic space, with public or private uses in any combination. The County Government has indicated willingness to cooperate in an effort to secure land that will result in attractive and profitable development for that area.

The illustrative urban design scheme depicted for the CBD-3 area in this Sector Plan (see Figure 14) will achieve a reasonably compact development, yet will provide for a generous amount of public amenity open space (approximately 55 percent). The illustrative urban design scheme produces a floor area ratio (FAR) of about 3.6. When considering the area as a whole, this is a logical average density, whether publicly or privately developed. In the absence of complete assembly by the County, individual properties should be permitted to develop under the CBD-3 Optional Development Method, provided that the overall density of the area is kept to an average FAR 4, including streets, open space, and public facilities.

Adequate open space in urban areas is a crucial factor in facilitating the interrelationships of people to people, people to natural environment, and people to man-made environment. These relationships should be accomplished with grace, dignity, and a minimum of stress.

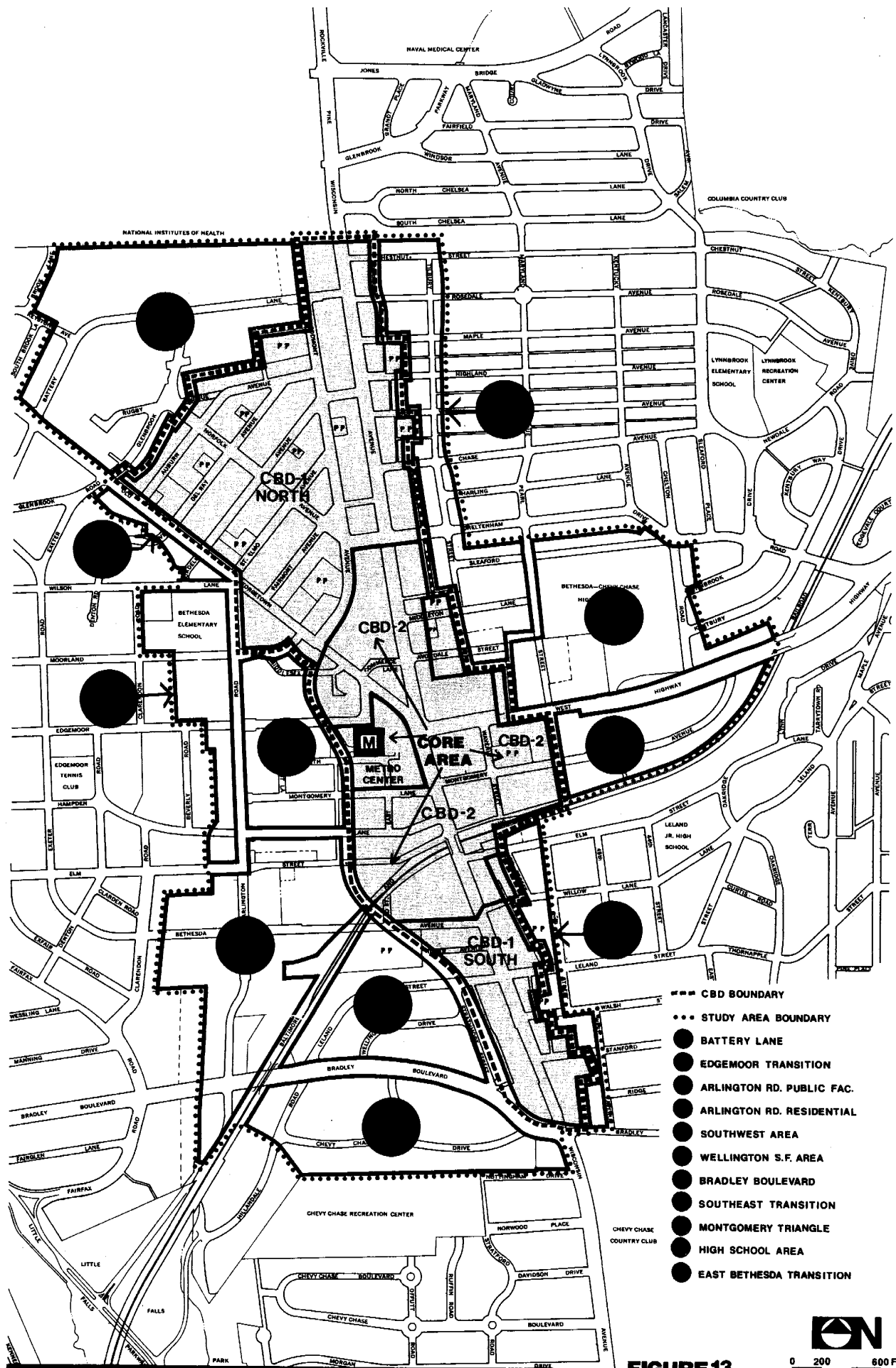
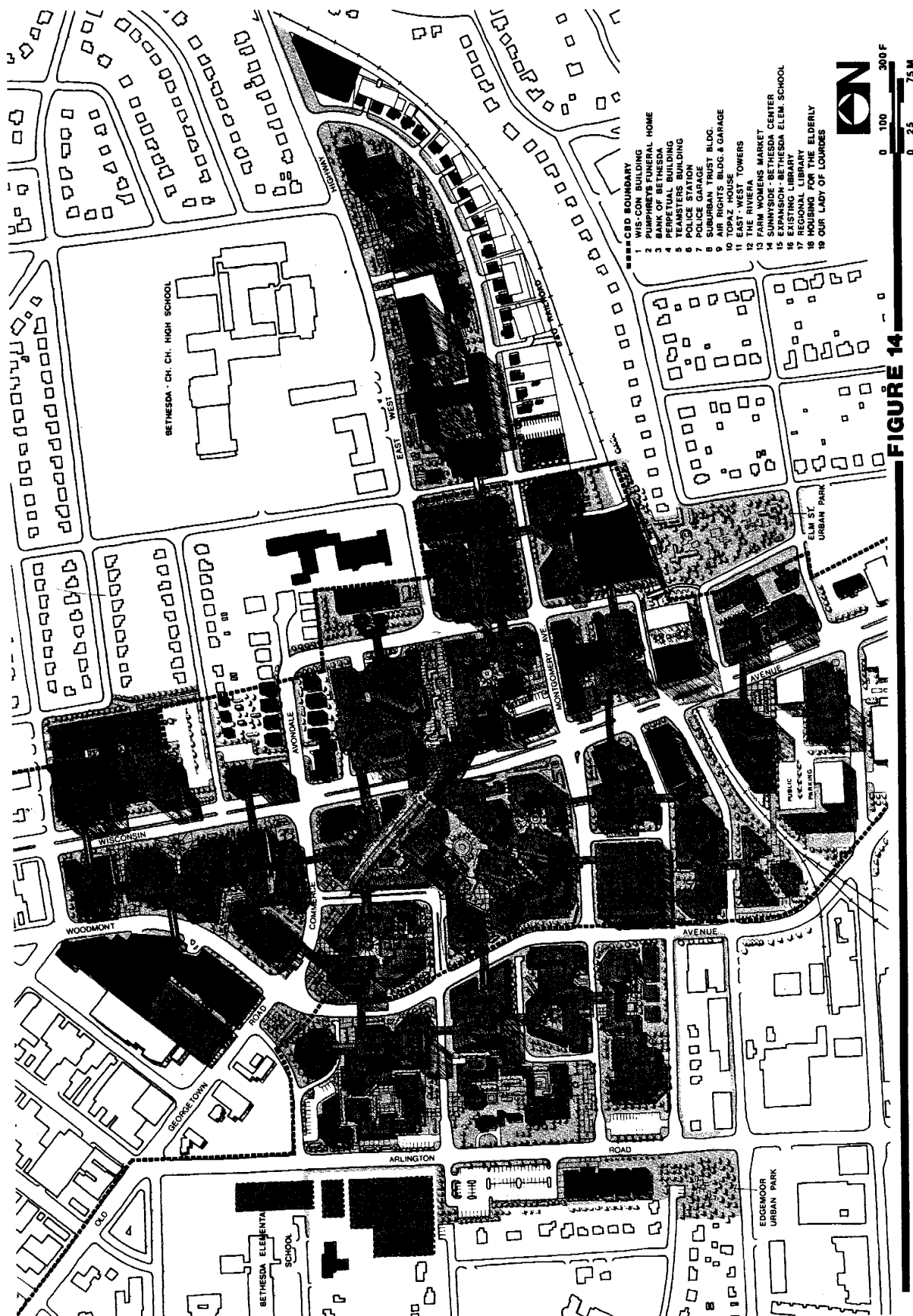


FIGURE 13

# BETHESDA CBD

## Analysis Areas





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Improvement of the man/nature relationship demands a concerted effort to provide settings in which man can enjoy sky, sun, trees, grass, and water at a human scale. Urban spaces must be carefully designed to include elements of water and natural vegetation as a relief from the visual impact of concrete, brick, and stone. The improved relationship of man to the built-up environment depends heavily on the variety and richness of urban spaces provided. Movement through the major public spaces should be enhanced by a sense of surprise and discovery as narrower, intimate areas open up into spacious plazas of varying sizes and shapes. These plazas or "town squares" can create natural meeting places and can provide opportunity for public attractions, such as concerts, folk dances, fashion shows, and art exhibits.

Finally, the public spaces must be "people spaces," imaginatively designed to induce activities that will generate increased human interaction. Overhead weather protection, attractive directional signing, lighting, planting, paving, street furniture, and fountains are some of the amenities necessary to enliven these public spaces and attract people to the Core Area.

#### - Core Area Land Uses

In order to ensure an exciting, animated, "24-hour" CBD Core Area, it is the intent of the Sector Plan to encourage the development of an intense mix of urban elements and uses in a relatively small area.

In addition to the convenience retail and service shops normally required to serve office employees and residents, the Core should provide establishments, such as cafes, theatres, restaurants, a 24-hour drug store, private health or athletic clubs, and exhibition halls, to preserve life and vitality during evening hours. Some such facilities must be situated in proximity to the METRO portal to serve late evening travelers and give them a sense of activity and security.

It is further the intent of the Sector Plan to attract joint public/private financing of the major urban elements, such as air rights development over the WMATA facilities and overhead pedestrian crossings, as illustrated on Figure 14. The Plan will encourage retail and entertainment facilities largely at the ground level of selected major developments. These developments will generally occur in strategic locations in the various plazas located throughout the Core. The office functions will occur on the intermediate levels of the major buildings. Residential or hotel-motel facilities can then develop on the higher levels of major buildings, with rooftops devoted to recreation space for tenants and/or residents.

#### - Pedestrian Circulation in the Core Area

At a time when pollution, congestion, and lack of fuel are fast reducing the potential of the individual to drive into and around urban areas, the pedestrian circulation system is emerging as a vital element of any central business district plan. Even in areas dominated by the automobile, each trip by car or mass transit begins or ends as a pedestrian trip.

## APPENDIX C



Tom Wolf  
General Manager

Hyatt Regency Bethesda  
One Bethesda Metro Center  
Bethesda, MD 20814 USA

Tel: 301.657.6441  
Fax: 301.657.6440

September 21, 2007

Chairman Royce Hanson  
The Maryland-National Capital Park and Planning Commission  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Dear Chairman Hanson,

I understand that the "4 Bethesda Metro Center" project may be facing some opposition. Respectfully, I would like to contribute the following comments:

- Hotel environment – The project plans include improvements to the bus station which is presently in very poor condition and not consistent with community standards or sites where Hyatt is typically located. For many visitors it is the first and last impression of Bethesda and it's a very poor impression. Guests of the hotel make use of the bus station or pass through it to access the trains for trips to DC and National airport. The new building will also add up to a 1,000 new employees on the site and additional retail spaces on the plaza level enlivening the plaza and improving the environment surrounding the hotel.
- The new project will be located right at the Metro station and immediately adjacent to the Hyatt hotel and embraces the principles of smart growth, creating density at transit nodes and reducing dependence on the car.
- Benefits hotel business – an additional 290,000 GSF office building will generate increased demand for hotel services via conference facilities, restaurants and rooms. This in turn, will help offset some

of the NIH business, which has migrated to the Marriott Bethesda North Conference Center.

- The developer has successfully upgraded the existing plaza, by replacing two failing restaurants on the site with highly successful operations by Morton's and the Daily Grill and should be encouraged in this new project.

Chairman Hanson, for these reasons, the Hyatt Regency Bethesda would formally like to express our support of this initiative.

Thank you in advance for your positive consideration.

Yours truly,

(original signed)

Tom Wolf  
General Manager

# WASHINGTON SMART GROWTH ALLIANCE

July 16, 2007

Mr. David Cheek  
The Meridian Group  
3 Bethesda Metro Center, Ste. 610  
Bethesda, Maryland 20814

RE: 4 Bethesda Metro Center – Smart Growth Recognition

Dear Mr. Cheek:

We are pleased to inform you that the Smart Growth Alliance's Project Recognition Jury has recognized 4 Bethesda Metro Center as a Smart Growth Project Proposal.

The Smart Growth Alliance (SGA) is a partnership of the Urban Land Institute Washington, the Chesapeake Bay Foundation, the Greater Washington Board of Trade, the Coalition for Smarter Growth, the Metropolitan Washington Builders' Council and Enterprise Community Partners. SGA's mission is to research, identify and encourage land use, development and transportation policies and practices that protect environmental assets and enhance our region's quality of life. SGA's Recognition Program distinguishes development proposals that exemplify smart growth characteristics. Please note that this recognition comes solely from the Smart Growth Alliance, and should not be construed or communicated as coming from any of the six organizations individually.

## ALLIANCE PARTNERS

Chesapeake Bay  
Foundation

Coalition for  
Smarter Growth

Enterprise Community  
Partners

Greater Washington  
Board of Trade

Metropolitan Washington  
Builders' Council

Urban Land Institute  
Washington

The Alliance's Recognition Program evaluation criteria include project location, mobility and accessibility, density, design, diversity of uses, affordable housing, the environment, community assets, and public participation. The Recognition Jury meets quarterly to evaluate and select proposals that best meet the criteria.

The jury met on July 12, 2007 to review a number of projects including 4 Bethesda Metro Center. The jury carefully analyzed each project on the basis of specific information submitted with the application as well as independent research. Applying all of the SGA criteria, the jury agreed to recognize your project as a Smart Growth Project Proposal. The jury was pleased to see that the project will provide increased density where it is most appropriate and that the transit-oriented design will enhance the pedestrian environment for transit riders and members of the public. The proposed mix of office and retail uses for the project will complement existing residential and hotel uses in the area, and the unique design of the building will contribute to the sense of place and help make Bethesda Metro Center a recognized and desirable destination. The jury also viewed the commitment to obtain LEED certification very favorably.



July 16, 2007  
Page Two

The jury recognizes a project proposal based on the project's design as of the time of the jury's review and based on the information available to the jury at the time of review. The jury reserves the right to modify or revoke its recognition if the project changes so significantly that it no longer meets one or more of the SGA criteria. For projects at an early development approval stage, we encourage work by the developer and the public authorities to fully utilize the Smart Growth Recognition Program criteria as such design details are finalized.

We consider this letter confidential, and will not share it with anyone without your approval. You may, however, use this letter as you choose. If we can provide more support, such as by submitting comments to any of the public reviewing bodies, we would be glad to do so.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah A. Miness". The signature is fluid and cursive, with the first name being more prominent.

Deborah A. Miness  
Executive Director  
Washington Smart Growth Alliance



THE STEAKHOUSE.

RECEIVED  
1244  
OCT 15 2007

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

October 11, 2007

Chairman Royce Hanson  
The Maryland-National Capital Park and Planning Commission  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Re: 4 Bethesda Metro Center

Dear Mr Hanson:

Morton's opened its Bethesda location in January of 2005, replacing a failed restaurant on the Wisconsin Avenue façade of the Hyatt Regency at Bethesda Metro Center. Unlike our predecessor, our operation is successful and has become a great amenity for the hotel and the patrons drawn from the neighboring businesses.

The Meridian Group is planning to develop a striking sixteen-story high rise office building on the footprint of the present 3 story brown glass building that formerly housed a failing food court and some office space at Bethesda Metro Center. Morton's welcomes the new development as an opportunity to deliver a new focal point at the heart of the town, which will revitalize the plaza and, with up to 1,000 new employees on site, support local businesses.

The project makes good sense from many perspectives: it will replace a tired structure on the plaza, it is located on the Metro which will increase ridership and mitigate traffic congestion, it is located next to the Hyatt hotel where tenants and their clients can walk to conference facilities, restaurants and hotel rooms and the developer has committed to making changes to the dilapidated bus station.

In addition, the Meridian Group has proposed that the building be constructed to LEED Silver standards, meeting those requirements for recycling, energy efficiency and other environmental goals. It is hard to imagine a project more in keeping with the County's goals of Smart Growth than 4 Bethesda Metro Center. We ask that you approve the project

Sincerely,

Ned Mirkovic  
General Manager  
Morton's the Steakhouse Bethesda

One Bethesda Metro Center  
7400 Wisconsin Ave. • Bethesda, Maryland 20814

Phone: (301) 657-2650 • Fax: (301) 657-3677 • [www.mortons.com](http://www.mortons.com)

# Action Committee for Transit

www.actfortransit.org

P.O. Box 7074, Silver Spring, MD 20907

October 3, 2007

Mr. Royce Hanson, Chair  
Montgomery County Planning Board  
8787 Georgia Ave.  
Silver Spring, MD 20910

RECEIVED  
1194  
OCT 04 2007

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

Subject:     4 Bethesda Metro Center

Dear Mr. Hanson:

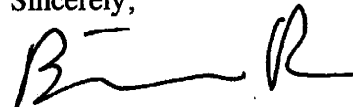
The Action Committee for Transit strongly endorses the proposed replacement of the empty food court above the Bethesda Metro with an office building. The proposed building is ideally located directly above the Metro, and it will make possible a badly needed upgrade of the station's heavily used bus terminal.

This project has a significance that goes beyond its own merits. In several ways, it exemplifies the directions that the Planning Board has outlined in its Growth Policy recommendations to the County Council:

- **Sustainability** - No new impervious surface and no new parking.
- **Urban design** - By creating a more appealing gateway to Bethesda for the thousands of commuters, shoppers, diners, and visitors who arrive daily by transit, it will help overcome the design mistakes that have driven activity away from the core of the CBD toward the Woodmont Triangle and Bethesda Row.
- **Modal balance in transportation** - Developer-funded capital improvements to the county's transportation network have been skewed overwhelmingly to roads rather than transit; this project begins to right the balance.

The growth of Metro commuting to jobs in Montgomery County is one of the few bright spots in our transportation picture. Over the last 12 years, the number of commuters arriving at Bethesda Metro during the morning rush hour has grown by 68%. Four Bethesda Metro Center would do much to continue this trend; it deserves your approval.

Sincerely,



Ben Ross  
Vice President

 **COPY**



October 30, 2007

The Honorable Royce Hanson  
Chairman  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Re: 4 Bethesda Metro Center Development – Project Plan No. 91992004B

Dear Chairman Hanson:

Thank you for the opportunity to comment on the 4 Bethesda Metro Center application. The staff of the Washington Metropolitan Area Transit Authority (WMATA) supports the Meridian Group's site plan amendment for 4 Bethesda Metro Center, which is pending approval by the Montgomery County Planning Board. WMATA transit stations represent unique development opportunities to incorporate transit-oriented development (TOD) principles. WMATA is interested in maximizing the development potential of properties at Metro stations, promoting Metro ridership and finding creative ways to improve our Metro stations. In that context, we are pleased to provide the following comments for your consideration.

4 Bethesda Metro Center will utilize the air rights above the existing food court in the central plaza of the Bethesda Metro Center complex, including a 250,000 square foot; 16-story office structure with retail/restaurant utilizing existing underground parking. In addition, ~~the proposed development~~ includes improvements to the outdoor plaza and to the Metro bus facilities below the plaza. This project adheres to many smart growth principles such as reducing auto dependency, fostering a pedestrian oriented walkable environment and creating active public spaces in an environmentally sensitive way. The 4 Bethesda Metro Center project is consistent with WMATA's goals of promoting TOD at our station and maximizing the investment in transit that has been made.

**Washington  
Metropolitan Area  
Transit Authority**

600 Fifth Street, NW  
Washington, DC 20001  
202/962-1234

By Metrorail:  
Judiciary Square—  
Red Line  
Gallery Place-Chinatown—  
Red, Green &  
Yellow Lines

By Metrobus:  
Routes D6, P6, B0, X2

A District of Columbia,  
Maryland and Virginia  
Transit Partnership

Mr. Royce Hanson  
Page 2

The Metropolitan Washington Council of government forecasts that 1.9 million people and 1.3 million jobs will be added to the region between 2002 and 2030. An important component of addressing the forecasted growth is to focus jobs and housing around Metrorail stations where infrastructure exists. WMATA is committed to its Joint Development program as a tool to address the influx of jobs and people that will come to the region in the next 20 years. The proposed 4 Bethesda Metro Center project, would accomplish these objectives by continuing to focus jobs where there is direct access to the Bethesda Metrorail station.

In addition to these Smart Growth objectives, from a transit ridership standpoint, the Bethesda station is a great example of places where we should be continuing to focus development. Providing commercial space outside the downtown core offers opportunities to 1) increase reverse commuting on Metrorail, which better utilizes existing underutilized rail capacity in a non-peak direction, and 2) mitigate crowding issues in the peak direction since some riders would exit to jobs before reaching the downtown core.

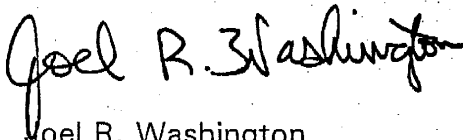
The project also provides a great opportunity to improve the physical facilities of the Metro station at no public cost. Specifically, the Meridian Group proposes to invest \$2 million in improvements to the existing bus facility. The bus service area is the gateway to Bethesda for people taking transit. Being designed when the system was in its infancy, this facility is in need of improvement. Improvements would be expensive and WMATA does not have the resources to make them. The Meridian Group's proposal includes improved lighting, special paving for pedestrian and rider waiting areas, architectural elements to enhance the station appearance, unified signage and wayfinding features, better street furniture, improved bicycle storage features and regular maintenance for the area. This investment supports WMATA's commitment to improve our facilities to provide high-quality transit service for our current and future riders.

Mr. Royce Hanson  
Page 2

In conclusion, WMATA supports maximizing the use of our land resources by placing development where it can be best served by transit while providing an economic return to help us achieve our overall mission.

The proposed 4 Bethesda Metro Center project accomplishes these objectives as well as offering several other important benefits including attracting new transit riders while continuing to maximize the impact and benefit of the transit investment that has been made. We appreciate the opportunity to comment on this proposed development. If we can provide any additional information regarding this project, please do not hesitate to contact me at 202-962-2616.

Sincerely,

A handwritten signature in black ink that reads "Joel R. Washington". The signature is written in a cursive, flowing style.

Joel R. Washington  
Director of Station Area Planning and Asset Management  
Department of Planning and Joint Development



Post-It® Fax Note	7671	Date	5/9/05	# of pages	1
To	Bob Metz	From	GARY EDERNICK		
Co./Dept.		Co.			
Phone #		Phone #	240-777-7154		
Fax #	301-654-2101	Fax #			



COUNTY EXECUTIVE

*David Cheek*

Douglas M. Duncan  
County Executive

Bruce Romer  
Chief Administrative Officer

May 4, 2005

Mr. Gary Malasky, Director  
Property Development and Management  
Washington Metropolitan Area Transit Authority  
600 Fifth Street, N.W.  
Washington, DC 20001

Dear Mr. Malasky:

This letter is to support the sale by the Washington Metropolitan Area Transit Authority of a fee simple interest in a portion of WMATA's property at the Bethesda Metro Center to the current tenant under the existing ground lease. I understand that the tenant has reached an agreement with WMATA on business terms to purchase in fee a portion of the property without any reduction in the ground rent for the duration of the lease.

The tenant is using this part of the site as a food court but has plans to develop a 192-unit condominium residential building. This proposal for high-density residential units at the Bethesda Metro Station is an excellent example of smart growth and is consistent with the County's goal of providing residential units at Metrorail stations.

We continue to support the joint development and smart growth efforts of WMATA and look forward to working together on this and other proposals that promote our mutual goals. If you have any questions or need additional information, please do not hesitate to contact me at 240-777-2513.

Sincerely,

*Jerry Pasternak*

Jerry Pasternak  
Special Assistant to the County Executive

cc: Gordon Linton, Metro Board Member  
Robert Smith, Metro Board Member





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OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

December 20, 2007

The Honorable Royce Hanson  
Chairman  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Dear Chairman Hanson:

I am writing you to add some information regarding the 4 Bethesda Metro Center Project that I did not include in my letter to you of October 30th. It has been brought to my attention that, while clearly laying out the grounds for WMATA staff support for the project, my October 30th letter neglected to describe the status of the project at WMATA in procedural terms. I would like to provide this information now so that you and MNCPPC staff are fully informed of the steps that remain from a WMATA decision-making point of view assuming you approve the project, and what additional opportunities remain for public comment and project refinement.

At present, WMATA staff has negotiated a contract agreement with Meridian that is predicated on Meridian obtaining approval from the MNCPPC for its project proposal. Following any action by the Planning Board that would permit the project to advance to the Site Plan stage, two events would be triggered at WMATA. First, WMATA staff would begin working with the Meridian team to prepare refined project documentation based on the Planning Board's action, to support review and action by the WMATA Board of Directors. Second, WMATA staff would evaluate the need for a WMATA Compact public hearing.

Compact public hearings are required when WMATA proposes introduction or removal of facilities or transit service, modification of existing transit service, or a major modification of facilities. This project, however, includes measures oriented predominantly towards transit patrons' experience of the bus facility, such that a compact public hearing would likely not be warranted. If a compact public hearing is ultimately held, a hearing report would be prepared for WMATA Board of Directors review as part of the larger package of information materials for review.

**Washington  
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Transit Authority**

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202/962-1234

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70, 71, 80, X2

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Dear Chairman Hanson  
Page 2

The public hearing process requires about five months, from the initial public notice of a planned hearing until approval of the action by WMATA's Board of Directors. In addition, after Board approval WMATA will seek approval from the Federal Transit Administration of the requested joint development agreement. FTA approval process may vary from two to four months depending whether a new appraisal is needed.

I hope that this additional information proves to be of assistance to the Planning Board in understanding the status of this project procedurally at WMATA.

Yours sincerely,

A handwritten signature in dark ink, reading "Joel R. Washington". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Joel R. Washington  
Director of Station Area Planning and Asset Management  
Department of Planning and Joint Development

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JAN 15 2008

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION



January 11, 2008

The Honorable Royce Hanson  
Chairman  
Maryland National Capital Park and Planning Commission  
8787 Georgia Avenue  
Silver Spring, MD 20910

Re: 4 Bethesda Metro Center Project Proposal

Dear Chairman Hanson:

Previous correspondence from my staff has communicated to you respectively, Metro staff's assessment of benefits to Metro from the 4 Bethesda Metro Center project presently being considered by the Planning Board, and a staff summary of Metro Board procedures that would be followed in order for the 4 Bethesda Metro Center project to receive approval by the Metro Board and, ultimately by the Federal Transit Administration.

This communiqué is to clarify the information previously shared regarding the project proposal. We were 1) outlining anticipated benefits to Metro, and 2) emphasizing that any changes to previously approved plans at the Bethesda Metrorail station would have to be reviewed and approved by the Metro Board of Directors.

If you need additional information or assistance please feel free to contact me directly - (202) 962-2730 or via email [nbottigheimer@wmata.com](mailto:nbottigheimer@wmata.com).

Sincerely yours,

Nat Bottigheimer  
Assistant General Manager  
Planning and Joint Development

Washington  
Metropolitan Area  
Transit Authority

860 Fifth Street, NW  
Washington, DC 20001  
202-962-1234

By Metrobus  
Routes 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000



February 27, 2008

Bethesda Metro Center Holdings, LLC  
c/o Robert R. Harris  
Holland & Knight, LLP  
3 Bethesda Metro Center  
Suite 800  
Bethesda, MD 20814

Re: 4 Bethesda Metro Center – Project Plan Application No. 91992004B

Dear Mr. Harris:

The purpose of this letter is to confirm our authorization to Bethesda Metro Center Holdings, LLC, an affiliate of The Meridian Group, to file and process an application to amend the existing Project Plan and Preliminary Plan of Subdivision for redevelopment of a portion of the property. Should you require any further information, please feel free to contact me.

Sincerely,

Joel R. Washington  
Director  
Station Area Planning and Asset Management

**Washington  
Metropolitan Area  
Transit Authority**

600 Fifth Street, NW  
Washington, DC 20001  
202/962-1234

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Gallery Place-Chinatown—  
Red, Green and  
Yellow Lines  
By Metrobus:  
Routes D1, D3, D6, P6,  
70, 71, 80, X2

Attachment

cc: Nat Bottigheimer, AGM, WMATA  
Charlie Scott, WMATA  
Carol O'Keeffe, WMATA  
Roger Berliner, Council Member, Montgomery County  
Andy Scott, MDOT



January 4, 2008

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

7500 Old Georgetown Road  
9th Floor  
Bethesda, MD 20814

T 301.654.6740  
F 301.656.4012

The Honorable Royce Hanson  
Chairman  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Dear Sir:

It has recently come to my attention that the Meridian Group is planning to build a 200 foot officer tower (4 Bethesda Metro Center) in front of our current office space. Should this tower be built, it will obstruct views from our existing space, reduce the amount of light coming into our offices, eliminate privacy, and reduce the overall appeal of the current space.

The CDM Group, Inc. is a tenant at 7500 Old Georgetown Road in Bethesda, Maryland. We are a government contractor supporting the Department of Health and Human Services (mostly NIH and SAMHSA). Our clients and visitors do occasionally include high level government-ranking individuals such as the Surgeon General or various Governor Spouses. They also include all other levels of government employees. Because of the importance of these individuals to our work, we felt it was important to choose a location that would provide convenience, amenities, and visual appeal to our clients as well as to our employees. We thought downtown Bethesda would accommodate all of these concerns.

In addition, the Clark Building had a special appeal to us for several reasons: they are next to the metro and the Hyatt Hotel; they offer additional amenities such as ample parking either within the building or nearby public parking; they offer meeting rooms to their tenants. These items are of interest to CDM because we often have meetings involving content experts around the country who need sleeping accommodations, eating areas, meeting spaces, and parking facilities.

Bethesda has been able to fulfill these requirements. However, should the additional office space be built what would happen to the parking situation, to hotel accommodations, and eating spaces?

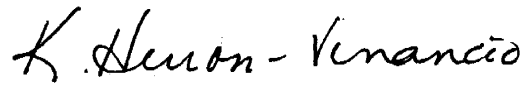
As a tenant who would be directly affected by this new building structure, we request that the Montgomery County Park & Planning Commission reevaluate its approval of such a plan and consider the concerns of the current commercial residents of downtown



Bethesda. We also invite you to come to our offices to see, first-hand, how such a tower would adversely affect our space.

Thank you for your time.

Sincerely,

A handwritten signature in cursive script, reading "K. Herron-Venancio". The signature is written in dark ink and is positioned above the printed name and title.

Kathryn Herron-Venancio  
President and CEO

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0028  
JAN 07 2008

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

421 Gaither Street  
Gaithersburg MD 20877  
2 January 2008

Dr Royce Hanson, Chairman  
Montgomery County Planning Board

Re: Bethesda Metro Center – Project Plan Application No. 91992004

Dear Dr. Hanson and Board members:

I am writing to support the plan to build this office building at the Bethesda Metro station. I note the ongoing need for more housing construction to better balance the jobs and housing opportunities in the Route 355/Metro corridor. However, I agree with the rationale given for constructing this office building at this location at this time. The proposed 16 story building at 4 Bethesda Metro Center uses more efficiently one of the sites closest to Metro. The building's height of 200 feet (the maximum in its CBD3 zone) is appropriate given its location in the center of the CBD immediately at the Metro entrance.

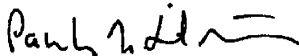
Housing construction has dominated in Bethesda in the last few years. The result is a shortage of office space for existing businesses that wish to expand. I understand this is the situation with several larger employers in Bethesda. It is certainly good environmental practice to keep these employers in downtown Bethesda rather than allowing them to move to an auto-dependent sprawl location.

Furthermore, we are impressed with the argument that Bethesda CBD occupies a unique central point on the red line. People find it worthwhile to ride from upcounty residences to jobs in the Bethesda, thus freeing up a seat for another rider to commute on to downtown DC. The same efficiency operates in the other direction in the evening.

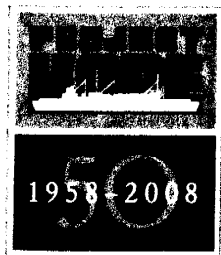
The developer's plan also provides several public amenities that would benefit the community, in particular the remodeling of the bus station and improving lower level pedestrian access to Metro. The improvements to the elevated plaza and reopening of retail at the plaza level would also be welcome.

For environmental improvements, the developer proposes to meet LEED silver standards. They also propose significant car traffic management, reducing peak hour trips by 30% from what is expected. The environmental standards and timely provision of the amenities should be binding conditions of the Board's approving this plan. A higher level of car trip reduction should be considered.

Sincerely,



Pamela Lindstrom



Project HOPE  
 Millwood, Virginia 22646  
 (540) 837-2100  
 Fax: (540) 837-1813  
[www.projecthope.org](http://www.projecthope.org)

January 10, 2008

**Board Officers**

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 Vice Chairman  
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**Steven B. Pfeiffer, Esq.**  
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**Deborah R. Iwig**  
 Vice President and  
 Chief Financial Officer


The Honorable Royce Hanson, Chairman  
 Montgomery County Planning Board  
 8787 Georgia Avenue  
 Silver Spring, MD 20910

Dear Sir:

We at Project HOPE, the tenants of 7500 Old Georgetown Road, Suite 600, Bethesda, Md., are extremely concerned about the proposal to build a new 16-story building in an area that is already experiencing traffic congestion and a parking shortage. The area parking garages are currently so full that whenever there is a large function in one of the area hotels, which is often, daily commuters with monthly parking accounts have nowhere to park. With a bus terminal and the Hyatt parking garage already located under the proposed construction site, there is no space to accommodate the influx of vehicles a new office tower would bring. The current construction of residential high-rise buildings in the area, along with the impending relocation to Bethesda of Walter Reed Army Medical Center (WRAMC), will bring area traffic to a halt, as noted in the following excerpt from the NIH Record. *"In any event, between 2,500 and 4,000 workers are expected to be added to the existing NNMC and tenant staff of 7,500. In addition, NNMC outpatient visits are expected to double to about 4,000 per weekday. Given existing peak-hour congestion on the Beltway and local roads that surround NIH, the governor's BRAC sub-cabinet and Montgomery County's BRAC implementation committee has identified increased traffic congestion as a major impact."* [[http://nihrecord.od.nih.gov/newsletters/2007/12\\_14\\_2007/story3.htm](http://nihrecord.od.nih.gov/newsletters/2007/12_14_2007/story3.htm)]

Also, open space is at a premium in the Bethesda area, and with new condominiums and office buildings being constructed at an alarming rate, it is imperative that we protect and preserve the few open, public spaces that are left. The Bethesda Metro Center plaza in particular, provides a central location for residents and visitors to gather for dances, concerts and cultural events that give downtown Bethesda a strong sense of community, and make it an attractive place to live, to work, to visit, and to discover and patronize the hundreds of local businesses that have enabled Bethesda to thrive.

Sincerely,

  
 Estella Mobin  
 Office Manager

CC C. William Fox, Jr., M.D., COO  
 J. Robinson, Ph.D., V.P. Health Affairs

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 JAN 16 2008

OFFICE OF THE CHAIRMAN  
 THE MONTGOMERY COUNTY PLANNING BOARD  
 PARK AND PLANNING COMMISSION



**Maryland Department of Transportation**  
The Secretary's Office



Department of Business &  
Economic Development

**Martin O'Malley**  
Governor

**Anthony G. Brown**  
Lt. Governor

April 10, 2008

Dr. Royce Hanson  
Chairman  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

RE: *4 Bethesda Metro Center*  
*(Preliminary Plan No. 1-1981068A, Project Plan No. 91992994B)*

Dear Dr. Hanson:

On behalf of both the Maryland Department of Transportation (MDOT) and the Maryland Department of Business and Economic Development (DBED), we are writing to express our support of the Meridian Group's application to build a new office building at 4 Metro Center. This project is consistent with several transportation and economic development goals, including:

- Promoting Transit Oriented Development;
- Improving transit and pedestrian access; and
- Supporting the retention and expansion of a major employer.

**Transit Oriented Development**

The State of Maryland actively promotes Transit Oriented Development (TOD), the concentration of jobs, housing and retail at our transit stations. This is a critical strategy to accommodate growth and leverage the billions of dollars the State has invested in rail transit. By the year 2030, the Washington region is expected to grow by 1.9 million people and 1.3 million jobs. Providing opportunities for TOD is critical to maintaining our quality of life and economic vibrancy. By better concentrating growth at our transit stations, we can reduce the growth of highway congestion and sprawl development, increase transit ridership and support the creation of vibrant, sustainable communities.

MDOT telephone number is 410-865-1000  
Toll Free Number 1-888-713-1414 TTY Users Call Via MD Relay  
7201 Corporate Center Drive, Hanover, Maryland 21076

Dr. Royce Hanson  
Page Two

Governor Martin O'Malley has made TOD a priority in the State's efforts to encourage sustainable development. The Governor introduced legislation this past session – recognizing TOD as a transportation priority. The General Assembly overwhelmingly passed this legislation and it awaits his signature. In addition, the governor's appointees to the Washington Metropolitan Area Transit Authority (WMATA) Board of Directors are working to remove bureaucratic barriers to development at our Metro stations.

The 4 Bethesda Metro Center project is consistent with the principles of TOD, constructing a 16-story commercial office building with convenient access to transit, utilizing air rights above the Bethesda Metro Station. This project represents a higher and better use for the property, replacing an underutilized 3-story structure. By locating offices at suburban Metro stations, we can also encourage a reverse commute on Metrorail, taking advantage of transit capacity that is in place today. While Metro trains are crowded inbound to job centers in the District of Columbia during the morning commute, trains have excess capacity outbound.

#### **Transit and pedestrian access improvements**

This project also presents an opportunity to improve transit service and the pedestrian environment in Bethesda. The Meridian Group has proposed investing \$2 million in improvements to the bus service area of the Bethesda Metro Station. These improvements include improved lighting, special paving for passenger waiting areas, way-finding signs and better street furniture and bicycle storage. Additionally, improvements are proposed to the aesthetics of the bus service area, which is a gateway to Bethesda for riders of the Metro system. In addition to the station improvements, the proposed development will also promote pedestrian activity on the current plaza, by providing more foot-traffic and retail space, creating a focal point for the community at the Metro plaza.

#### **Economic Development**

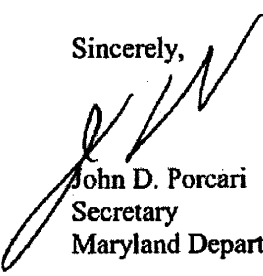
This project is also significant to the State's economic development efforts, as it would support the retention and growth of a major employer in the financial services industry. American Capital is a financial services company headquartered in Bethesda, managing \$17 billion in assets, with about 400 employees based in the area, receiving a \$78 million annual payroll. American Capital is a growing company, which is seeking to consolidate its operations in downtown Bethesda. In an October 1, 2007 letter, the company stated that it has reached a preliminary understanding with Meridian to lease the entire building. According representatives from Meridian, the parties have since agreed to terms.

American Capital has sought no financial incentives to remain in Bethesda, but only support in securing its space needs. The Bethesda market has extremely low vacancy rates for Class A office, constraining economic opportunities for growth. DBED supports efforts to retain this nationally recognized company. American Capital has been on Fortune Magazine's list of America's 100 Fastest Growing Companies for the past two years and is listed in the Standard & Poor's 500.

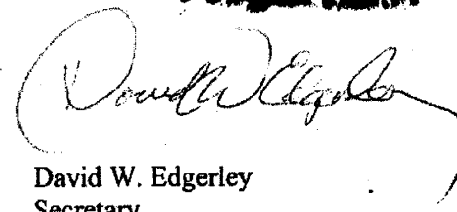
Dr. Royce Hanson  
Page Three

In conclusion, this proposed project represents a tremendous opportunity for TOD, a sustainable development pattern that is critical to preserving our quality of life and economic prosperity in the future. If you have any questions, please contact Mr. Andrew J. Scott, Special Assistant to the Secretary for Economic Development, at MDOT. Mr. Scott may be reached at 410-865-1095 or [ascott@mdot.state.md.us](mailto:ascott@mdot.state.md.us). Or you may contact Dominick E. Murray, Assistant Secretary, Regional Development, at DBED. Mr. Murray may be reached at 410-767-0082 or [dmurray@choosemaryland.org](mailto:dmurray@choosemaryland.org). They would be pleased to assist you.

Sincerely,



John D. Porcari  
Secretary  
Maryland Department of Transportation



David W. Edgerley  
Secretary  
Maryland Department of Business and  
Economic Development

cc: Mr. Peter Benjamin, Board member, Washington Metropolitan Area Transit Authority (WMAT) Board of Directors  
Mr. John Catoe, General Manager, WMATA  
Mr. Pradeep Ganguly, Ph.D., Director, Montgomery County Department of Economic Development  
Mr. Gordon Linton, Board member, WMATA



Montgomery County Group

RECEIVED  
0098  
JAN 28 2008

OFFICE OF THE CHAIRMAN  
THE MARYLAND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

January 25, 2008

Dr. Royce Hanson, Chairman  
The Maryland-National Capital Park and Planning Commission  
8787 Georgia Avenue  
Silver Spring, MD 20910

Dear Dr. Hanson and Planning Board members:

We write in support of the proposed new office building at Bethesda Metro Center 4 (BMC4). The Sierra Club Montgomery County Group is engaged in developing criteria by which we recognize projects that exemplify Smart Growth. We distinguish between Top Tier criteria, which every Smart Growth project must meet, and Second Tier criteria, some of which will be met by all Smart Growth projects, with the detailed assessment depending on the individual project.

The BMC4 office building would meet all of our Top Tier criteria, and many of the Second Tier criteria. We suggest several improvements that seem feasible and that would make the building environmentally smarter and a greater asset to downtown Bethesda.

**Top Tier Criteria:**

These are (1) central, transit-oriented location; (2) contribution to balanced land use; and (3) efficient, appropriately dense, use of the site.

- 1) The location of the BMC4 building would be only a few feet away from the Bethesda Metro entrance.
- 2) Despite the overall shortage of housing in the Route 355 Corridor, a new office building is justified in Bethesda in the present situation. Recent development in downtown Bethesda has been entirely residential buildings, consequently the office vacancy rate is low. Construction of this office building will likely discourage movement of growing businesses to sprawl locations. The Bethesda sector plan calls for office development to be concentrated in the business district's core closest to the Metro station, with housing in more peripheral locations. This building implements that reasonable land use pattern.
- 3) The proposed height of 200 feet, the upper limit in the site's CBD3 zone, is justified given the need to locate as many jobs as possible in closest proximity to Metro.

**Second Tier Criteria:**

- The architecture and design of the building at plaza level, along with remodeling of the plaza, would give Bethesda a more livable central place. The rather barren plaza should feature extensive landscaped areas, not only for esthetics, but also to reduce summer heat and

103 North Adams Street

Rockville, MD 20850



impervious area.

- The developer proposes a small amount of retail space at the plaza level. We would encourage that the developer survey local residents and workers in nearby office buildings to determine the types of services lacking in the area and ensure that the facilities meet the needs of workers and residents in the area.

- The development includes a major contribution to local public transport and bicycle/pedestrian access to Metrorail, by rebuilding the bus station and the pathways under the plaza. These improvements would clearly benefit the entire neighborhood.

- We endorse the developer's proposal to add no more parking spaces. This project is an excellent opportunity for serious traffic reduction measures. We recommend a target of reducing peak hour car trips by 50%, as in the Shady Grove Sector Plan.

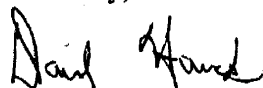
- We appreciate the developer's proposal to build to LEED silver standards. We also appreciate the glass façade facing the plaza, but note that the glass raises issues that need to be addressed as the LEED features are planned:

- Special attention must be given to energy conservation, to compensate for unwanted thermal gains and losses from the glass walls.

- Care needs to be taken with the finish of the glass to increase its visibility to birds.

In conclusion, a development project needs to offer more than simply dense transit-oriented development in order to be true smart growth. Our support for the BMC4 office building takes in many aspects of the developer's proposal. We ask the Planning Board to make such aspects as the LEED silver certification, energy conservation, the transit/pedestrian improvements, the car trip reduction requirement, and plaza landscaping binding elements of the plan, so we are assured of reaping the potential benefits of the project.

Sincerely,



David Hauck  
Chair, Sierra Club Montgomery County Group  
24 Holt Place  
Takoma Park, Maryland 20912

301-270-5826  
david.hauck@maryland.sierraclub.org

January 14, 2008

The Honorable Royce Hanson, Chairman  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

RECEIVED  
0085  
JAN 16 2008

OFFICE OF THE CHAIRMAN  
THE MONTGOMERY AND NATIONAL CAPITAL  
PARK AND PLANNING COMMISSION

RE: Proposed 200 Foot Office Tower  
4 Bethesda Metro Center

Dear Mr. Chairman


It is our understanding that the Montgomery County Park and Planning Commission has received a proposal from a developer to construct a 200 foot office tower on the current Bethesda Metro Plaza. As a major tenant in the Clark Building located at 7500 Old Georgetown Road, we would like to express our opposition to this proposal as we believe it would have a significant negative impact on our occupancy as follows:

- There would be damage to and diminishment of the long-established and much needed open space amenity that has been an important asset to the community and our employees.
- The proposed building would severely obstruct views and restrict natural light currently enjoyed by us.
- It would curtail recreational and entertainment activities in the Plaza area.
- It appears this would violate Montgomery County's carefully constructed Sector Plan, which brings order and consistency to development in the center of Bethesda.
- We would experience an unnecessary increase in congestion in the area.

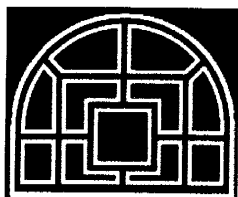
We have enjoyed occupying office space in downtown Bethesda for many years. The Commission's past actions have created a very efficient and effective open space area in downtown Bethesda which has had a positive impact on our employees. We hope that this plan continues for the benefit of not only our staff, but also the Bethesda community.

We appreciate your consideration in this matter.

Sincerely



Jerome R. Sharkey



## COALITION FOR SMARTER GROWTH

**Celebrating 10 Years of Smart Growth!**

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November 5, 2007

Chairman Royce Hanson  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Re: Support for Office development at 4 Bethesda Metro Center

Dear Chairman Hanson:

We wish to express our support for the 4 Bethesda Metro Center project. The Coalition for Smarter Growth recognizes this project's contribution to smart growth, as it will offer more transit accessible workplaces and improvements to the Bethesda Metro station through an appropriately designed development. This project is consistent with our mission to provide more job and housing opportunities in walkable, transit-accessible locations, especially close to the urban core of the region where vehicle trips and miles travel can be minimized.

The proposed office development at 4 Bethesda Metro Center is an urban infill project located above a major Metro train and bus station. The proposed mix of office and retail uses will complement existing residential and hotel uses in the area, and the unique design of the building will contribute to the sense of place and help make Bethesda Metro Center a recognized and desirable destination.

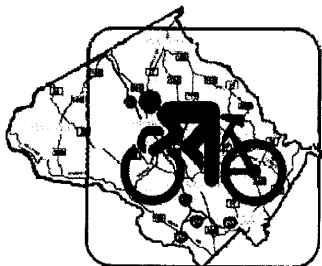
We support the proposed community benefits which include streetscape and bus terminal improvements, as well as achieving LEED Silver certification. The project increases the density of development at the transit station - where it is most appropriate - and the transit-oriented design will enhance the pedestrian environment for transit riders and members of the public.

We recommend that the County gain the full benefit of potential improvements to the public spaces, Metro entrance and bus facilities through this process. We also ask that a sizable investment and secured funding be committed by the developer for improved bicycling facilities and possibly creating a bicycle station. We also recommend aggressive trip reduction measures, beginning with reduced, separately sold, and fully priced parking for commuters and visitors as a part of this project.

We believe the proposed development at 4 Bethesda Metro Center is a smart growth opportunity that should not be missed and ask you to advance this project. Thank you for your consideration.

Sincerely,

Cheryl Cort  
Policy Director



## Montgomery Bicycle Advocates Montgomery County, Maryland

November 2, 2007

Royce Hanson, Chairman  
Montgomery County Planning Board  
Maryland-National Capital Park and Planning Commission  
8787 Georgia Avenue  
Silver Spring, Maryland 20910

Chairman Hanson,

MoBike heartily supports the proposed redevelopment of office space at 4 Bethesda Metro Center in Bethesda. We also urge you to integrate a bike station into the development, which would provide a variety of important services to cyclists including a secure place to lock up bikes.

We support the new development because it would provide dense office space very close to a major transit hub, essential to reducing traffic congestion. The center would replace a development that unfortunately fell short of its potential to increase transit use or attract pedestrians. The new development, on the other hand, would enhance the urban environment and feature direct indoor access to Metro. The development would also provide needed aesthetic and architectural improvements to the Metro station.

Downtown Bethesda is a prime cycling area and Bethesda Metro is one of its most important bike destinations. The redevelopment of 4 Bethesda Metro Center offers a unique opportunity to integrate a bike station into a major transit center. The bike station must include a facility where bike commuters can safely leave their bikes during the day, much needed at that location.

Finally, we'll remind you again how poorly conceived the streets around Bethesda Metro are for cyclists. Woodmont Ave. needs to be a two-way street for its entire length. The current configuration discourages cycling in the heart of Bethesda and forces cyclists to choose among dangers or make ridiculous detours. The configuration makes it

unacceptably difficult for cyclists to reach Metro and the Woodmont Triangle from the Capital Crescent Trail and Bethesda Row. Woodmont Avenue's sterile canyon-like environment north of Hampden Lane also discourages any kind of street activity (except fast driving).

Thank you for considering our input.

Sincerely,

A handwritten signature in black ink, reading "Jack S. Cochrane". The signature is written in a cursive style with a large, looping "J" and a long, sweeping "C".

Jack S. Cochrane  
Chair, Montgomery Bicycle Advocates (MoBike)  
7121 Thomas Branch Drive  
Bethesda, Maryland 20817  
301-503-9931  
[www.mobike.org](http://www.mobike.org)

# WASHINGTON AREA BICYCLIST ASSOCIATION

1803 Connecticut Ave. NW ♦ Washington, DC 20009

p: 202-518-0594 f: 202-518-0936 www.waba.org



November 2, 2007

Chairman Royce Hanson  
The Maryland-National Capital Park and Planning Commission  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Subject: Proposed 4 Bethesda Metro Center development project

Dear Chairman Hanson:

I am writing today on behalf of the Washington Area Bicyclist Association (WABA) to express our support for the proposed 4 Bethesda Metro Center development project. Our association strongly believes in promoting a fully integrated transportation system that links transit, trails, bicycling and walking facilities to connect places where people live, work and play. This goal combined with smart growth oriented development, which reduces the need for long car trips, will cut automobile emissions and improve the environment.

Of 68 metropolitan regions in the US, Metro Washington ranks 3rd in traffic congestion, 4th in the amount of extra time needed for a trip during rush hour and 5th in the average amount of time each person wastes in traffic jams. "Smart Growth" development at transit stations is the sensible alternative to an ever increasing metropolitan area with choked road networks and ever increasing infrastructure budgets.

The project at 4 Bethesda Metro Center is situated at the heart of Bethesda, right over the bus and train station and close to the Georgetown Branch and Capital Crescent Trails. It will provide needed space in a tight office market; larger tenants looking for expansion space are presently contemplating moving out of Bethesda, which, rather than increasing ridership on mass transit will contribute to the traffic congestion in the area.

The transit station will gain ridership as tenants of the new building, and their visitors, opt for the convenience of using the train, the bus or the bike to get to and from the airport, meetings downtown, and for commuting. In addition, the site is within easy walking distance of the shops and restaurants of Bethesda Row and the Woodmont Triangle area.

Part of the proposed project includes improvements to the bus station. At present, the bus station is in desperate need of work – the existing lighting is dingy, the posted signs are confusing, the place is dirty and does not encourage use of the trains and buses. Bike racks are a mish mash of different designs and many do not provide adequate security – people who would cycle / ride the Metro are discouraged by the prospect of having their bicycle stolen. It is our understanding that the developer is working with WMATA to come up with solutions to the problems in the bus station including a potential bike station similar to the one proposed for Union Station in DC. In addition the developer is planning other important improvements for the space including improved lighting and better signage which are both long overdue.

WABA supports environmentally responsible programs and welcomes the developer's decision to build the new office building to a LEED silver standard which will include showers and changing facilities for employees to further encourage bicycle commuting.

The project will provide a significant community benefit in the improvements to the bus station; more people will decide to use mass transit if the environment is welcoming. The new building will also keep new office space where it belongs – where it maximizes use of an existing investment in a transit station rather than away from the town center, where it would require more from an already stretched road network. WABA supports the Smart Growth development at 4 Bethesda Metro Center and asks that you approve it.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eric Gilliland', with a stylized flourish at the end.

Eric Gilliland  
Executive Director  
Washington Area Bicyclist Association



October 10, 2007

Chairman Royce Hanson  
The Maryland-National Capital Park and Planning Commission  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, MD 20910

Re: 4 Bethesda Metro Center development project

Dear Mr Hanson:

Daily Grill has restaurants distributed nationally and opened the Bethesda location in 2004 in the Hyatt Regency Hotel at Bethesda Metro Center. We have learned of The Meridian Group's plans to develop an office tower at 4 Bethesda Metro Center and support the project.

Although Meridian did much to improve the plaza in 2003, creating a more inviting green space, more flowering plants and a fountain, the plaza is not used to its full potential. We at the Grill have an outside seating area, which helps in the summer months, but there is not much foot traffic. Both the existing office towers on the plaza have alternate entrances on Woodmont Avenue. The addition of a new office tower with up to 1,000 new employees on the site will generate more foot traffic and more support for the businesses in the immediate vicinity, including ours. The project will activate the plaza and bring more retail space, making the plaza more of a destination to the benefit of everyone.

The project is sited on the Metro station which is in keeping with the current trend in green thinking - more people will be using existing mass transit rather than getting in their cars. The developer is also proposing to make improvements to the bus station which would benefit our patrons. Customers wishing to patronize our restaurant and opt for mass transit (including metro-rail riders) presently have to walk through a gloomy, dirty and uninviting bus station; improvements to the bus station are needed now and the project will provide a major benefit to the community when it is built.

We look forward to seeing this development at 4 Bethesda Metro Center move ahead - it will provide more office space where it should be, at the town center and on top of the Metro station. It will provide a new architectural focal point at the major intersection of Wisconsin Avenue, East West Highway and Old Georgetown Rd and it will rejuvenate the existing public amenities, the bus station and the plaza to the benefit of local business and residents. We ask that you approve the project.

Sincerely,



Todd Brown,  
General Manager



(Board Copy)  
Washington Metropolitan Area Transit Authority  
**METRO ELECTRONIC ACTION  
DOCUMENT**

IDENTIFICATION			
MEAD ID:	99194	ACTION:	Initiate
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: (View)		CONTRACTOR:	
LAST MODIFIED:	01/04/2006		

DESCRIPTION	
SUBJECT:	Proposed purchase of a portion of the Bethesda Metro Center joint development project.
PURPOSE:	To obtain approval of the Real Estate Committee and the Board of Directors for a proposal from the ground lease tenant to purchase the land under the 3 story food court structure at the Bethesda Metro Center joint development project.

ORIGINATION					
INITIATOR			DEPARTMENTAL APPROVAL		
ELISA HILL on 12/15/2005			Approved by SALPEAS , PANAGIOTIS 12/27/2005		
PHONE:	202-962-1593	OFFICE:	LAND	DEPT:	Secretary and Chief of St

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
LAND (7310)	MALASKY, GARY	Approved 12/16/2005
(1120)	BARTLETT, HAROLD	Approved 12/20/2005
(4110)	SALPEAS, PANAGIOTIS	Approved 12/27/2005

FINAL APPROVALS	
OFFICE	NAME/ACTION
BEMR	Approved for by HAROLD BARTLETT on 12/20/2005
PLN_DEV_CMTE	Approved for by PANAGIOTIS SALPEAS on 12/27/2005
BEMR	Approved for by HAROLD BARTLETT on 01/03/2006
GM	Approved for GMGR by GMGR CEO on 01/09/2006
BOARD	BOARD WMATA (Not Yet Approved)



# Washington Metropolitan Area Transit Authority

## METRO ELECTRONIC ACTION DOCUMENT

### NARRATIVE

#### NARRATIVE

In December of 2004, the Real Estate Committee rejected an unsolicited offer from BMC Office, LLC, the owners of the office component of the Bethesda Metro project and the ground lease tenant, to purchase the underlying fee of the office building and plaza area. WMATA would have received a cash payment above the NPV of cash flows for the remainder of the lease term through December 31, 2052.

In October 2005, The Meridian Group ( principle of BMC Office, LLC), submitted a second unsolicited offer. The new offer preserves the existing ground lease agreement for the office component. The Meridian Group has proposed to purchase only the land under the 3-story, 42,000 square foot food court building for the purpose of developing a 20-story, 183 unit condominium project. The purchase would also include 200 associated garage parking spaces needed for the development. The land area under the food court building totals approximately 22,000 square feet.

The Meridian Group has indicated strong political support for the project. A letter from County Executive Doug Duncan's Office is attached. In addition, staff has received 2 phone calls from Councilman Steve Silverman offering strong support.

If the project is approved, an amendment to the existing office component lease agreement will be executed to include details of the definitive agreement between WMATA and The Meridian Group and to ensure coordination between the two projects. Staff has negotiated a Term Sheet. The definitive agreement for the project will be presented to the Board of Directors for approval.

#### ALTERNATIVE

Reject the purchase offer for the ground under the 3-story food court building. If this action is taken, WMATA will continue to receive income from the project in the form of guaranteed minimum rent, participation rent, and capital event participation through the end of the lease term.

#### IMPACT ON FUNDING

WMATA would receive a lump sum payment as described in the Confidential Attachment. The sales price is subject to verification by updated appraisal and further engineering review, and any definitive agreements will be submitted, again, to the Board for approval (as well as subject to FTA approval). These funds would be deposited in the TIIF account.

#### RECOMMENDATION

That the Real Estate Committee and the Board of Directors a) approve the proposal to purchase the underlying fee of the land under the 3-story food court structure at Bethesda Metro Center and b) authorize staff to execute the Term Sheet and negotiate the definitive agreements, including an amendment to the existing ground lease. Staff recommends that funds from this project be deposited in the TIIF account.

## Shipman, Laura

---

**From:** Naomi Spinrad <nspinrad@gmail.com>  
**Sent:** Monday, June 25, 2018 4:38 PM  
**To:** Shipman, Laura  
**Cc:** Wright, Gwen; Howerton, Leslye; Hisel-McCoy, Elza  
**Subject:** Comments regarding Brookfield/4 Bethesda Metro Center

Laura, I'd be grateful if you can forward this to the members of the Design Advisory Panel in advance of Wednesday's session. They've undoubtedly thought of all of this themselves, but perhaps they will find something useful here. I look forward to the discussion.

Thanks,  
Naomi

Dear Members of the Design Advisory Panel:

I've been reading through the most recent submission by Brookfield for 4 Bethesda Metro Center. I continue to support the overall plan but this latest iteration raises a number of questions that I hope you will pursue during the discussion on Wednesday. Based on what I see in the submission, I question whether they can qualify for the 10 design points they need without some additional decisions – including whether the building will be commercial or residential - and refinement of the proposal.

1. It has been two months since their first submission, and “[t]he team is also reviewing the possibility of raising part of the building 30 feet to create even more public space.” Shouldn't this be resolved before a final decision is made regarding awarding design points?
2. Related to this, it would be helpful to know what portion of the building they are considering raising 30 feet. As a member of the public, I think raising the southwest corner, where the façade projects into the space, might be most effective, providing covered but open retail or restaurant space near the lawn as well as potential shelter in unexpected bad weather. This is a significant design and massing element and I hope it will be addressed sooner rather than later.
3. Raising that corner might also lessen the visual effect of the narrowing of the public space, from 70 feet to 38 feet, as viewed from Wisconsin Avenue. I understand the design requirement for a signature tall building to “terminate major view corridors such as East-West Highway” but this site also needs to draw people into it.
4. Brookfield talked on April 25 about redoing the two-storey lobby of 3 BMC in connection with the plan for 4BMC. Right now it's dead space. Although this may be beyond the scope of your review, would it not be helpful to have a commitment, even if not detailed, regarding how Brookfield plans to activate that space to make it work with both the plaza and access from Woodmont Avenue?
5. Brookfield says it has reached out to Chevy Chase Land Company, regarding their share of the plaza area and the steps on the southern side of the site. Has CCLC rejected any coordination, what are the possibilities here?
6. There is no indication of how the top of the building will be treated other than that it will be sculpted and “will incorporate potential architectural embellishments.” Drawings show only a sharp point.
7. The statement, “...façade articulation will be designed with a vertical emphasis” does not address how this will be achieved, i.e. with materials, gridding, different planes, balconies, etc. Panel has discussed such

things in nearly every other plan, most of which have provided far more detail about what their buildings will actually look like. Related to this, a question – if the tower separation meets the design guidelines, are setbacks not required?

8. At the April 25 meeting there was discussion about a cover for the Metro escalators and/or one or more sculptural elements in the plaza area by the Metro entrance, along with as much green as possible instead of hardscape. This does not seem to be addressed adequately in this submission.

As I noted at the beginning of this letter, I support the general concept of the Brookfield plan. I wish that in this iteration Brookfield had spent more time and effort developing its own design vision than responding to critiques from another developer. The success of its projects elsewhere suggests that there is still plenty of expertise they can bring to bear to make this a successful public space.

Thank you,  
Naomi Spinrad

**From:** Leanne Tobias <leanne.tobias@icloud.com>  
**Sent:** Tuesday, June 26, 2018 12:56 AM  
**To:** Shipman, Laura  
**Cc:** Hisel-McCoy, Elza; Wright, Gwen; Kronenberg, Robert  
**Subject:** Testimony of Leanne Tobias on Bethesda Metro Plaza, June 27, 2018

LEANNE TOBIAS  
TESTIMONY BEFORE THE DESIGN ADVISORY PANEL  
BETHESDA METRO PLAZA  
JUNE 27, 2018

Thank you for the opportunity to testify today. I am Leanne Tobias and I have lived in Bethesda for over 20 years. I am also a career commercial real estate investment professional who has specialized in green development.

With respect to the Bethesda Metro Plaza project, the history is clear:

-Successful public spaces in Bethesda and elsewhere have been street-facing. Historically, this has been true from the Greek agora to New York's Central Park. In downtown Bethesda, the sole significant and successful public spaces-- the Women's Farmer's Market and the plaza in front of the Barnes and Noble/Anthropologie store have been street-facing. On the other hand, multiple interior public spaces in downtown Bethesda, including the current plaza at Metro Center, have failed.

-George Washington University's Center for Real Estate and Urban Analysis evaluated the Bethesda Metro Plaza area in 2016. The Center found that Bethesda has the second lowest park to population ratio of the DC region's 50 largest urban places, and recommended that a street-facing park be created on the site, facing Wisconsin Avenue and Old Georgetown Road.

-The 2017 sector plan for downtown Bethesda emphasizes place making and the creation of open and welcoming public spaces on Wisconsin Avenue and in other key locations. MNPPC (the Maryland National Parks and Planning Commission) made the same recommendations in 2014. A street-facing public space at Bethesda Metro Plaza is the right way to accomplish these objectives, especially in the major focal area of Bethesda Metro Plaza.

I understand that some residents are concerned that modifying the current Brookfield proposal will shift development to their neighborhoods. As a commercial real estate professional, I think that this is highly unlikely for the following reasons:

1. A mixed-use project of the magnitude of Brookfield's is designed for the downtown core in a Metro-accessible location. Shifting the project away from a Metro-proximate site will undermine its marketability and economic viability, especially if retail and/or office space are planned.

2. The current downtown Bethesda sector plan focuses development in the downtown core. The current sector plan makes it extremely difficult for a developer to get high-density, mixed-use development approvals outside of the core downtown.

3. In any case, the community is not asking Brookfield to abandon its site. Rather, the community is asking that Brookfield modify its plans to create a street-facing park at Bethesda Metro Plaza.

The Design Advisory Panel has before it the opportunity to create a vibrant and welcoming Bethesda by opting for a street-facing park at Bethesda Metro Plaza, literally the crossroads of our community. The alternative is to revert to an interior park, a strategy that has failed repeatedly.



As Albert Einstein is said to have remarked, "The definition of insanity is doing the same thing over and over and expecting a different result." I hope that the Panel will stand up for Bethesda and its future by requiring a street-facing public space at Bethesda Metro Plaza.

Leanne Tobias

Malachite LLC  
Managing Principal  
CRE, FRICS, LEED AP  
202-355-5270  
[leanne.tobias@malachitellc.com](mailto:leanne.tobias@malachitellc.com)

**Balmer, Emily**

---

**From:** Dickel, Stephanie  
**Sent:** Friday, July 06, 2018 3:41 PM  
**To:** Balmer, Emily  
**Subject:** FW: Testimony

**Stephanie Marsnick Dickel**  
Planner Coordinator . Area 1  
Montgomery County Planning Department  
8787 Georgia Avenue . Silver Spring MD . 20910  
301.495.4527  
[stephanie.dickel@montgomeryplanning.org](mailto:stephanie.dickel@montgomeryplanning.org)

**From:** Shipman, Laura  
**Sent:** Tuesday, June 26, 2018 3:17 PM  
**To:** Dickel, Stephanie <[Stephanie.Dickel@montgomeryplanning.org](mailto:Stephanie.Dickel@montgomeryplanning.org)>  
**Subject:** FW: Testimony

For correspondence to the board.

**From:** Maj-Britt Dohlie <[mdohlie@gmail.com](mailto:mdohlie@gmail.com)>  
**Sent:** Tuesday, June 26, 2018 2:57 PM  
**To:** Shipman, Laura <[Laura.Shipman@montgomeryplanning.org](mailto:Laura.Shipman@montgomeryplanning.org)>  
**Subject:** Testimony

Hello Laura,

Please allow my testimony below for Wednesday.

TESTIMONY: DAP Wednesday 27 June 2018

Good afternoon. I'm Maj-Britt Dohlie, a Bethesda resident since 1976 with no financial interest in either Clark or Brookfield. Overall, I have enjoyed raising a family in Bethesda — partly because of the improvements that have resulted from development.

Recently, I have become increasingly less optimistic about our present and future quality of life, maybe even Bethesda's continued economic success. Let me explain why by quoting from the 2016 Bethesda Metro Park study (p1):

**"Among the six largest (by population) of the 50 regionally significant, walkable urban places ("WalkUPs") in the Washington D.C. metro, Bethesda ranks second to last for its park operating ratio, defined as the acreage of park to population."**

**The Brookfield proposal discussed today puts further pressure on existing public open space - although it does need considerable rethinking to become successful.**

**- The Brookfield plan, if approved, perpetuates Bethesda's unfortunate history of developing unsuccessful internal plazas and spaces instead of vibrant ones visible from the street. The Maryland-National Capital Parks and Planning Commission came to this conclusion as indicated in its Spring 2014 Bethesda Briefing Book. Similarly, the need for open spaces and plazas visible from the street was further reiterated during the Master Plan process. There were repeated statements that the goal is to create a more active street scene.**

**- The Brookfield plan, if approved, will end our hope for a more active street life in the middle and northern part of downtown. On the contrary, combined with existing buildings and several massive ones emerging north of the Bethesda Metro Plaza, the Brookfield plan, if approved, will further contribute to an ever more inhospitable brick, concrete and glass wall with little greenery and street life along Wisconsin Avenue and Old Georgetown Rd. Recently completed buildings have been a disappointment in that respect. The many exemptions granted have led to few visible and usable public spaces, little landscaping, and limited street life.**

**- The Brookfield plan, if approved, will surround the internal plaza with another tall building, potentially throwing it in deep shade and creating a wind tunnel.**

**- The Brookfield plan, if approved, will close the opportunity of potential future efforts to create a larger, usable plaza visible from the street.**

**- An iconic building is not a substitute for an active plaza easily spotted from the street. Finally, parks and plazas create value. In addition to their value to quality of life, health and the environment, parks and plazas can also be an "economic engine."**

**So then, is the mostly hidden space proposed by Brookfield really the best Bethesda can hope for? Many of us had great hopes when we heard that a Design Advisory Board would be established. We hoped that it would result in overall better and more holistic planning and recognition of the need for green space and parks as well as better architecture.**

I am for development -- that is, development done right! I think developers have a right to make money, but I do think that developers' plans must be scrutinized for potentially negative impacts on the community and its residents. In Bethesda, the balance between the interests of current and future residents and those of developers has long been slanted in favor of developers. Even with the addition of parks on surface parking lots in Bethesda, we need an improved, visible Bethesda Metro Plaza for Bethesda's rapidly growing population and increasing numbers of workers and visitors.

- Please tell me why Brookfield continues to focus on Clark as opposed to more than 300 residents expressed wishes for a great active plaza visible from the street.

- Please keep in mind that **hidden space is wasted space** when you make your decision about greatly needed improvements to the Brookfield plan.

- Please ensure that current Bethesda development creates a community that will continue to attract people to settle and remain here, or work and visit.

Thank you!

9408 Seddon Road  
Bethesda, Maryland 20817  
June 26, 2018

Bethesda Design Advisory Panel (DAP)  
Montgomery County Planning Board  
8787 Georgia Avenue  
Silver Spring, Maryland

In re: Sketch Plan Application #3201800110  
4 Metro Center

Dear Panel Members,

Thank you for the opportunity to submit comments to you in advance of your June 27, 2018 meeting to review this project, and subsequently forward your advice to the Planning Board.

I will be happy to engage in conversation with you at this meeting, but, if time does not permit, the following are some observations for your consideration.

I am a retired architect-planner-educator who has lived in Bethesda since 1967. I also served as Montgomery County Planning Director, M-NCCPC, for over twenty years, retiring from that position in 1990 for a second career in academia (c.f. short bio attached).

I have no business, or self-interested, connection to any of the property owners, developers, attorneys, civic groups, residents, or others, who may be relevant to this application. I simply wish to contribute to the long term public welfare of this community, to which I have devoted a considerable amount of effort over the years.

I am providing you with what I hope will be an informed and reasonable opinion, to be judged simply on its facts and logic, recognizing, of course, that other points of view deserve equal respect, and that this is a complex matter.

My perusal of this application, and of what I believe to be all of the primary laws and guidelines relevant to its consideration by the Planning Board, has persuaded me of the following:

**This particular project application does NOT meet the minimum level of “exceptional design” necessary to qualify for approval,**

The reasons outlined below derive from my understanding of the policy framework in existence, as it appears to me to apply logically to this project application.

If my understanding of this framework is incorrect, with regard to facts or logic, I will appreciate the opportunity to discuss this further with you and/or other appropriate persons.

## **Rationale**

A Sketch Plan is a first step in a multi-stage process, by which a proposal for development in an Optional Method Zone can proceed from concept to detailed legal commitment.

The Sketch Plan step is optional for the developer, albeit highly recommended by County Government policy, so that the developer may get a preliminary sense of the Planning Board’s approach towards interpreting the county’s approved policy guidelines.

Approval of a Sketch Plan by the Planning Board represents a degree of affirmation that the concept expressed in the application is worthy of further consideration, but no final Board commitment to any specific aspect of the proposal, as it may develop with further detailed expression, is conveyed.

To illuminate this understanding further, it can be said that, if approval is granted by the Board, no commitment is made by the Board, at this stage, to accepting the density and site configuration that is shown on the application.

Neither is any commitment made by the Board, with regard to an approved Sketch Plan, that it represents an adequate balance between private

building density and public welfare benefits - which is the crux of the ultimate finding that must be made before final project approval in Optional Method Zones.

In short, the regulatory policy documents, relevant to this application, indicate that the Board has the authority to radically revise its preliminary affirmation of what is shown on an approved Sketch Plan, for any reason, as more details of the proposal become evident, in particular as these are further clarified at Site Plan submission.

*Cautionary Note:*

*The above reflects my understanding of what I have taken to be the understanding of Planning Board staff, as communicated to me on June 25.*

*I subsequently have noted that the language of the Zoning Code, Division 4.9, C. Development Standards, 2. Density, says “In the CR or CRT zone, a development may exceed the mapped FAR on a site if the Planning Board approves a sketch plan **or** site plan ...” (bold font added).*

*If it should be argued that my understanding of the policy framework, outlined above, is incorrect - and that, by contrast, the approval by the Board of a Sketch Plan does carry with it a commitment to not significantly reduce the density at Site Plan, or alter its configuration - then the arguments that I will advance below will be even more relevant than otherwise.*

Despite this lack of commitment by the Board with respect to Sketch Plan approval (as I understand it), there does remain in the air a question of fairness to the applicant (who must spend money to advance his or her proposal to the next stage), and to members of the community (whose participation in helping to shape the future of its environment, social, and economic environment is officially encouraged by the regulatory framework), that seems to warrant consideration.

On this point, three particular questions seem pertinent to tomorrow’s DAP discussion:



- 1 What is the appropriate scope of substantive comment, that the regulatory policy framework confers on the Design Advisory Panel, with regard to Sketch Plan submissions?
- 2 Is the scope of informational content, contained in this application, sufficient to make an informed guess as to how the project will look and function, after it is further detailed?
- 3 Whatever the relative merits of its content, does this application merit a recommendation of approval with respect to its degree of “exceptional design”?

## 1 Scope of DAP Substantive Comment

The mandate of the Design Advisory Panel derives from the provisions of the Bethesda Overlay Zone. (See Montgomery County Zoning Code (Division 4.9. Overlay Zones, Section 4.9.2. Bethesda (B), 4. Public Benefit Points, Section f.)

This language states: “The Planning Board must appoint a Design Advisory Panel composed of **relevant independent professionals**, including at least one resident of Bethesda, and consider the comments from that panel on all projects before making their determination concerning **exceptional design** points.” (bold font added)

This same section also says that “The Planning Board must determine that the development achieves at least 10 points for exceptional design under Section 59.4.7.3.E.4. The maximum number of public benefit points for exceptional design is 30.”

A casual reading of this language, by itself alone, conceivably could lead an observer to conclude that the criterion of “exceptional design” is not considered to be of great importance to the final decision regarding final approval of a Sketch Plan.

This logic would flow from the comparison of 10 points, as sufficient for approval with respect to its degree of “exceptional design”, to 30 points as the maximum number possible.

If 30 were compared to a classroom paper grade of A, and 20 to B, and 10 to C, no one could conclude that 10 points is congruent with any interpretation of the term “exceptional”. By definition, a C grade is far below “exceptional” - indeed, just short of absolute failure.

I submit that the logic of common sense, with regard to the accepted meaning of words, as well as to any holistic view of the regulatory framework applying to Sketch Plans, is quite the opposite of the above implication.

First with regard to words: one dictionary defines “exceptional” as “rare, superior, better than average, deviating from the norm”(Merriam-Webster) - another as “forming a rare instance; unusual; extraordinary; unusually excellent; superior” (Dictionary.com) - and another as “not like most others of the same type; unusual; unusually good” (Cambridge Dictionary).

Second, with regard to the framework, the Planning Board’s guidelines for its Design Advisory Panel state the following:

1 “The additional ‘BOZ’ density should **only** be allocated if a **high degree** of design excellence is achieved and the DAP will advise the staff and the Planning Board on this issue.” (bold font added)

2 There is “a need to **focus on design intent** to make sure **quality is paramount** to the applications and that an **attractive public realm** will be the outcome”. (bold font added)

3 “The DAP will be guided by the Bethesda Downtown **Sector Plan**, the Bethesda Downtown **Design Guidelines**, the Bethesda **Overlay Zone**, and the **CR Zone** for granting density incentives for exceptional design.” (bold font added - See Appendix, for selected additional excerpts from these documents.)

It seems abundantly clear to me, from the above evidence, that the intention of the regulatory framework, taken as a whole, can be summed up in three ways, titled below as Intent A, B, and C:

## Intent A

The DAP is expected to bring an **independent professional perspective, that draws on a broad field of expert knowledge**, and be **not constrained to a narrow scope** defined only by an illustrative point factoring menu that is intended only to be used as a guideline to the extent that it is helpful.

In support of this interpretation, note:

“Unless dimensions are specifically recommended in the Sector Plan, guidelines that include dimensions **also outline opportunities for alternative design solutions** to meet the intent of the guidelines.” (from Bethesda Downtown Plan Guidelines, July 2017, Guidelines Flexibility, page 5 - bold font added); and

“Meeting the recommended dimensions in the guidelines **does not ensure approval**. Design proposals and alternative solutions will be evaluated during the development process **based on the surrounding context, site conditions, and how the project meets the Sector Plan goals and Design Guidelines intent**.” (ibid - bold font added)

“The goals of the DAP are to ensure the **highest quality design** for the planned and built environment, **assist in resolving issues** that arise in the regulatory process where **urban design principles** conflict with other county regulations by providing **review and discussion earlier in the process**, and prioritize the allocation of the CR public benefit points in the CR Guidelines and the Bethesda Downtown Plan.” (ibid, Design Advisory Panel, page 5 - bold font added)

## Intent B

The term “**exceptional**” carries the meaning of being **very high above the “normal”** or “frequently encountered”, to the point of being almost uniquely valuable.

## Intent C

The **meaning of the term “design”** is critical to any clear understanding of how development projects can best proceed through an evolutionary process (from initial conception to detailed commitment), that concludes with fulfillment of the public purpose intent (on which all zoning authority rests).

This last point (C) deserves some elaboration.

The term “design” refers to a **qualitative relationship, not a quantitative thing**. As one dictionary describes it, “design” is “the **arrangement of elements** or details in a product or work of art”. (Merriam-Webster - bold font added)

Given this meaning, it is impossible for any observer of any given artifact to judge the full merits of its “design”, until the artifact is completed.

The necessary corollary to this fact is that any judgment of an imprecise, or partial, or preliminary version of any artifact, including a real estate development project, can only evaluate what is specifically expressed at the time of judgment, plus what may be inferred by the evaluator to be the logical implications of those preliminary expressions.

Given the logic of items A, B and C above, I can only conclude that the scope of content, to be considered by the DAP at time of Sketch Plan evaluation - although conditioned by a requirement to focus on “exceptional design” - is expected to be of the following nature:

Not only independent and professional, but also very broad and comprehensive, with respect to the meaning of these terms and the relevance of these meanings for achieving the basic public purpose intent of the overall regulatory framework for evaluation of Optional Method Zoning applications.

## 2 Scope of Information in Application

This application provides no **three dimensional models**, and only one perspective drawing, taken from only one direction - which significantly limits anyone's ability to correctly assess the effects that the proposed building massing is likely to have on users who, of necessity, will have to see and approach the site from different directions. (The effects of "massing" obviously is a critical design consideration.)

This application provides no estimated **pedestrian path volumes**, which significantly limits anyone's ability to correctly assess whether the proposed site configuration will contribute any thing of value to the Sector Plan goal of creating a well connected pedestrian network. (The nature of the pedestrian network obviously is also a critical design consideration.)

This application provides no **sunlight/shadow studies**, nor descriptive content regarding the relevance of this topic, which significantly limits anyone's ability to correctly assess how much the proposed massing and site configuration may, or may not, be detrimental to the well being of locations and persons affected by them. (As with the first two factors above, the effects of views and shadows, on the nature of the light and air ambience of the site, is another critical design consideration.)

Similar observations can be made about the absence of other descriptive material (e.g. **micro-climate and wind tunnel effects**, etc.) that could make it easier for an observer to estimate more of all the aspects that ultimately need to be addressed, in order to reach a judgment about whether the project is likely to produce "exceptional design" when completed.

Of course, it can be argued that the provision of such additional information puts an additional cost burden on the applicant, and therefore should not be considered a deficiency at the Sketch Plan stage.

By the same token, it is equally worth noting the points made in the preceding section, about the essential nature of design, and concluding that fairness in the process necessitates that a low level of information

content in an application can only expect a low level of content response from the DAP, and Staff and Board.

### **3 Does This Application Merit Approval for “Exceptional Design”?**

I submit that the answer must be “NO”, for a considerable number of reasons, some of which I have tried to outline below, recognizing that this list must remain illustrative rather than exhaustive in this document, due to the limitations of time available to prepare for the DAP meeting of June 27, 2018.

#### **(A) Deficiencies in Design as Submitted**

The proposed massing and site configuration of the building is simply too big, bulky, boxy, and intrusive, with respect to its **detrimental effect on the existing spatial and environmental quality of this site and its environs**, to warrant the conclusion that what it offers in return could meet the official policy objectives for **maximum “design excellence”**, that are woven deep, and with internal consistency, into the fabric of all the relevant regulatory documents (i.e. Downtown Bethesda Sector Plan, CR Zone, Bethesda Overlay Zone, and Downtown Bethesda Design Guidelines).

More specifically:

#### **(i)**

There is a **lack of public open space** within Downtown Bethesda - this proposal significantly reduces the size of currently available space of this nature on this site.

The application proposes to substitute free public entertainment events for such permanently usable public space - such events are, of necessity, sporadic and intermittent, compared to the value of physical space that is available to the community on a daily basis.

An apt comparison might be to the situation that prevailed in the development of Montgomery County's famed Agriculture Reserve. The overriding goal there was to preserve the physical farmland first, and work at enhancing the operational farming second. History suggests that that has proven to be a good strategy.

(ii)

With regard to **massing, and shadow and light and air effects**, mention has been made of the lack of either perspectives from multiple orientations, or three dimensional mock up models, or photos thereof, or sun/shadow effect studies.

My impression is that such additional information would reveal some substantial negative aspects to the proposal from a design perspective.

Specifically, it seems quite possible - maybe probable? - that the proposed building bulk and location could cast a dark shadow over the existing children's day care center at the south end of the existing platform park adjacent to the north of this subject site.

The Bethesda Plan notes that such day care centers are extremely important to the health of the community, and that sites for such uses are in very short supply.

(iii)

Other than **site "activation"** by events, the only other activation devices that appear obvious from the submission come in the form of plaza level retail around all four sides of the proposed high rise building.

Aside from the fact that the footprint of this private sector retail is actually larger than the footprint of the existing glass faced, three story structure in the same location (thereby reducing the size of the existing public space), there is no apparent reason why the same, or at least comparable, kind of retail "activation" could not be accomplished within the existing building - the addition of 290 vertical feet of office or residential density seems to add nothing to the existing situation in this regard.



(iv)

With respect to trying to “activate” the public space by opening up new **pedestrian pathways**, or improving existing ones, the submission does not seem to present anything substantially beyond the existing situation.

If anything the attractiveness and sight recognition of the transit entrance is reduced by the proposal’s covering over of the existing fountain cut that lets light and air into the bus arrival lower level, in order to claim a larger at grade public space to try and make up for the amount of the latter that the new building foot print requires.

One of the primary pedestrian access problems for this site is the lack of attractive, visible and easily navigated pathways for traffic that may want to get to the transit station by crossing the plaza from points along Woodmont Avenue and the residential neighborhoods to the west.

The applicant’s existing building, by the nature of its design, makes access through its lobbies extremely uninviting and difficult, even if the applicant wished to offer it. It is my recollection that the narrow stair up to the plaza level, from the street sidewalk near the bus entrance between the applicant’s building and the Clarke Building, is not shown to be significantly improved by the submission design, but I do not have time to check that and still meet the Staff’s deadline for submission of written comments tonight.

(vi)

This latter observation leads naturally to consideration of what might be the **best kind of building structure** to fit the idiosyncratic conditions of this particular site against the normative aspirations of the various relevant planning guidelines.

The building as proposed appears to be essentially a horizontally rectangular “slab” (or, if not horizontal, then at least square - no time left to try to take measurements from the material). The question may be whether such a huge mass, facing both the north and south directions, can ever be

successfully accommodated on this site, if “exceptional design” is expected.

The alternative, of course, would be a tower, which, by definition, is significantly taller than wide on any side. It is my understanding that the latter shape is the preferred consensus of most urban designers from cities around the world. I can supply reference material to substantiate that claim (e.g. cities renowned for their urban design achievements, such as Vancouver, etc.).

The implications of a design finding, that only a tower shape can successfully be fitted on this site, if maximum public use space and exceptional design are to be the result, would, of course, be that the total density of this proposal would require significant reduction, since its building envelope is already pushing against the 290 foot height limit of the relevant CR and Overlay Zones.

I submit that it is not only appropriate, but required, for DAP to consider such questions at this stage. I have done some research on this matter of tower versus slab, and would be willing to share more thoughts on it for further discussion if desired.

At present, I am inclined to feel that only a tower shape can come close to providing the symbolic effect that the planning documents put forward, as the basic rationale for recommending the addition of another building on this site up to 290 feet. But here again, more study obviously is necessary.

(vii)

Finally, it has come to my attention that **there exists a study of this site**, done independently of any connection to the current Sketch Plan application, by the George Washington University Center for Real Estate and Urban Analysis.

It is my understanding that this study claims to demonstrate that an activated park on this site would have the effect of substantially increasing the rent value of all adjacent properties within some not-insignificant radius of this site.

Furthermore, this study is based on evaluating the economic effects of a professionally prepared landscape plan, that activates the existing public open space, while also allowing for a building whose footprint is considerably smaller than that proposed by this application.

I submit that the existence of this study, demonstrating not only the viability, but also the profitability, of re-landscaping the existing public open space, is clear evidence that this particular proposal does NOT meet the high bar necessary to be awarded approval for exceptional design.

The suggestion of this study, that a public/private venture of some kind might work to bring this site to fulfillment of its potential, as pointed to in the various relevant planning documents, seems to offer an interesting angle that conceivably could lead to heretofore unexamined possibilities - or not, as the case might be.

The Silver Spring Veterans Plaza and Civic Center, which is praised for its design features in one of the Planning Board's guideline documents, was the result of such a venture.

It is true that the site conditions of the Bethesda Metro Plaza and those of the Silver Spring Veterans Plaza are very different. Veterans Plaza is on a level site with only relatively low rise buildings around it. Bethesda Metro Plaza is on top of an above street level hilltop, surrounded by 12+ story buildings.

The latter site seems to be the more challenging of the two, in terms of achieving exceptional design excellence. But might it warrant further discussion by all the relevant parties?

### **Summary Conclusions Regarding Exceptional Design Merits**

Although the composite review and approval process, for projects in Bethesda such as this one, has been divided into sequential approval steps (and topical compartments within these) by the adopted regulatory system -

And although the Sketch Plan step in this process uses only Public Benefits as a specifically illustrated criterion for approval, but requires demonstrated Exceptional Design as a critical and necessary component of the necessary Public Benefits package -

I believe the only logical conclusion that I could defend, in fairness to the applicant seeking advice and counsel at this early stage, would be that the present proposal does not meet the necessary level of quality to be given the necessary 10 points of the rating system for exceptional design, and that, without radical revision of a serious nature, it would be highly unlikely to warrant such approval at Site Plan.

## APPENDIX

The following excerpts (illustrative but not exhaustive) are cited in support of the observation that the basic thrust of all the planning documents that are relevant to the topic of design excellence show a need to aspire to the highest level of creativity and innovation. and to sound health, safety and welfare standards as is conceivably possible..

(Italic font indicates quotations - italic underlining and **bold** font has been added by this author):

### Council Approved & Board Adopted Bethesda Sector Plan

*Introduction - B. Challenges - **Lack of urban parks and green space***

*2,6 Urban Design - Public Space Network - A **well connected public space network** with a range of inviting streets, parks and plazas is **crucial** to fostering a walkable, bikeable and liveable downtown environment.*

*2.6.2 - Urban Form - ... increased building heights should be supported in targeted areas, while also ensuring **new development relates to the character** of existing streets, districts and neighborhoods.*

*2.6.2 - Urban Form - A. - Recommendations: Symbolic Center and Civic Gathering Spaces: Design **signature buildings** that integrate design and sustainability to occupy the **symbolic center** and surround civic gathering spaces.*

*2.6.2 - Urban Form - B. - Goal: **Preserve the scale and character** of designated areas and **ensure compatibility** of new development with surrounding neighborhoods.*

*2.6.2 - Urban Form - C. - Goal - Create a walkable environment where buildings frame a vibrant public realm and relate to the human scale. **Limit the impacts of imposing building massing and bulk, particularly in the design of tall buildings**, by designing with sensitivity for their effect on access to **sunlight and air, shadows** and how they contribute to the character and **visual identity** of Downtown Bethesda.*

2.6.2 - Urban Form - C. - Recommendations: Innovation: Encourage **innovative building form** and allow flexibility for design that meets the intent of the recommendations.

2.20 - Building Form Recommendations - Bulk: **Limit tower floor plates**, vary geometry and articulate facades to reduce building bulk.

2.20 - Building Form Recommendations - Separation: **Separate towers** to allow access to light and air, and reduce impact of shadows on the public realm.

2.6.3 - Placemaking - A, Recommendations - **Create gateways at transit entrances** that integrate elements such as wayfinding, landscape and **building form unique to Bethesda**.

2.7.1 - Parks and Open Space - Adding more density to an already densely built environment requires more parks ... **The positive effect of parks on people cannot be overstated**, particularly in urban areas.

2.8.2 - A. - Child Care Services - The high value of property in Downtown Bethesda often prices child care services out of the market and limits the provision of outdoor play space for children. Recommendation: **Encourage child care facilities in key locations** ,,,

### **Board Adopted Bethesda Downtown Design Guidelines**

(to be completed as time allows)

## **RICHARD TUSTIAN - SHORT PROFESSIONAL RESUME**

Richard Tustian is an architect, planner, and educator with over 50 years experience in managing the built environment.

After designing eight buildings (as architect), and as many municipal master plans (as planning consultant), he served as Planning Director of Montgomery County, Maryland for over twenty years (500 square miles - 2018 population 1,000,000+).

During this time, he gained national recognition for the design and implementation of a comprehensive urban growth management system, whose many successful innovations are widely considered to have had a seminal influence on the field of urban planning.

In later years, he provided educational and consulting services to governments, universities, and other institutions, including positions as Senior Fellow, Lincoln Institute of Land Policy, and Adjunct Professor, University of Pennsylvania.

His professional accreditations include: BArch, University of Toronto; MArch, MCP, CertUD, University of Pennsylvania; Loeb Fellowship, Harvard University; Senior Management Certificate, Federal Executive Institute; and Fellow, American Institute of Certified Planners.

Some component elements of the Montgomery County urban growth management system, that have been studied by scholars, include:

The MC General Plan: “Wedges and Corridors” - a prototypical example of the concept;

The MC Agriculture Reserve, with Transferable Development Rights system - awarded, in 2017, the American Planning Association’s Landmark Planning Award, “for a planning initiative at least 25 years old that is historically significant and initiated a new direction in planning”;

The MC Community Master Plan system - which links plan guidance to incentive zoning codes, staged subdivision regulations, and other related policy mechanisms;

The MC Adequate Public Facilities Ordinance, with its Bi-annual Growth Policy - used for coordinating the release of private land development permissions with the delivery of the public facilities listed in the Capital Improvements Program; and

The MC Moderate Priced Dwelling Unit Ordinance - which requires that a certain percentage of the total units, in all new housing developments, be made available at “moderate” cost.

Activities during Mr. Tustian’s time as educator and consultant include provision of services to:

The Lincoln Institute of Land Policy - as course developer and teacher, in a multi-year project to provide educational seminars on customized growth management issues, to a wide diversity of municipal governments across the nation;

The University of Pennsylvania - as multi-year course developer and teacher of topics both traditional (e.g. "Introduction to City and Regional Planning") and innovative (e.g. "Secret Seeds of Form: The Role of Rules and Limits in Design");

The National Research Council, Transportation Research Board - as team member in a project to explain and measure the relationships between transit and urban form;

The City of Los Angeles - as coordinating consultant in a project to totally reshape the existing planning-regulatory system, to incorporate ways to address contemporary transportation, environmental, and social equity concerns; and

The American Institute of Certified Planners - as coordinating consultant in a project to develop new advanced specialty certificates for Transportation and Environment planning.

Articles written by Mr. Tustian include:

"The Administrative Organization of Planning", published in Elsevier's International Encyclopedia of the Social and Behavioral Sciences (2007);

"Inclusionary Zoning and Affordable Housing", published by the National Housing Association (1999);

"Land Use Planning", published by Macmillan in its Encyclopedia of the Future (1996);

"Saving Farmland Through Transferable Development Rights", published in the American Farmland Trust Magazine (1986);

Five annual growth policy reports, culminating in "Planning, Staging, and Regulating", published by Maryland National-Capital Park and Planning Commission (1974-9);

And numerous papers and talks on urban planning topics, presented at a wide variety of educational conferences and seminars.