



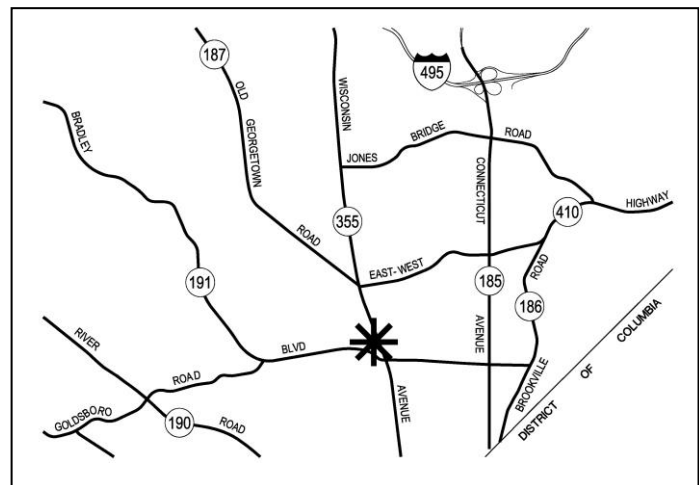
7000 Wisconsin, Sketch Plan No. 320190090

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Completed: 7/8/19

Description

- Sketch Plan: Construction of a mixed-use project of up to 210,000 total square feet, with up to 200,000 square feet of residential uses and up to 10,000 square feet of non-residential uses; project includes an allocation of Bethesda Overlay Zone density and a Park Impact Payment;
- Current uses: single story retail building and a surface parking lot;
- Located on Wisconsin Avenue, approximately 500 feet south of Woodmont Avenue;
- 0.71 acres or 30,773 gross square feet of tract area zoned CR 3.0 C 3.0 R 2.75 H120 in the 2017 *Bethesda Downtown Sector Plan*;
- Applicant: Starr Capital LLC and Woodfield Development Company;
- Acceptance date: March 27, 2019.



Summary

- Staff recommends approval of the Sketch Plan with conditions.
- The Project includes an assemblage of properties located at 6936 through 7000 Wisconsin Avenue.
- The Sketch Plan includes land that was part of the Koseian Property Preliminary Plan No. 120110390.
- The Applicant is seeking an additional 12 feet of building height beyond 110 feet, for a total height of 122 feet, through the provision of greater than 17.5% MPDUs as authorized by Section 59.4.9.2.C.3.b of the Zoning Ordinance.
- The Project includes an allocation of Bethesda Overlay Zone density of up to 117,681 square feet.
- The proposal will redevelop the site with a mixed-use building including a minimum of 17.6% moderately priced dwelling units, minimum parking, a through-block connection, structured parking, and exceptional design.
- In accordance with Section 59.7.3.3.C of the Zoning Ordinance, the Sketch Plan received a Planning Director's extension postponing the hearing from June 20, 2019 through July 19, 2019.

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SECTION 1: RECOMMENDATION AND CONDITIONS

SKETCH PLAN NO. 320190090

Staff recommends approval of Sketch Plan No. 320190090, for a mixed-use project of up to 210,000 total square feet, with up to 200,000 square feet of residential uses and up to 10,000 square feet of non-residential uses, on 0.71 acres of land, zoned CR 3.0 C 3.0 R 2.75 H120. The Project includes an allocation of Bethesda Overlay Zone density of up to 117,681 square feet. The following site development elements shown on the latest electronic version as of the date of this Staff Report submitted via ePlans to the M-NCPPC are required except as modified by the conditions below:

1. Maximum density and height;
2. Approximate location of lots and public dedications;
3. General location and extent of public open space;
4. General location of vehicular access points; and
5. Public benefit schedule.

All other elements of the Sketch Plan are illustrative and subject to refinement at the time of Site Plan.

This approval is subject to the following conditions:

1. Density

The Sketch Plan is limited to a maximum of 210,000 square feet of total development including an allocation of up to 117,681 square feet of Bethesda Overlay Zone density, on the Subject Property. The maximum number of dwelling units will be determined at Preliminary Plan.

2. Height

The building is limited to a maximum building height of 122 feet as measured from its building height measurement point illustrated on the Certified Site Plan.

3. Incentive Density

The development must be constructed with the public benefits listed below, unless modifications are made under Section 59.7.3.3.I. Total points must equal at least 100 and be chosen from at least four categories as required by Section 59.4.5.4.A.2. The requirements of Division 59.4.7 and the *CR Zone Incentive Density Implementation Guidelines* must be fulfilled for each public benefit. Final points will be established at Site Plan approval.

- a. Connectivity and Mobility, achieved through minimum parking and through-block connections;
- b. Diversity of Uses and Activities, achieved through moderately priced dwelling units;
- c. Quality of Building and Site Design, achieved through exceptional design, public open space and structured parking; and
- d. Protection of the Natural Environment, achieved through the purchase of building lot terminations and energy conservation and generation.

4. Building Design

The Applicant must submit their architectural design concept to the Design Advisory Panel concurrent with submittal of the Site Plan application.

5. Open Space

The Applicant must provide a minimum of 1,440 square feet (7 percent of the Site) of public open space.

6. Park Impact Payment (PIP)

At the time of Site Plan, the Applicant must identify the amount of BOZ density being purchased and allocated to the Subject Property.

7. Streetscape

The Applicant must install the Bethesda Streetscape Standard along the Subject Property's right-of-way frontages (Wisconsin Avenue and the public alley), including the undergrounding of utilities.

8. Building Lot Terminations (BLTs)

Prior to release of any building permit, the Applicant must provide proof of purchase and/or payment for the required BLTs.

9. Moderately Priced Dwelling Units (MPDUs)

The Applicant must provide on the Subject Property a minimum of 17.6% of the total new units as Moderately Priced Dwelling Units. The development must provide MPDUs in accordance with Chapter 25A. The final number of MPDUs must result in at least one (1) MPDU more than 17.5%.

10. Future Coordination for Preliminary Plan and Site Plan

In addition to any other requirements for Site Plans under Chapter 59, the following must be addressed when filing a Site Plan application:

- a. Fire and Rescue access and facility details;
- b. Streetscape details;
- c. Necessary public right-of-way dedication;
- d. Coordinate with MCDOT to ensure adequate access and circulation within the alley along the Site's western façade;
- e. Coordinate with MCDOT in accordance with their agency's letter, dated June 19, 2019;
- f. Address the Bethesda Downtown Plan recommendations and design guidelines regarding stormwater management;
- g. Demonstrate how each public benefit satisfies the Zoning Ordinance and Incentive Density Implementation Guideline requirements;
- h. Address the SITES & LEED recommendations of the Sector Plan, specifically related to energy efficiency and building design features; and
- i. Provide notes on the Site Plan describing the Bird-Safe design principles to be incorporated into the building architecture.

SECTION 2: SITE DESCRIPTION

Site Vicinity and Analysis

Subject Property

The subject site (Subject Property or Property) consists of an assemblage of properties located at 6936 through 7000 Wisconsin Avenue, in the Wisconsin Avenue Corridor District of the Bethesda Downtown Sector Plan area. The Property has a tract area of 0.71 acres.

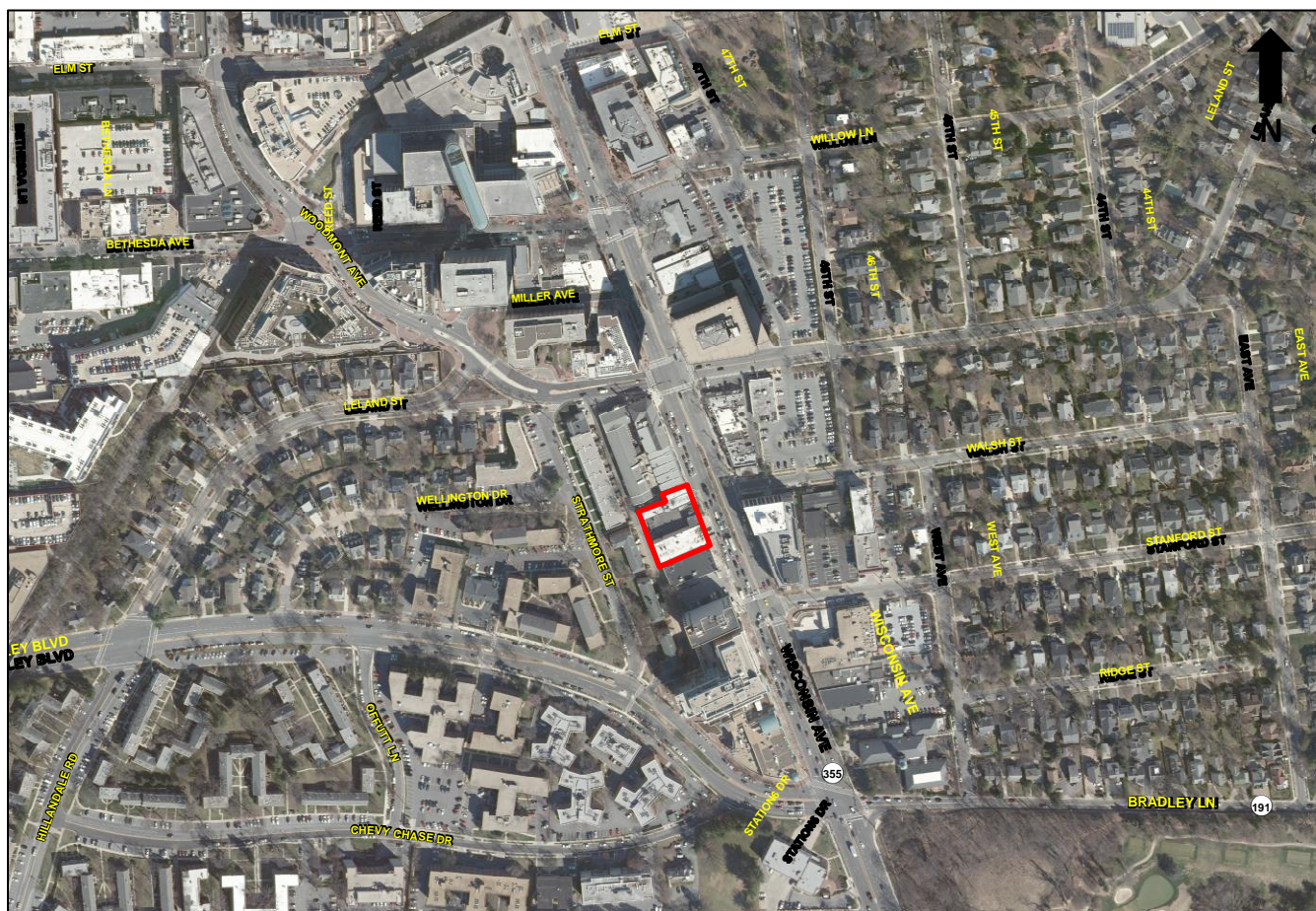


Figure 1-Aerial View

The Property is within the area encompassed by the 2017 *Bethesda Downtown Sector Plan* (Sector Plan). The Property is located within close proximity to the new southern entrance of the Bethesda Metro Station and Purple Line Station currently under construction and falls within the Bethesda Parking Lot District (PLD).

Site Analysis

The Property is zoned CR 3.0 C 3.0 R 2.75 H120. The Property is currently improved with a single-story retail building of approximately 25,000 square feet of leasable area as well as a surface parking lot with 15 parking spaces, with current tenants including Mattress Firm, Orvis, and a martial arts studio. Vehicular access to the Property is currently provided through a curb-cut on Wisconsin Avenue as well as through a 20-foot public alley located to the rear of the Property with connections to Woodmont Avenue and Bradley Boulevard. There are no

known rare, threatened, or endangered species on site; there are no 100-year floodplains, stream buffers, or wetlands on site. There are no known historic properties on site.

Surrounding Uses

The Property is located to the south of a single-story FedEx store and the recently developed 120-foot tall Bethesda Solaire project that is located across Woodmont Avenue. The Bethesda Solaire project includes approximately 145 multifamily dwelling units and True Food Kitchen at the ground-floor. Immediately to the south of the Property are a number of retail buildings, including a Verizon store and Sleepy's Mattress store, and further to the south is the 90-foot tall Adagio Apartments closer to the intersection of Bradley Boulevard and Wisconsin Avenue. The Adagio Apartments include approximately 92 multifamily condominium units as well as ground-floor retail uses. The Strathmore garden-style apartments are located immediately to the west of the Property across the public alley. Located west of the Strathmore apartments is the Sacks neighborhood on Leland Street and Wellington Drive, made up of 60 single-unit houses and garden style apartments along Bradley Boulevard. A number of single-story retail buildings are located to the east of the Property across Wisconsin Avenue, and to the southeast of the Property is a mixed-use commercial project with a Target, Trader Joes and several other stores. A 110-foot tall office building is located to the northeast of the Property in the northwest quadrant of the intersection of Leland Street and Wisconsin Avenue.

SECTION 3: PROJECT DESCRIPTION

Previous Approvals

The Montgomery County Planning Board approved Preliminary Plan of Subdivision No. 120110390 (the "Koseian Property" Preliminary Plan) under the prior Central Business District-1 Zone for a portion of the Property (6936-6950 Wisconsin Avenue) by resolution MCPB No. 13-70 dated June 5, 2013. The Koseian Property Preliminary Plan authorized the creation of one record lot with a 21,892 square-foot commercial building. The Koseian Property Preliminary Plan has not been validated through the recordation of a subdivision plat to date. Since the Sketch Plan includes additional land that was not part of the Koseian Property Preliminary Plan and the Property has been rezoned in accordance with the *Bethesda Downtown Sector Plan* and SMA, the Applicant is proposing to extinguish the Koseian Property Preliminary Plan prior to the time that a new Preliminary Plan of Subdivision is approved in accordance with this Sketch Plan.

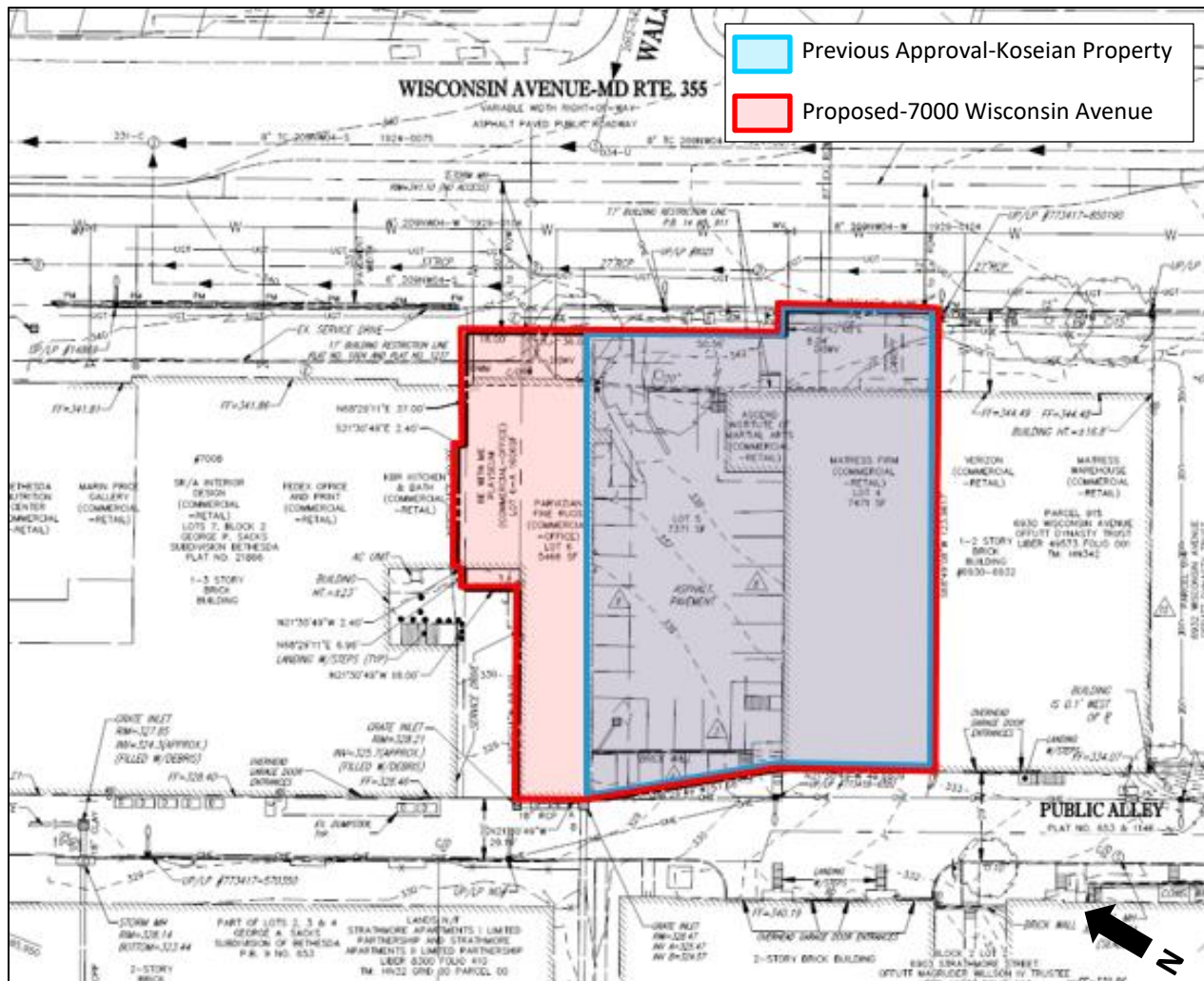


Figure 2-Lotting Diagram for Previous Approval and Proposed Sketch Plan

Proposal

The Project proposes to redevelop the Property with up to 210,000 total square feet of development including up to 200,000 square feet of residential development and 10,000 square feet of non-residential development with approximately 200 multifamily dwelling units in a 122-foot tall new residential building. The Project also includes a minimum of 17.6% Moderately Priced Dwelling Units (MPDUs). The Project includes an allocation of density from the Bethesda Overlay Zone of up to 117,681 square feet. The final amount of density to be purchased from the BOZ will be determined at Site Plan, where final density for the entire Project will be approved.

While the Property is zoned to allow 120 feet in building height, the Sector Plan states that the height of the Project should be limited to 110 feet unless the redevelopment includes a movie theater (Sector Plan, page 102). The Sketch Plan does not include a theater and is therefore limited to a building height of 110 feet before accounting for additional height allowances granted through the provision of additional Moderately Priced Dwelling Units ("MPDUs"). The Applicant is seeking an additional 12 feet of building height beyond 110 feet, for a total height of 122 feet, through the provision of greater than 17.5% MPDUs as authorized by Section 59-4.9.2.C.3.b of the Zoning Ordinance.

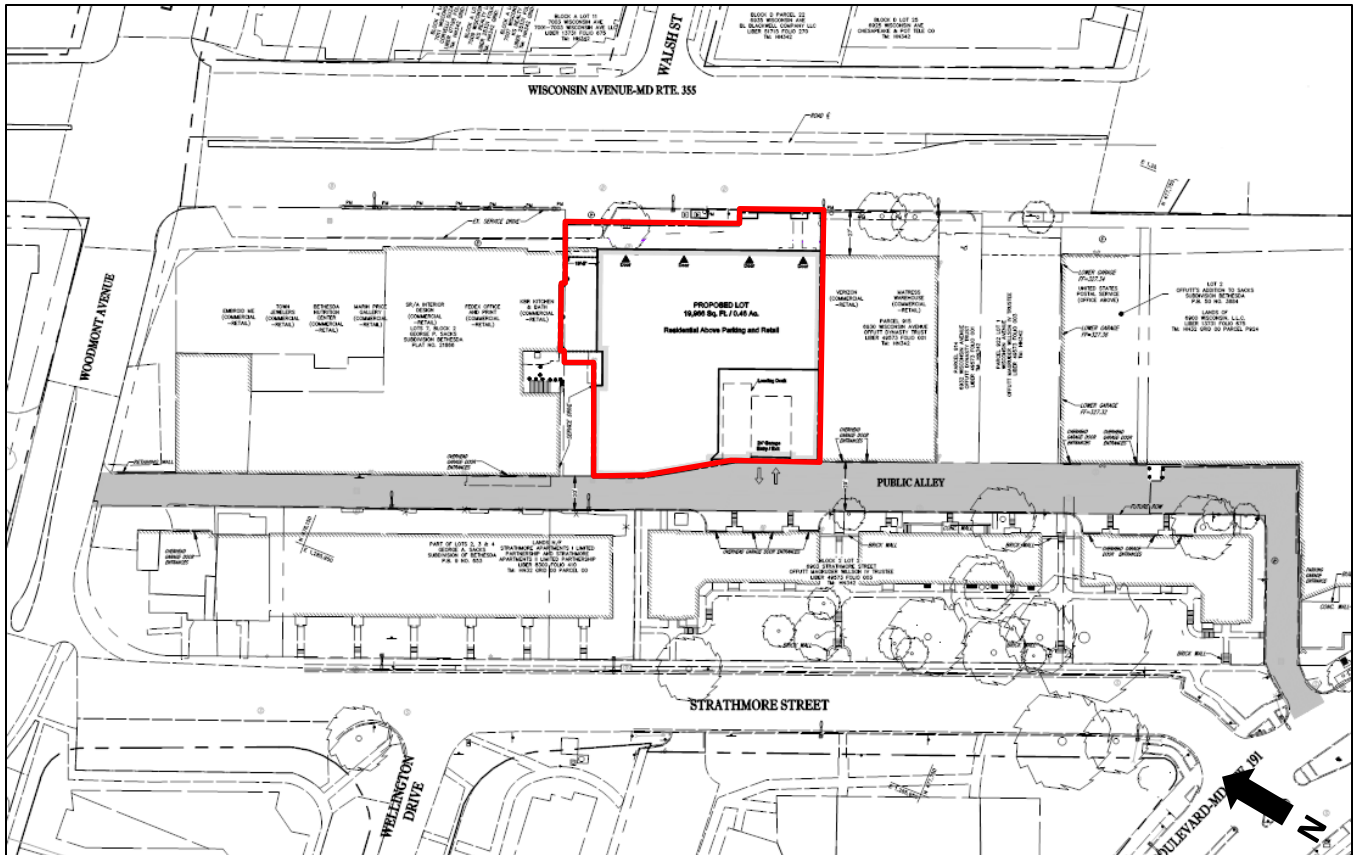


Figure 3-Proposed Sketch Plan

Buildings

The building is located on Wisconsin Avenue with vehicular entrances off of the public alley. The most recent design of the building includes a 45-foot building base and a 6-foot tower step-back to allow for access to light and air. As presented to the Design Advisory Panel on May 22, 2019 (Attachment A), the building is anticipated to activate its two frontages through the implementation of a highly articulated building and Bethesda streetscape. The Project takes advantage of the public alley to avoid curb cuts along Wisconsin Avenue, a key element to improving the streetscape experience on this section of Wisconsin Avenue.

From the Applicant's Statement of Justification:

The proposed massing addresses the nature of the development being at a mid-block condition and fronting on Wisconsin Avenue to the east side with a public alley at the rear at a lower level to the west. The design of the proposed 12 stories on Wisconsin Avenue will have a highly articulated facade that will define a strong retail base, middle and top. The middle of the building will have a frame that will relate to the datum and character of some of the surrounding buildings and the top will have a lighter nature. The Project's ground floor will be comprised entirely of a retail and residential lobby with amenities, and there will be a covered 2-story open space at the north end of the site perpendicular to Wisconsin Avenue. There will be a lower level of parking and multifamily residential uses along the public alley. There will be up to 2 additional levels of below grade parking. The typical floor of the building will be in an L-shape which will reduce the amount of party walls above grade but also allow the court to face in the southwest direction allowing access to light and air for the proposed dwelling units. The roof will have a terrace and mechanical penthouses.



Figure 4- Illustrative Massing from Wisconsin Avenue

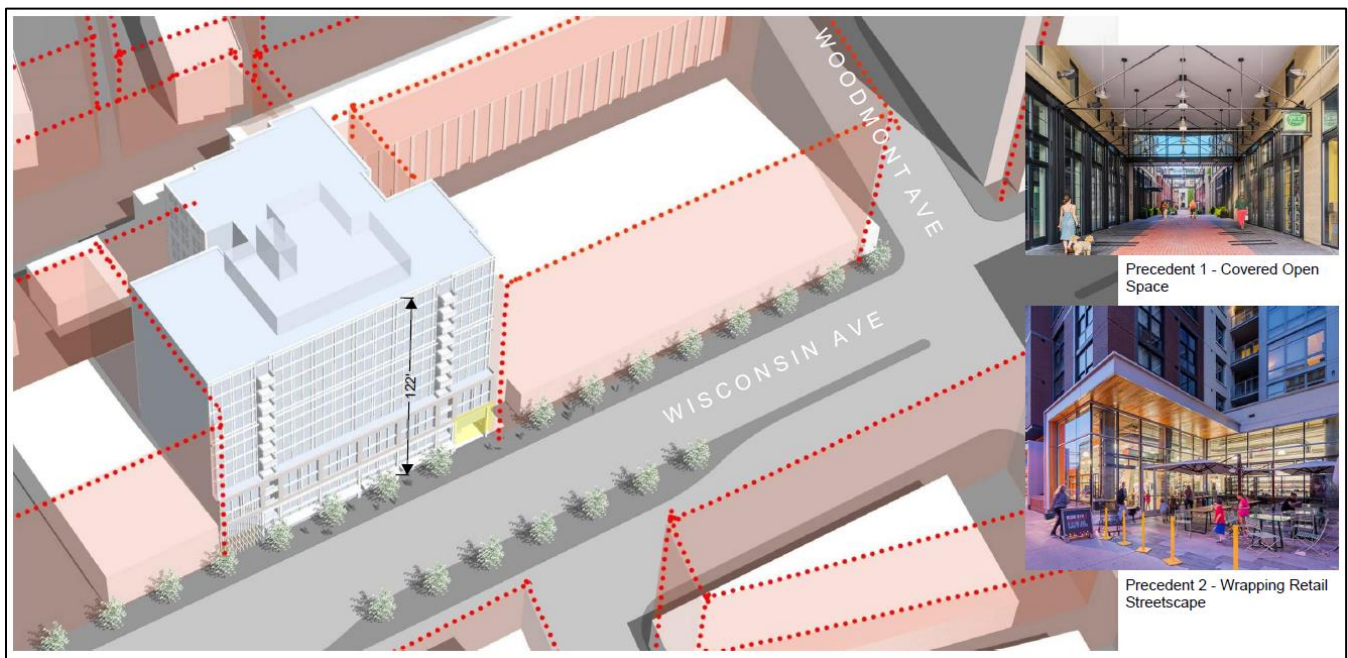


Figure 5- Illustrative Massing

Open Space

With a Site area of 19,966 square feet, the Applicant is not required to provide public open space. However, the project proposes 7% of the Site, or 1,440 square feet, as public open space along the northern portion of the Property that will ultimately allow for the through-block connection envisioned by the Sector Plan. The details and design of the open space will be determined at the time of Site Plan.



Figure 6- Illustrative Aerial of the through-block connection



Figure 7- Illustrative Interim Condition-Through-block connection

Environment

Forest Conservation

Staff confirmed a Forest Conservation Exemption for this project on April 1, 2019, through Section 22A-5(s)(1) of the Forest Conservation Law under application #42019148E. The project qualifies for the small property exemption because the net tract area is less than 1.5 acres with no existing forest or existing specimen or champion trees, and the afforestation requirements would not exceed 10,000 square feet.

Stormwater Management (SWM)

A Stormwater Management Concept Plan is not required at the time of Sketch Plan. Submission of the concept to the Department of Permitting Services (DPS) and approval will be required at the time of Preliminary Plan. The ultimate SWM plan approval should also address the *Bethesda Downtown Sector Plan* recommendations regarding SWM.

Green Cover

The Sector Plan includes a number of recommendations to achieve the urban green goals. An important recommendation to this effect is the onsite 35% green coverage minimum. The green cover may include singularly or a combination of intensive green roof (6 inches or deeper) or tree canopy cover. The proposed layout of the building precludes the opportunity for onsite canopy tree plantings. Therefore, the onsite 35% green cover will need to be achieved entirely through the use of intensive green roof.

The green cover exhibit submitted by the Applicant shows a net lot area of 19,966 square feet, and a resulting green coverage requirement of at least 6,988 sf (35% of net lot area). The final green cover layout and details will be provided at the time of Site Plan.

Transportation

Access and Circulation

Pedestrian access to the Site will be from the established sidewalk network along Wisconsin Avenue and from partial implementation of a new through-block connection along the north side of the Site. Final design of the through-block connection will be determined through subsequent review at Site Plan and the ultimate limits of the passageway will be established when the adjacent property, to the north, seeks development approval. The Wisconsin Avenue streetscape will be enhanced, consistent with the Bethesda Streetscape Standards.

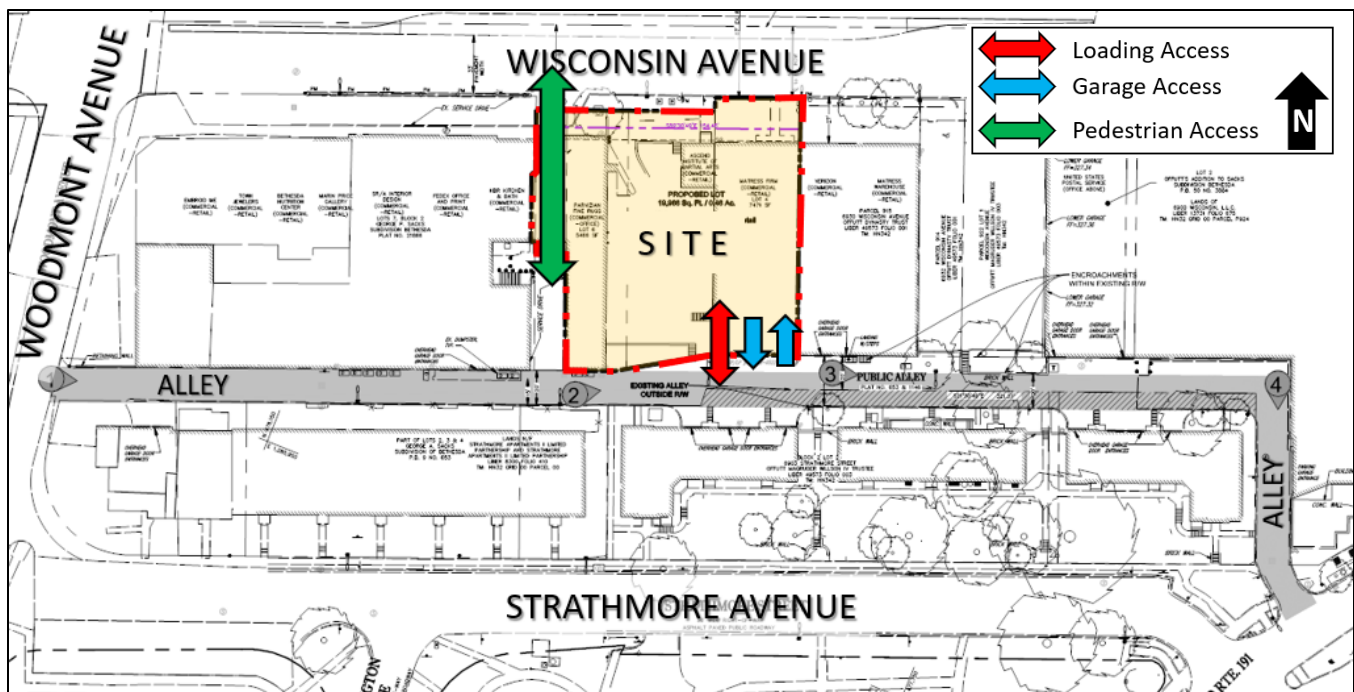


Figure 8-Pedestrian and Vehicular Circulation

Vehicular access and loading are proposed to occur directly from an existing public alley along the southwest side of the Site with loading and garage access via two adjacent, but separate access points. This access configuration is designed to eliminate vehicular access points on Wisconsin Avenue, which will minimize interruptions to the pedestrian realm and supports the pedestrian-and transit-oriented nature of Downtown Bethesda. Additionally, the elimination of curb cuts along Wisconsin Avenue will reduce potential conflicts between vehicles entering and leaving the site and adjacent street traffic.

Although Staff supports the Project's alley access in concept, additional information will be required with the Preliminary Plan submittal to demonstrate that the alley can accommodate Project-generated traffic. The alley is currently improved between Woodmont Avenue and Bradley Boulevard (MD 191) and serves as primary vehicular and service access to the "Adagio" on the 6800 Block of Wisconsin Avenue, primary vehicular access for the residential block on the west side of the alley, and service access for many of the existing commercial buildings within the 7000 Wisconsin Avenue block, between the alley and Wisconsin Avenue.

Transit Connectivity

The immediate area is well served by transit that includes the Red Line Bethesda Metrorail Station, Metrobus, RideOn, the Bethesda Circulator and future Purple Line and BRT. The future Purple Line station and south entrance to the Bethesda Metrorail station approximately ¼ mile to the north of the Site at the intersection of Wisconsin Avenue and Elm Street.

Master Plan Roadways and Pedestrian/Bikeway Facilities

The 2017 *Bethesda Downtown Sector Plan* recommends that Wisconsin Avenue (Major Highway "M-6"), along the eastern site frontage, have a minimum right-of-way width of 120 feet. There are no specific recommendations for the public alley between Woodmont Avenue and Bradley Boulevard.

Sector-Planned Transportation Demand Management

The Sector Plan encourages a Non-Auto Driver Mode Share (NADMS) of 55%, averaged between employees and residents of Downtown Bethesda. In order to meet this goal, Downtown Bethesda is organized into a Transportation Demand Management District (TMD) that strives to promote travel by means other than single occupancy vehicles. As a residential project of more than 100 dwelling units within the Bethesda TMD, the development is required to enter into a Traffic Mitigation Agreement (TMAg) with the Planning Board and Montgomery County Department of Transportation (MCDOT) to participate in the Bethesda TMD. Specific details of the TMAg will be determined during the Preliminary Plan review.

Adequate Public Facilities

The Project is estimated to generate a net decrease of 113 morning peak-hour person trips (43 fewer vehicle trips) and a net decrease of 66 evening peak-hour person trips (21 fewer vehicle trips under the existing commercial uses). Since the Project will generate fewer than 50 net new person trips, the Local Area Transportation Review will be satisfied with a transportation statement.

Community Outreach

The Applicant held a pre-submittal public meeting at the Bethesda-Chevy Chase Regional Services Center on February 26, 2019. The Applicant has complied with all submittal and noticing requirements.

Staff received correspondence from citizens raising concerns regarding the traffic impacts on the alley along the site's western frontage and the anticipated impacts associated with the Project's vehicular and loading access concept (Attachment B). Staff understands the concerns and will carefully evaluate these impacts, in association

with MCDOT at the time of Preliminary and Site Plan review. The intent of a Sketch Plan is to evaluate a project at an early stage, reviewing the proposed development for general design, density, circulation, public benefits and relationship to the Sector Plan (Zoning Ordinance Section 59.7.3.3.A.2), but does not get to the level of detail that is required at the time of Preliminary and Site Plan submissions. Pertaining to the community's transportation and traffic impact concerns, at the time of Sketch Plan, the illustrative plans show pedestrian, bicycle, and vehicular circulation, parking and loading; an estimated range of peak-hour trips; and the relationships of the proposed building to the adjacent existing or proposed buildings and right-of-way (Zoning Ordinance Section 59.7.3.3.B.3.h.iii-iv). Planning Staff and MCDOT staff support the Project's alley access at this time and additional information will be required with the Preliminary Plan submittal to demonstrate that the alley can accommodate the site generated traffic.

SECTION 4: PROJECT ANALYSIS AND FINDINGS

The purpose of a Sketch Plan is to identify general land uses, development intensity, and public benefits for the optional method of development in the CR, CRT, EOF or LSC Zones. The Sketch Plan is intended to be conceptual in nature with an emphasis on building densities, massing, heights and anticipated uses, the locations of open and public use spaces, the general circulation patterns for all modes of transportation, an estimated range of peak hour trips and relationships between existing or proposed adjacent buildings and rights-of-way. Details of the proposed development are determined during Preliminary and Site Plan review. Section 59.7.3.3.E of the Zoning Ordinance states: "To approve a Sketch Plan the Planning Board must find that the following elements are appropriate in concept and appropriate for further detailed review at site plan. The Sketch Plan must:"

1. *meet the objectives, general requirements, and standards of this Chapter;*

The Sketch Plan meets the development standards of Section 59.4.5.4, as shown in the following Data Table:

Sketch Plan Data Table			
Section 59.4	Development Standard	Permitted/ Required	Proposed
	Gross Tract CR 3.0 C-3.0 R-2.75 H-120	n/a	30,773 sf (0.71 ac)
	Prior Dedication	n/a	8,859 sf (0.20 ac)
	Proposed Dedication	n/a	1,948 sf (0.04 ac)
	Net Lot Area	n/a	19,966 sf (0.46 ac)
	Density (GFA/ FAR)		
	Non-Residential Density	92,319 sf/ (3.0)	7,694 sf (0.25)
	Residential Density	84,625 sf/ (2.75)	84,625 sf (2.75)
	TOTAL (mapped maximum density)	92,319 sf/ (3.0)	92,319 sf/ (3.0)
	Bethesda Overlay Zone Density	n/a	117,681 sf (3.824)
	Total FAR/GFA	n/a	210,000 sf (6.824)
	MPDUs	15%	17.6%
	Building Height CR 2.5 C-0.50 R-2.5 H-150	120 feet ¹	122 feet ²
	Public Open Space (min)	0%	7%/1,440 sq. ft.
	Green Cover	35%	35%
	Minimum Setbacks	n/a	0

¹ Height limited to 110 feet if a theater is not provided per the Sector Plan.

² Applicant is requesting 12 additional feet, per Section 59.4.9.2.C.3.b. of the Zoning Ordinance for exceeding 17.5% MPDUs.

The Application will provide the minimum required number of bicycle parking spaces within the building, which will be determined at the time of Site Plan. The final number of vehicular parking spaces will be determined at Site Plan based on the residential units and retail square footage.

The Sketch Plan conforms to the intent of the CR zone as described below:

a) *Implement the recommendations of applicable master plans.*

The Project substantially conforms to the recommendations for the Property included in the 2017 *Bethesda Downtown Sector Plan*. Specifically, this Sector Plan builds on the past successes of Downtown Bethesda to create a truly sustainable downtown by focusing on components that will bolster the elements most in need of enhancement. The recommendations increase:

1. **Parks and open spaces**, including new civic greens at Veteran's Park, Bethesda Farm Women's Cooperative Market, Capital Crescent Trail and new urban parks, pathways and gateways.
2. **Affordable housing**, including the preservation of existing market-rate affordable housing, providing a mix of housing options and the provision of Moderately Priced Dwelling Units in exchange for development incentives.
3. **Environmental innovation**, including more energy-efficient buildings, better stormwater management, improved sidewalks and bicycle routes, and other measures to enhance community health and quality of life.
4. **Economic competitiveness**, based on new development, public amenities and proximity to public transit to attract businesses and visitors from throughout the region, and foster entrepreneurship and innovation.

The Property is designated as site 109 on page 99 of the Sector Plan. The Property is located in the area of the Sector Plan designated as the "Wisconsin Avenue District," the main artery through the center of Downtown Bethesda. Specifically, the Project addresses the following goals as outlined in the Wisconsin Avenue District section of the Sector Plan:

- *Encourage infill and reinvestment on underutilized commercial sites and private surface parking lots.*

The Project allow for redevelopment of a single-story commercial building and ancillary surface parking lot with multi-family residential uses and activating ground-floor retail uses.

- *Encourage mixed-income/affordable housing near transit stations.*

The Project will add a minimum of 17.6% Moderately Priced Dwelling Units (MPDUs) within walking distance to the future southern entrance to the Bethesda Metro Station and the future Purple Line Station. The proposed MPDUs will help further one of the primary goals, affordable housing, of the Sector Plan and Bethesda Overlay Zone.

- *Develop compact nodes that place the highest intensity in those centers, provide distinctive infill buildings and step down to lower densities and heights near the edges.*

The Project includes a mix of residential and retail uses that are appropriate for this area of Downtown Bethesda. The redevelopment of an underutilized commercial site with surface parking with multifamily dwelling units and ground-floor retail is compatible with the adjacent residential, office, and retail uses. The Sketch Plan will allow for up to 122 feet in building height through the provision of greater than 17.5% MPDUs. The combination of multifamily dwelling units, ground floor retail uses, and amenities proposed for the Project will create an appropriate transition between the Wisconsin Avenue Corridor district and the South Bethesda district south west of the Property.

- *Encourage high-performance buildings and sites nearest the established centers.*

The Project proposes to incorporate energy-efficient building systems to exceed the ASHRAE 90.1 standard by a minimum of 17.5%, as required by the Bethesda Overlay Zone. In addition, intensive green roof systems and planters are proposed to cover a minimum of 35% of the Property's lot area to increase the overall green cover. Dedication along Wisconsin Avenue will help to enhance the pedestrian experience along the Property. Additional planting and pedestrian circulation areas along these public right-of-way frontages will allow for an improved streetscape in both the Wisconsin Avenue Corridor district

- *Create green, active and walkable sidewalks that are designed to balance pedestrian and retail activity with vehicular and BRT traffic along this major corridor.*

The Project's proposed right-of-way dedication and the undergrounding of existing utilities, along Wisconsin Avenue and the public alley will help to improve the pedestrian zone lined with street trees, planting and furnishings. In addition to providing right-of-way dedication, the Project's sidewalk width is designed in accordance with the Design Guidelines recommendations for these streetscapes such that additional free and clear sidewalk width is accommodated.

- *Design tall buildings along Wisconsin Avenue to have a human-scaled presence on the street, reduced uniformity and compatibility with edge neighborhoods.*

Although the architectural concept is sufficient for Sketch Plan approval, the Project's proposed building massing along Wisconsin Avenue will continue to be refined prior to the Site Plan submittal to address the Bethesda Design Guidelines and Sector Plan. The Sketch Plan will allow for up to 122 feet in building height through the provision of greater than 17.5% MPDUs.

The Project is in general conformance with the 2017 *Bethesda Downtown Plan*.

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

The Project will redevelop the existing low-scale retail buildings and surface parking with a higher-density mixed-use building with underground parking to maximize development in close proximity to the Metro. The Project meets the objective of this finding.

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

The Project encourages such development by proposing market-rate residential units in a variety of unit types as well as a minimum of 17.6% MPDUs, offering housing opportunities for a range of incomes proximate to the numerous transit options of downtown Bethesda. The Project facilitates all modes of transit – pedestrian, bicycle, and vehicular – in close proximity to the Metro. The Project does not propose any parking between the building and the street frontages.

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

The Project includes a mix of residential and retail uses that are appropriate for the High Performance Area of Downtown Bethesda. The redevelopment of an underutilized commercial site with surface parking with multifamily dwelling units and ground-floor retail is compatible with the adjacent residential, office, and retail uses. The Sketch Plan will allow for up to 122 feet in building height through the provision of greater than 17.5% MPDUs.

- e) *Integrate an appropriate balance of employment and housing opportunities.*

The Sector Plan identified several distinct districts within Downtown Bethesda to guide development compatibility. The Subject Property is within the Wisconsin Avenue Corridor district, the main artery through the center of Downtown Bethesda. As proposed, mix of up to 200,000 square feet of residential uses and up to 10,000 square feet of retail uses in the Wisconsin Avenue Corridor will help to create a more balanced mix of uses along this primarily retail-oriented block.

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

The Project will provide the required public benefits from a minimum of three categories to achieve the desired incentive density above the standard method limit. Pursuant to Section 59.4.9.2.C.3.d of the Zoning Ordinance, one less public benefit point category must be satisfied for a project providing more than 15% MPDUs. Since the Project provides greater than 17.5% MPDUs, only three public benefit point categories must be satisfied. Final determination of public benefit points will be determined at the time of Site Plan.

- 2. *substantially conform with the recommendations of the applicable master plan;*

As discussed in Finding 1.a. above, the Project substantially conforms to recommendations of the 2017 *Bethesda Downtown Sector Plan*. The Project will increase the supply of housing to serve a variety of income levels, redevelop under-utilized properties, provide activating ground-floor retail, and provide streetscape improvements that improve the safety and character of the existing streets.

- 3. *satisfy any development plan or schematic development plan in effect on October 29, 2014;*

The Sketch Plan is not subject to a development plan or schematic development plan.

4. *achieve compatible internal and external relationships between existing and pending nearby development;*

The Sketch Plan is compatible with existing and pending development along the Wisconsin Avenue Corridor. The Project will incorporate a strong base building with street activating retail uses and an articulated facade at the top of the building to break down the bulk of the development. The development of a Project with up to a 122 feet of building height allows for a transition in building heights that increase significantly several blocks to the north of the Property. The Sketch Plan also provides for a through block connection at the northern end of the Property, which creates separation on this block to ensure that there will not be an exceedingly long and uninterrupted mass on Wisconsin Avenue. In addition, the Application will provide streetscape improvements on Wisconsin Avenue and the public alley to ensure safe and efficient pedestrian circulation patterns at this transit-oriented location. The entire base of the building will also include retail and residential lobbies with amenities which will activate the streetscape and connectivity along the Wisconsin Avenue Corridor.

5. *provides satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking, and loading;*

The Project access, circulation, parking, and loading concept is satisfactory for the level of detail reviewed as part of the Sketch Plan application. The Project is designed with all vehicular access and loading located along the public alley to the rear of the Property. Further detail and coordination with the County Department of Transportation will be required with subsequent Preliminary Plan and Site Plan applications. While there is an existing curb-cut that serves the Property on Wisconsin Avenue, the Applicant proposes to eliminate this access point to enhance the pedestrian and bike experience along the Project's frontage. All of the proposed parking spaces will be located in a below grade garage.

Bicycle racks or lockers will be provided within the garage and short-term spaces will be provided along the Property's frontage, with final location to be determined at time of Site Plan, to facilitate bicyclist access to the Property.

Pedestrian access to the site will be from the established sidewalk network and will be enhanced by streetscape improvements along each of the Property frontages, consistent with the Bethesda Streetscape Standards.

6. *propose an outline of public benefits that supports the requested incentive density and is appropriate for the specific community;*

Taking into account the considerations in Section 59.4.7.1.B and the Public Benefit Points established with the Bethesda Overlay Zone in Section 59.4.9.2.C.4, including the recommendations and objectives of the Sector Plan and any applicable design guidelines, the Incentive Density Implementation Guidelines, the size and configuration of the site and its relationship to adjacent properties, similar public benefits nearby, and additional enhancements related to the individual public benefits, Staff finds that the following outline of public benefits supports the Applicant's request for incentive density and is appropriate for the community surrounding the site, as described below.

For the proposed development, the Zoning Ordinance requires 100 points in three categories. Although at the time of Sketch Plan review only the categories need be approved, the following table shows both the categories and points for the public benefits recommended at Sketch Plan to demonstrate the project's ability to meet the requirement to provide sufficient benefit points.

Public Benefits Table		
Public Benefit	Incentive Density Points	
	Max Allowed	Requested
59.4.7.3C: Connectivity and Mobility		
Minimum Parking¹	20	15.9
Through-Block Connections¹	30	20
59.4.7.3D: Diversity of Uses and Activities		
Affordable Housing¹	unlimited	37.5
59.4.7.3E: Quality of Building and Site Design		
Exceptional Design¹	30	20
Public Open Space¹	30	7.2
Structured Parking	20	20
59.4.7.3F: Protection and Enhancement of the Natural Environment		
BLTs	30	4.2
Energy Conservation and generation¹	25	15
TOTAL		139.8

¹Denotes Sector Plan priority

Connectivity and Mobility

Minimum Parking: The Applicant requests 15.9 points for providing fewer than the maximum allowed number of parking spaces. Points for this incentive are granted on a sliding scale from no points for providing the maximum allowable number of on-site spaces to 20 points for providing no more than the minimum numbers of spaces on site. Final determination will be made at Site Plan and Staff supports the Applicant's request.

Through Block Connection: The Applicant requests 20 points for providing a through block connection. Points for this incentive are based on design criteria such as open-air access, width, connections to transit, parks, or public buildings, retail access, and wall glazing adjacent to the connection. Final determination based on this criterion will be made at Site Plan. Staff supports the category at this time.

Diversity of Uses and Activities

Affordable Housing: The Applicant requests 37.5 points for providing 17.6% Moderately Priced Dwelling Units (MPDUs), in accordance with the CR Zone Incentive Density Implementation Guidelines. Points in this category are granted on a sliding scale at a rate of 15 points for every 1 percent of MPDUs greater than that required by law (59.4.7.3.D.6). The final unit mix will be determined at Site Plan. Staff supports the category at this time.

Quality of Building and Site Design

Exceptional Design: The Applicant requests 20 points for building or site design that enhances the character of a setting. As a site receiving an allocation of Bethesda Overlay Zone density, the Project is subject to the Design Advisory Panel review, which will award points based on the quality of the design. The Applicant asserts that the Project provides innovative solutions in response to the immediate context; creates a sense of place and serves as a landmark; enhances the public realm in a distinct and original manner; introduces materials, forms, or building methods unique to the immediate vicinity or applied in a unique way; designs compact, infill development so living, working and shopping environments are more pleasurable and

desirable on a site; and integrates low-impact development methods into the overall design of the site and building, beyond green building or site requirements.

The Design Advisory Panel recommended the following during their meeting on May 22, 2019:

1. Design a lower base height of approximately 35-45 feet to be in proportion to the height of the buildings and step-back the floors above the base no less than 5 feet, with 10 feet step-back recommended.
2. Provide a clear drawing of the alley connections, dimensions and turning movements for trucks.
3. Provide a landscaping plan to illustrate how the site design works.
4. Public Benefit Points: If these recommendations are met, the project is on track to achieve at least the minimum 10 Exceptional Design points required in the Bethesda Overlay Zone.
5. Straw vote: 4 in support but with conditions, 1 does not support.

Additional context and discussion for the DAP's recommendations are included in the attached May 22, 2019, Design Advisory Panel meeting summary. At the time of Site Plan submission, the Applicant must present to the Design Advisory Panel a revised design that fully exemplifies the criteria in the Commercial/Residential and Employment Zones Incentive Density Implementation Guidelines and fully addresses the Panel's comments. Staff supports the category at this time.

Public Open Space: The Applicant requests 7.2 points for providing public open space. Points for this category are granted on a sliding scale, based on the percentage of the lot area and other criteria listed in the Implementation Guidelines. The Applicant has designed the through block connection to also be utilized as public space according to the Implementation Guidelines. Staff supports the category at this time.

Structured Parking: The Applicant requests 20 points for providing structured parking in a below-grade parking structure. Staff supports this request at this time.

Protection and Enhancement of the Natural Environment

Building Lot Termination (BLT): The Applicant requests 4.2 points for the purchase of BLT easements or equivalent payment made for every 31,500 square feet of gross floor area comprising the 7.5% incentive density floor area. Points are granted by the calculation of BLTs as provided in Section 59.4.7.3.F of the Zoning Ordinance. Staff supports the Applicant's request at this time.

Energy Conservation and Generation: The Applicant requests 15 points for providing a project that exceeds the energy efficiency standards for new buildings by 17.5%. At the time of Site Plan, the Applicant will submit an energy use/ generation model. This category is a priority in the Sector Plan and a requirement of the Bethesda Overlay Zone. Staff supports the Applicant's request at this time.

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

The Project will be built in one phase.

CONCLUSION

As conditioned, the Sketch Plan application satisfies the findings under Section 59.4.5.4 of the Zoning Ordinance and substantially conforms to the recommendations of the 2017 *Bethesda Downtown Sector Plan*. Therefore, Staff recommends approval of the Sketch Plan with the conditions specified at the beginning of this report.

ATTACHMENTS

- A. Design Advisory Panel summary letter
- B. Community Correspondence
- C. Agency Letters