MCPB No. 19-092 Sketch Plan No. 320190090 7000 Wisconsin Date of Hearing: July 18, 2019

JUL 25 2019

# RESOLUTION

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

WHEREAS, on March 27, 2019, Starr Capital LLC and Woodfield Development Company ("Applicant") filed an application for approval of a sketch plan for construction of a mixed use project with 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, including a future allocation of Bethesda Overlay Zone density on 0.71 acres of CR 3.0 C 3.0 R 2.75 H120 zoned-land within the Bethesda Overlay Zone, located on Wisconsin Avenue, approximately 500 feet south of Woodmont Avenue ("Subject Property") in the Bethesda CBD Policy Area and 2017 Bethesda Downtown Sector Plan ("Sector Plan") area; and

WHEREAS, Applicant's sketch plan application was designated Sketch Plan No. 320190090, 7000 Wisconsin ("Sketch Plan" or "Application"); and

WHEREAS, following review and analysis of the Application by Planning Board staff ("Staff") and other governmental agencies, Staff issued a memorandum to the Planning Board, dated July 8, 2019, setting forth its analysis and recommendation for approval of the Application subject to certain binding elements and conditions ("Staff Report"); and

WHEREAS, on July 18, 2019, the Planning Board held a public hearing on the Application at which it heard testimony and received evidence submitted for the record on the Application; and

WHEREAS, at the hearing, the Planning Board voted to approve the Application subject to certain binding elements and conditions, by the vote certified below.

Approved as to Legal Sufficiency:

8787 Georgia Avenue, Siver Spring, Maryland 20910 Phone: 301.495.4605 Fax: 301.495.1320

NOW, THEREFORE, BE IT RESOLVED that the Planning Board approves Sketch Plan No. 320190090, 7000 Wisconsin, for construction 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, including a future allocation of Bethesda Overlay Zone density on the Subject Property, subject to the following binding elements and conditions:<sup>1</sup>

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

All other elements are illustrative.

B. Conditions. 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 throughblock connections;

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

- 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 along the Site's western facade alley.

- e. Address the Bethesda Downtown Plan recommendations and design guidelines regarding stormwater management;
- f. Demonstrate how each public benefit satisfies the Zoning Ordinance and Incentive Density Implementation Guideline requirements;
- g. Address the SITES & LEED recommendations of the Sector Plan, specifically related to energy efficiency and building design features;
- h. Provide notes on the Site Plan describing the Bird-Safe design principles to be incorporated into the building architecture; and
- i. Coordinate with MCDOT in accordance with their agency's letter, dated June 19, 2019.

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

1. The Sketch Plan meets the objectives, general requirements, and standards of the Zoning Ordinance.

# a. Development Standards

The Subject Property includes approximately 0.71 acres zoned CR 3.0 C 3.0 R 2.75 H120 and the Bethesda Overlay Zone. The data table below demonstrates the Application's conformance to the applicable development standards of the zone.

Data Table

Sketch Plan Data Table				
Section 59.4	Development Standard	Permitted/ Required	Approved	
	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 <sup>2</sup>	122 feet <sup>3</sup>
Public Open Space (min)	0%	7%/1,440 sq. ft.
Green Cover	35%	35%
Minimum Setbacks	n/a	0

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 marketrate 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

<sup>&</sup>lt;sup>2</sup> Per the Sector Plan, building height is limited to 110 feet if a movie theater is not provided.

<sup>&</sup>lt;sup>3</sup> Applicant is requesting 12 additional feet, per Section 59.4.9.2.C.3.b. of the Zoning Ordinance for exceeding 17.5% MPDUs.

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 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 provided 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 will 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 will be provided 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 within 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 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 Guideline 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 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.

For the reasons stated above, the Project is in 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 provide 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 provided, 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. The Sketch Plan substantially conforms to the recommendations of the Sector 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. The Sketch Plan satisfies, under Section 7.7.1.B.5 of the Zoning Ordinance, the binding elements of any development plan or schematic development plan in effect on October 29, 2014.

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

4. The Sketch Plan achieves 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. The Sketch Plan provides satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking, and loading.

The Project provides satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking, and loading. The Project is designed with all vehicular access and loading located along the public alley to the rear of the Property. While there is an existing curb-cut that serves the Property on Wisconsin Avenue, the Applicant will eliminate this access point to enhance the pedestrian and bike experience along the Project's frontage. All of the 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. The Sketch Plan proposes an outline of public benefits that supports the requested incentive density and is appropriate for the specific community.

Taking into account the considerations in Section 59-4.7.1.B, including the recommendations and objectives of the Sector Plan and any applicable design guidelines, the Incentive Density Implementation Guidelines, the size and configuration of the site and its relationship to adjacent properties, similar public benefits nearby, and additional enhancements related to the individual public benefits, the Planning Board finds that the following outline of public benefits supports the Applicant's request for incentive density and is appropriate for the community surrounding the site. Final determination of public benefit point values will be determined at Site Plan(s).

For the 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	Approved in Concept		
59.4.7.3C: Connectivity and Mobility				
Minimum Parking <sup>1</sup>	20	15.9		
Through-Block Connections <sup>1</sup>	30	20		
59.4.7.3D: Diversity of Uses and Activities				
Affordable Housing <sup>1</sup>	unlimited	37.5		
59.4.7.3E: Quality of Building and Site Design				
Exceptional Design <sup>1</sup>	30	20		
Public Open Space <sup>1</sup>	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 generation <sup>1</sup>	25	15		
TOTAL		139.8		

<sup>&</sup>lt;sup>1</sup>Denotes 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 the Planning Board supports the Applicant's request at this time.

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. The Planning Board 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. The Planning Board 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 designed that fully exemplifies the criteria in the Commercial/Residential and Employment Zones Incentive Density Implementation Guidelines and fully addresses the Panel's comments. The Planning Board 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. The Planning Board supports the category at this time.

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

7. The Sketch Plan establishes a feasible and appropriate phasing plan for all structures, uses, rights-of-way, sidewalks, dedications, public benefits, and future preliminary and site plan applications.

The Project will be built in one phase.

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

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

BE IT FURTHER RESOLVED that all binding site development elements shown on the latest version of 7000 Wisconsin, Sketch Plan No. 320190090 received by

M-NCPPC as of the date of the Staff Report, are required, except as modified by the above conditions of approval; and

BE IT FURTHER RESOLVED that this Resolution constitutes the written opinion of the Board in this matter, and the date of this Resolution is \_\_\_JUL\_ 25 2019 (which is the date that this Resolution is mailed to all parties of record); and

#### **CERTIFICATION**

This is to certify that the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission on motion of Commissioner Cichy, seconded by Commissioner Patterson, with Chair Anderson and Commissioners Cichy and Paterson voting in favor of the motion, and Vice Chair Dreyfuss and Commissioner Fani-González absent, at its regular meeting held on Thursday, July 18, 2019, in Silver Spring, Maryland.

Casey Anderson, Chairman

Montgomery County Planning Board