Montgomery Planning

ZTA 22-02, DENSITY AND HEIGHT LIMITS, PARKING -BIOHEALTH

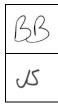


Description

ZTA 22-02, as introduced, would amend provisions of Biohealth Priority Campuses to allow consolidation of utilities and facilities, and create parking standards. The ZTA would also allow Life Science, R&D, and Medical and Scientific Manufacturing and Production uses within certain geographies in the CR, EOF and LSC zones to convert residential FAR into commercial FAR and exceed mapped heights with Board approval.



Montgomeryplanning.org



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SPONSORS

Lead Sponsor: Councilmember Friedson

Cosponsored by:

Council President Albornoz Council Vice President Glass Councilmember Hucker Councilmember Katz Councilmember Navarro Councilmember Reimer

INTRODUCTION DATE:

March 15, 2022

REVIEW BASIS:

Chapter 59



- Planning staff does not support this ZTA as introduced. Staff has concerns the potentially large increases in building height allowed for certain uses is in conflict with our Master and Sector Plans, and raises compatibility concerns. In addition, the new parking waiver for Biohealth Priority Campus uses in the Parking Lot Districts is contrary to the intent of these districts, and many of the parking requirements within Division 6.2 already have existing waiver provisions.
- Since introduction of the ZTA, Planning staff has been working collaboratively with Council staff to find solutions to identified concerns.
 Councilmember Friedson's office has circulated a memo showing a revised ZTA that would be presented to the Planning, Housing and Economic Development (PHED) committee to discuss.
 Planning staff recommends the Board support this modified ZTA draft. The revised ZTA greatly reduces the geographic scope of the ZTA and potential building height increases, and removes the section on parking waivers.

SECTION ONE

BACKGROUND

RECOMMENDATION SUMMARY

Planning and Council staff have been collaborating since the introduction of ZTA 22-02 and have worked through a number of Planning staff's initial concerns. Planning staff recommends the Planning Board transmit a recommendation to the District Council in **support** of a revised ZTA the lead sponsor intends to propose during committee review.

RATIONALE FOR ZONING TEXT AMENDMENT 22-02

Zoning Text Amendment (ZTA) 22-02 was introduced on March 15, 2022 by Councilmember Friedson, with Council President Albornoz, Council Vice President Glass and Councilmembers Hucker, Katz, Navarro, and Reimer as co-sponsors. The ZTA introduction packet (Attachment 1) states that the ZTA would allow additional height and increased flexibility in design for urban biohealth facilities in recognition of their unique mechanical challenges. The introduced ZTA also adds parking requirements for Biohealth Priority Campuses where they were absent from the parking tables in the ordinance. The rapid growth of the life sciences industry has been an economic development success and this ZTA is one of multiple zoning or policy changes that have been considered by the Council in recent months to benefit additional growth in the life sciences sector.

SECTION TWO

OVERVIEW AND ANALYSIS OF THE INTRODUCED ZTA

BIOHEALTH PRIORITY CAMPUS STANDARDS

ZTA 22-02, as introduced (Attachment A), proposes changes to the code for two similar but distinctly separate uses in the existing code. Some of the changes are specific to the new Biohealth Priority Campus (BPC) use, recently created through ZTA 21-09 and adopted by Ordinance 19-27. The first change clarifies that facilities including utilities, required open space, and parking may be located on one or more properties inside the boundary of a Biohealth Priority Campus.

The introduced ZTA created a new section for BPCs on parking that would include three subsections. The first subsection would allow an application in a Parking Lot District (PLD) to provide fewer parking spaces than required after making adjustments allowed under Section 6.2.3.I if a waiver under the third subsection is approved. The second subsection conversely would permit an applicant to provide more than the maximum number of spaces allowed in a PLD if the excess parking is available to the public or if a waiver is approved under the third subsection. These waivers are largely redundant with waivers that already exist under Division 6 of the code. The final amendment proposed by the introduced ZTA related to the BPC use is a change to the Vehicle Parking Spaces table under Section 6.2.4.B. This would add Biohealth Priority Campus as a new use in the table and assign corresponding values for the metric (1,000 SF of Gross Floor Area) and baseline minimums and maximums for vehicle parking. The proposed minimum and maximum parking would be consistent with parking requirements for the Life Sciences Research and Development use already in the table.

BUILDING HEIGHT FOR LIFE SCIENCES IN THE CR/EOF/LSC ZONES

The other changes proposed by the introduced ZTA do <u>not</u> directly impact the Biohealth Priority Campus as a use, but rather modify provisions for development in the Commercial/Residential and Employment zones for applications with a Life Science, Research and Development, or Medical/Scientific Manufacturing use. These are the same uses that pertain to a BPC, but this portion of the ZTA would apply to applicants that are unable to meet the BPC size criteria of 150,000 SF of new space or 50,000 SF of expanded space for a single dedicated user and would include a large number of properties in the county. The changes proposed for both sets of zones are the same and would apply to any property in a CR, EOF, or LSC zone that is within a red policy area or an opportunity zone including land contiguous to these properties or properties opposite them if only separated by a rightof-way, or properties within ½ mile of a planned or existing Bus Rapid Transit route including the Corridor Cities Transitway (or Corridor Connectors).

As introduced, properties that meet the use and location criteria that are in land zoned for building heights of 100 feet or less would be allowed to exceed the maximum mapped building height up to 200%, and properties with a building height over 100 feet but less than 200 feet may exceed the maximum mapped building height to 150%. These properties would also be able to modify the mapped limits on Commercial FAR (C) and Residential FAR (R) to increase the amount of C and reduce the amount of R, so long as the application stays within the mapped total FAR. The ZTA also adds a provision that if an overlay zone would enact contrary or more restrictive standards, that the overlay zone standards would not apply.

SUMMARY OF PLANNING ANALYSIS

Planning staff has many concerns with the ZTA as introduced, which fall into two main categories:

- Master Plan Process. A lot of careful thought and community coordination go into creating our Master and Sector Plans, which set the mapped building heights for the CR and Employment Zones. These take into account visual impacts as well as infrastructure.
- Parking Waivers. Parking requirements, especially in our parking lot districts, are a delicate balance between supply and demand, and granting waivers beyond those already allowed by the parking section of the code could have negative consequences.

Additionally, while making zoning exceptions for certain uses may seem like a plausible way to promote economic development, Planning staff is concerned that the introduced ZTA (as well as the draft ZTA revisions discussed in Section Three of this report) provides no certainty of the end tenant of

a building. Planning staff does not have any recommendation on how, through zoning, to guarantee the continued use of a structure for the intended biohealth use.

Staff did, however, have many suggestions to improve the introduced ZTA, most of which have been incorporated in the draft revisions to the ZTA circulated by the lead sponsor's staff. The sponsor intends to offer these revisions during the PHED committee's review of the ZTA, therefore Planning staff's more detailed comments and analysis focus on the proposed revisions.

RACIAL EQUITY AND SOCIAL JUSTICE (RESJ)

Planning staff received the Office of Legislative Oversight (OLO) RESJ statement on ZTA 22-02 (Attachment C). Generally, it mirrored similar concerns expressed during the review of ZTA 21-09 for Biohealth Priority Campuses, namely noting inequities in the employment makeup and opportunities within the Biohealth industry. This report, however, did also highlight one of Planning staff's stated concerns about the introduced ZTA undermining the Master Planning process, breaking trust with communities and disadvantaging communities that are typically under-represented in public comment of development applications. It is worth noting the RESJ statement was based fully on the introduced ZTA text and is not updated to reflect the draft revisions that were shared by the lead sponsor's staff.

SECTION THREE

OVERVIEW AND ANALYSIS OF THE DRAFT ZTA REVISIONS

On May 26, 2022, the lead sponsor's staff shared a revised draft of ZTA 22-02 with members of the community and with Planning staff (Attachment B). This draft reflects the outcome of discussions between Planning and Council staff on ways to minimize many of Planning's concerns with the introduced text, while still providing flexibility and benefits to the biohealth and life sciences industry. The following sections look at the revised ZTA text, what changes it makes to the code, how it differs from the introduced ZTA.

BIOHEALTH PRIORITY CAMPUSES

The first major change in the modified ZTA draft is the removal of all the sections that applied to BPCs, including all the sections related to parking waivers, properties allowed under the BPC plans, and parking standards for BPCs. **Staff supports removing the parking waiver section since the waivers already available under Division 6.2 are generous and could be applied to a BPC application.** Planning staff has no opinion about the removal of the other elements that related to BPCs from the revised ZTA.

LOCATION OF PROPOSED NEW CODE

The next set of changes between the introduced and revised ZTA hinge on how the ZTA would allow for extra building height and flexibility to convert residential FAR to commercial FAR. The ZTA as

introduced created a new Section 5 under the Density and Height Allocation portion of the CR and the Employment Zones (Section 4.5.2. and 4.6.2.) that defined what properties qualified for additional flexibility and the amount of additional height for which they were eligible. The revised ZTA instead moves this text to the Optional Method Development sections (Section 4.5.4. and 4.6.4), as a new Subsection 5 under the Development Standards. **Staff has no opinion on this change and thinks either location in the code is equally effective for these provisions.**

ADDITIONAL HEIGHT ELIGIBILITY

More importantly, the content is also changed. The new section is structured with two subsections: one that sets the use and geographic criteria or eligibility and the other that establishes how to calculate additional height.

Under the use and location criteria, the revised ZTA kept the applicability requirements that a site be in a red policy area, opportunity zone, or within ½ mile of a planned or existing Bus Rapid Transit route or Corridor Cities Transitway (or Corridor Connectors) route. Added to the criteria, however, is a requirement for a site to have frontage on an arterial or higher classified roadway, that the application receive public benefits for Adaptive Buildings, and that the site must not abut or confront properties in an Agricultural, Rural Residential, Residential Detached, or Residential Townhouse zone that is vacant or improved with agricultural or residential uses. **Planning staff supports these new requirements, which lessen concerns over compatibility with adjacent residential properties and also limit height increases to sites where the additional height is less impactful.**

The Adaptive Buildings public benefit criteria are defined under Section 4.7.3.D.1 of the Code, and allow up to 15 points for buildings built with minimum 15-foot first floor height, and minimum 12 foot upper floor height, along with internal structural systems that can accommodate various types of uses with only minor modifications.

Planning staff does note the ZTA as first introduced was eligible to both Life Sciences, or Research and Development uses under Section 3.5.8 whereas the revised ZTA is only eligible to Research and Development under Section 3.5.8. Staff is unsure why this change was made and would **recommend adding Life Sciences back to the list of qualifying users to be consistent with the intent of this ZTA**.

Another positive change in the revised draft ZTA relates to the calculation of additional building height. The introduced ZTA created a two-tier system, where buildings under 100 feet would be allowed to double their height and buildings between 100 and 200 feet could apply a 1.5 multiplier to their mapped height. After discussions between Planning and Council staff, it was agreed that the areas mapped over 100 feet do not need extra height, and areas under 100 feet would more appropriately receive a 1.5 multiplier. When combined with the more restrictive location criteria, this revision to the introduced ZTA greatly reduces concerns about compatibility with adjacent residential development, or the possibility these provisions would substantially alter the intent of an area Master or Sector Plan. **Planning staff recommends supporting the new height increase calculation.**

Additional height provisions were added with the revised ZTA draft that would allow height averaging as another means of flexibility for biohealth buildings. The first of the two height averaging clauses is similar to how height averaging is allowed in other situations, allowing the height of individual buildings to vary as long as the average of each roof section still matches the mapped height. A new section that would allow height averaging across a split height property was also added, which is a new concept to the Zoning Code. This provision would not only allow height averaging of roof elevations within the same mapped height, but anticipates a multi building site that may have different mapped heights. The formula would allow height averaging between buildings and would allow the average height to apply sitewide and be based on the proportion of the property that falls within each mapped height. **Staff supports this concept as a creative way to provide additional flexibility to biohealth developments that may be spread across multiple buildings and multiple mapped height areas.** This may allow buildings in one portion of a site to be built higher than mapped, but in exchange for lower buildings on another portion of the site. The overall massing across the site would be unchanged.

SECTION FOUR

CONCLUSION

Planning staff was concerned with the unintended consequences of the ZTA as introduced but believes most of these concerns are addressed through the draft revisions to the ZTA distributed by the lead sponsor's staff. Planning staff recommends the Planning Board transmit comments to the District Council not supporting ZTA 22-02 as it was introduced but offering strong support instead for the draft modified ZTA language, with just a minor comment about Life Sciences being omitted from the draft revisions. Planning staff is happy to continue coordinating with Council staff on modifications to this ZTA that provide desired flexibility for the biohealth industry and to ensure the draft ZTA language is fully considered and incorporated into the final text.

Attachments

- A ZTA introduction Packet for ZTA 22-02
- B Draft ZTA 22-02 revisions, May 26
- C Office of Legislative Oversight's RESJ Statement

Attachment A



Committee: PHED

Committee Review: At a future date Staff: Livhu Ndou, Legislative Attorney Purpose: To introduce agenda item – no vote expected Keywords: #Biohealth #Density #Height AGENDA ITEM #11 March 15, 2022 Introduction

SUBJECT

Zoning Text Amendment (ZTA) 22-02, Density and Height Limits, Parking - Biohealth

Lead Sponsor: Councilmember Friedson

Co-Sponsors: Councilmembers Hucker, Katz, Navarro, Council President Albornoz, Councilmember Glass

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

N/A

DESCRIPTION/ISSUE

ZTA 22-02 will allow additional height and increased flexibility in density for urban biohealth facilities in recognition of the unique mechanical challenges of biohealth buildings. ZTA 22-02 will also allow consolidation of certain facilities and provide parking provisions for Biohealth Priority Campuses.

SUMMARY OF KEY DISCUSSION POINTS

- ZTA 22-02 will amend the Biohealth Priority Campus provisions by: allowing the consolidation of facilities such as utilities, open space, and parking; and providing parking standards for the entire BPC.
- In the CR, LSC, or EOF zones, for Life Sciences, Research and Development, and Medical/Scientific Manufacturing and Production Uses in red policy areas or opportunity zones and within ½ mile of public transit, ZTA 22-02 will allow commercial FAR to equal the total FAR.
- In the CR, LSC, or EOF zones, for Life Sciences, Research and Development, and Medical/Scientific Manufacturing and Production Uses in red policy areas or opportunity zones and within ½ mile of public transit, ZTA 22-02 will allow 2.0 times the mapped height for buildings less than 100 feet and 1.5 times the mapped height for buildings over 100 feet with Planning Board approval.

This report contains:

ZTA 22-02

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Ordinance No.: Zoning Text Amendment No.: 22-02 Concerning: Density and Height Limits, Parking – Biohealth Draft No. & Date: 1 – 3/4/2022 Introduced: March 15, 2022 Public Hearing: Adopted: Effective:

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Friedson Co-Sponsors: Councilmembers Hucker, Katz, Navarro, Council President Albornoz, Councilmember Glass

AN AMENDMENT to the Montgomery County Zoning Ordinance to:

- allow additional height for certain scientific uses;
- allow greater flexibility in density for certain scientific uses;
- amend the use standards for Biohealth Priority Campuses; and
- generally amend the provisions for certain scientific uses.

By amending the following sections of the Montgomery County Zoning Ordinance, Chapter 59 of the Montgomery County Code:

Division 3.5.	"Commercial Uses"
Section 3.5.8.	"Office and Professional"
Division 4.5.	"Commercial/Residential Zones"
Section 4.5.2.	"Density and Height Allocation"
Division 4.6.	"Employment Zones "
Section 4.6.2.	"Density and Height Allocation"
Division 6.2.	"Parking, Queuing, and Loading"
Section 6.2.4.	"Parking Requirements"

EXPLANATION:	Boldface indicates a Heading or a defined term.
	<u>Underlining</u> indicates text that is added to existing law by the original text
	amendment.
	[Single boldface brackets] indicate text that is deleted from existing law by
	original text amendment.
	Double underlining indicates text that is added to the text amendment by
	amendment.
	[[Double boldface brackets]] indicate text that is deleted from the text
	amendment by amendment.
	* * * indicates existing law unaffected by the text amendment.

ORDINANCE

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland, approves the following ordinance:

1			Sec.	1. Div	vision 3.5 is amended as follows:
2	Div	visio	on 3.	5. Co	mmercial Uses
3	*	*	*		
4	See	ctio	n 3.5	5 .8. O	ffice and Professional
5	*	*	*		
6	E.		Bioh	ealth	Priority Campus
7	*	*	*		
8			3.	Use	Standards
9				a.	Residential FAR limits on the subject property may be
10					reallocated to commercial FAR if the total FAR does not
11					exceed the maximum total mapped FAR of the property and the
12					building height does not exceed the maximum mapped height,
13					including any increases in each allowed by this Chapter.
14				b.	A mechanical penthouse, and the roof structures listed in
15					Section 4.1.7.C.3, may occupy a maximum of 50% of the roof
16					area of any individual building.
17				c.	The subject property may utilize FAR averaging under Sections
18					4.5.2.B. and 4.6.2.B.
19				<u>d.</u>	Facilities serving a Biohealth Priority Campus may be
20					consolidated and located on one or more properties inside the
21					area subject to the Biohealth Priority Campus plan. Such
22					facilities may include utilities, open space, and parking.
23			<u>4.</u>	Par	king
24				<u>a.</u>	In a Parking Lot District, an applicant may provide fewer
25					parking spaces than required, after all adjustments are made
26					under Section 6.2.3.I, only if a parking waiver under Section
27					3.5.8.E.4.c is approved.

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28				<u>b.</u>	In a Parking Lot District, an applicant may provide more than
29					the maximum number of parking spaces allowed provided the
30					excess parking spaces are made available to the public and are
31					not reserved, or if a parking waiver under Section 3.5.8.E.4.c is
32					approved.
33				<u>c.</u>	The deciding body may waive any requirement of Section 6.2.5
34					if the alternative design satisfies Section 6.2.1.
35	*	*	*		
36		S	Sec. 2	2. DIV	VISION 59-4 is amended as follows:
37	Div	visio	n 4.	5. Con	nmercial/Residential Zones
38	*	*	*		
39	Sec	ction	n 4.5	.2. De	nsity and Height Allocation
40	А.]	Dens	ity an	d Height Limits
41		1		Dens	ity is calculated as an allowed floor area ratio (FAR).
42		2	2.	Each	CRN, CRT, and CR zone classification is followed by a number
43				and a	sequence of 3 additional symbols: C, R, and H, each followed
44				by ar	nother number where:
45				a.	The number following the classification is the maximum total
46					FAR allowed unless additional FAR is allowed under
47					Section 4.5.2.C or Section 4.5.2.D;
48				b.	The number following the C is the maximum nonresidential
49					FAR allowed, unless additional FAR is allowed under Section
50					3.5.8.D;
51				c.	The number following the R is the maximum residential FAR
52					allowed, unless additional residential FAR is allowed under
53					Section 3.5.8.D, Section 4.5.2.C, or Section 4.5.2.D; and

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54		d. The number following the H is the maximum building height in
55		feet allowed unless additional height is allowed under Section
56		3.5.8.D, Section 4.5.2.C, Section 4.5.2.D, or Section
57		4.5.2.A.2.e.
58		e. With Planning Board approval any Optional Method project in
59		a CR zone that includes the provision of a major public facility
60		under Section_4.7.3.A may add the height of any floor mostly
61		used for above grade parking to the maximum height otherwise
62		allowed, when the major public facility diminishes the ability of
63		the applicant to provide parking at or below grade.
64	3.	The following limits apply unless additional total FAR, residential
65		FAR, or height are allowed under Section _{4.5.2.} C, Section 4.5.2.D, or
66		Section 4.5.2.A.2.e:
67		

	Zone	Total FAR (max)	C FAR (max)	R FAR (max)	Height (max)	
	CRN	0.25 to 1.5	0.00 to 1.5	0.00 to 1.5	25' to 65'	
	CRT	0.25 to 4.0	0.25 to 3.5	0.25 to 3.5	35' to 150'	
	CR	0.5 to 8.0	0.25 to 7.5	0.25 to 7.5	35' to 300'	
68	4.	Zones are established	d at density increa	ments of 0.25 FA	R and height	
69		increments of 5 feet	up to the maximu	ms in Section_4.5	5.2.A.3.	
70	5.	For a Life Sciences or Research and Development Use under Section				
71		3.5.8 or a Medical/Scientific Manufacturing and Production Use under				
72		Section 3.6.4.D in the CR zone that is within a red policy area or				
73		opportunity zone, inc	cluding contiguou	is properties sepa	rated from the	
74		red policy area or op	portunity zone or	ly by a public rig	<u>ght-of-way; or</u>	
75		within ½ mile of a pl	lanned or existing	Bus Rapid Trans	sit route	
76		including the Corrido	or Cities Transitw	vay:		

77				<u>a.</u>	with Planning Board approval, a property with a maximum
78					building height of 100 feet or less may exceed the maximum
79					building height allowed in the mapped zone by 2.0 times, and a
80					property with a maximum building height of 100 to 200 feet
81					may exceed the maximum building height allowed in the
82					mapped zone by 1.5 times; and
83				<u>b.</u>	nonresidential FAR may be increased above the number
84					following the C on the zoning map if the total FAR does not
85					exceed the maximum total mapped FAR of the property,
86					including any increases allowed under this Chapter, and the
87					building height does not exceed the height allowed under
88					Section 4.5.2.A.5.a.
89				<u>c.</u>	Where the provisions of any Overlay zone are contrary or more
90					restrictive, Section 4.5.2.A.5. applies.
91	*	*	*		
92			Sec.	3. DIV	VISION 59-4.6 is amended as follows:
93	Di	visio	on 4.	6. Emj	ployment Zones
94	*	*	*		
95	Se	ctio	n 4.6	5.2. De	nsity and Height Allocation
96	A.	-	Dens	sity an	d Height Limits
97			1.	Dens	ity is calculated as an allowed floor area ratio (FAR).
98		,	2.	Each	GR, NR, LSC, and EOF zone classification is followed by a
99				numł	per and symbol: H, which is followed by another number where:
100				a.	The number following the classification is the maximum total
101					FAR allowed unless additional FAR is allowed under Section
102					4.6.2.C and Section 4.6.2.D; and

103b.The number following the H is the maximum building height in104feet allowed unless additional height is allowed under Section1054.6.2.D or Section 4.6.2.A.5.

3. The following limits apply unless additional total FAR, residential
FAR, or height are allowed under <u>Section 4.6.2.A.5</u>, Section 4.6.2.C,
and Section 4.6.2.D.

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		2	Zone	Total FAR (max)	Height (max)				
	GR			0.5 to 2.5	25' to 120'				
	NR			0.25 to 1.5	25' to 50'				
	LSC			0.5 to 2.5	35' to 200'				
	EOF			0.5 to 4.0	35' to 200'				
110		4.	Zones are esta	blished at density increment	ts of 0.25 FAR and height				
111			increments of :	5 feet up to the maximums in	n Section_4.6.2.A.3.				
112		5.	For a Life Scie	ences or Research and Devel	opment Use under Section				
113			3.5.8 or a Med	ical/Scientific Manufacturin	g and Production Use under				
114			Section 3.6.4.I	Section 3.6.4.D in the LSC or EOF zone that is within a red policy					
115			area or opportunity zone, including contiguous properties separated						
116			from the red policy area or opportunity zone only by a public right-of-						
117			<u>way; or within</u>	way; or within 1/2 mile of a planned or existing Bus Rapid Transit					
118			route including	route including the Corridor Cities Transitway:					
119			<u>a.</u> with Pla	nning Board approval, a pro	perty with a maximum				
120			<u>building</u>	height of 100 feet or less m	ay exceed the maximum				
121			<u>building</u>	height allowed in the mappo	ed zone by 2.0 times, and a				
122			property	with a maximum building h	eight of 100 to 200 feet				
123			<u>may exc</u>	eed the maximum building h	neight allowed in the				
124			mapped	zone by 1.5 times; and					

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125				<u>b.</u>	nonresidential FAR may be increased above the number
126					following the C on the zoning map if the total FAR does not
127					exceed the maximum total mapped FAR of the property,
128					including any increases allowed under this Chapter, and the
129					building height does not exceed the height allowed under
130					Section 4.6.2.A.5.a.
131				<u>c.</u>	Where the provisions of any Overlay zone are contrary or more
132					restrictive, Section 4.6.2.A.5. applies.
133	*	*	*		
134			Sec.	4. DIV	VISION 59-6.2 is amended as follows:
135	Div	visio	on 6.	2. Parl	king, Queuing, and Loading
136	*	*	*		
137	See	ction	n 6.2	.4. Par	king Requirements
138	*	*	*		
139	B.	Ţ	Vehi	cle Pa	rking Spaces

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USE or USE GROUP	Metric	Agricultural,	Commercial/R	esidential and	Employment
		Rural		Zones	
		Residential,	Within a Parkin	g Lot District	Outside a
		Residential,	or Reduced Pa	arking Area	Parking Lot
		and Industrial			District or
		Zones			Reduced
					Parking Area
		Baseline	Baseline	Baseline	Baseline
		Minimum	Minimum	Maximum	Minimum
* * *					
Office and Professional					
Office	1,000 SF of GFA	2.80	2.00	3.00	2.25
Life Sciences Research and Development	1,000 SF of GFA	1.50	1.00	3.00	1.50
Biohealth Priority Campus	<u>1,000 SF of GFA</u>		<u>1.00</u>	<u>3.00</u>	<u>1.50</u>

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142 Sec. 5. Effective date. This ordinance becomes effective 20 days after the143 date of Council adoption.

Attachment B

Ordinance No.: Zoning Text Amendment No.: 22-02 Concerning: Density and Height Limits, Parking – Biohealth Draft No. & Date: 2 – 4/25/2022 Introduced: March 15, 2022 Public Hearing: June 14, 2022 Adopted: Effective:

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Friedson Co-Sponsors: Councilmembers Hucker, Katz, Navarro, Council President Albornoz, Councilmember Glass

AN AMENDMENT to the Montgomery County Zoning Ordinance to:

- allow additional height for certain scientific uses;
- allow greater flexibility in density <u>allocation</u> for certain scientific uses;
- [[amend the use standards for Biohealth Priority Campuses;]]and
- generally amend the provisions for certain scientific uses.

By amending the following sections of the Montgomery County Zoning Ordinance, Chapter 59 of the Montgomery County Code:

[[Division 3.5.	"Commercial Uses"
Section 3.5.8.	"Office and Professional"
Division 4.5.	"Commercial/Residential Zones"
Section 4.5.2.	"Density and Height Allocation"
Division 4.6.	"Employment Zones "
Section 4.6.2.	"Density and Height Allocation"
Division 6.2.	"Parking, Queuing, and Loading"
Section 6.2.4.	"Parking Requirements"]]
Division 4.5.	<u>"Commercial/Residential Zones"</u>
Section 4.5.4.	"Optional Method Development"

Division 4.6.	<u>"Employment Zones "</u>
Section 4.6.4.	"Density and Height Allocation"

EXPLANATION:	Boldface indicates a Heading or a defined term.
	<u>Underlining</u> indicates text that is added to existing law by the original text
	amendment.
	[Single boldface brackets] indicate text that is deleted from existing law by
	original text amendment.
	<u>Double underlining</u> indicates text that is added to the text amendment by
	amendment.
	[[Double boldface brackets]] indicate text that is deleted from the text
	amendment by amendment.
	* * * indicates existing law unaffected by the text amendment.

ORDINANCE

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland, approves the following ordinance:

1			[[Sec	e. 1. Di	vision 3.5 is amended as follows:
2	Div	visi	on 3.	5. Con	nmercial Uses
3	*	*	*		
4	Sec	ctio	n 3.5	5 .8. Of i	fice and Professional
5	*	*	*		
6	E.		Bioh	ealth]	Priority Campus
7	*	*	*		
8			3.	Use S	Standards
9				a.	Residential FAR limits on the subject property may be
10					reallocated to commercial FAR if the total FAR does not
11					exceed the maximum total mapped FAR of the property and the
12					building height does not exceed the maximum mapped height,
13					including any increases in each allowed by this Chapter.
14				b.	A mechanical penthouse, and the roof structures listed in
15					Section 4.1.7.C.3, may occupy a maximum of 50% of the roof
16					area of any individual building.
17				c.	The subject property may utilize FAR averaging under Sections
18					4.5.2.B. and 4.6.2.B.
19				<u>d.</u>	Facilities serving a Biohealth Priority Campus may be
20					consolidated and located on one or more properties inside the
21					area subject to the Biohealth Priority Campus plan. Such
22					facilities may include utilities, open space, and parking.
23			<u>4.</u>	<u>Park</u>	ting
24				<u>a.</u>	In a Parking Lot District, an applicant may provide fewer
25					parking spaces than required, after all adjustments are made
26					under Section 6.2.3.I, only if a parking waiver under Section
27					3.5.8.E.4.c is approved.

28				<u>b.</u>	In a Parking Lot District, an applicant may provide more than
29					the maximum number of parking spaces allowed provided the
30					excess parking spaces are made available to the public and are
31					not reserved, or if a parking waiver under Section 3.5.8.E.4.c is
32					approved.
33				<u>c.</u>	The deciding body may waive any requirement of Section 6.2.5
34					if the alternative design satisfies Section 6.2.1.
35	*	*	*]]		
36		9	Sec. [[[2]] <u>1</u> .	DIVISION 59-4 <u>.5</u> is amended as follows:
37	Di	visio	on 4.5	5. Con	nmercial/Residential Zones
38	*	*	*		
39	Se	ction	n 4.5.	2. De	nsity and Height Allocation
40	A.]	Densi	ity an	d Height Limits
41]	l.	Dens	ity is calculated as an allowed floor area ratio (FAR).
42			2.	Each	CRN, CRT, and CR zone classification is followed by a number
43				and a	sequence of 3 additional symbols: C, R, and H, each followed
44				by an	other number where:
45				a.	The number following the classification is the maximum total
46					FAR allowed unless additional FAR is allowed under
47					Section 4.5.2.C or Section 4.5.2.D;
48				b.	The number following the C is the maximum nonresidential
49					FAR allowed, unless additional FAR is allowed under Section
50					3.5.8.D <u>or Section 4.5.4.B.5;</u>
51				c.	The number following the R is the maximum residential FAR
52					allowed, unless additional residential FAR is allowed under
53					Section 3.5.8.D, Section 4.5.2.C, or Section 4.5.2.D; and

4

54		d. The number following the H is the maximum building height in
55		feet allowed unless additional height is allowed under Section
56		3.5.8.D, Section 4.5.2.C, Section 4.5.2.D, [[or]]Section
57		4.5.2.A.2.e. or Section 4.5.4.B.5.
58		e. With Planning Board approval any Optional Method project in
59		a CR zone that includes the provision of a major public facility
60		under Section_4.7.3.A may add the height of any floor mostly
61		used for above grade parking to the maximum height otherwise
62		allowed, when the major public facility diminishes the ability of
63		the applicant to provide parking at or below grade.
64	3.	The following limits apply unless additional total FAR, residential
65		FAR, or height are allowed under Section_4.5.2.C, Section 4.5.2.D,
66		[[or]]Section 4.5.2.A.2.e, or Section 4.5.4.B.5.:
67		

	Zone	Total FAR (max)	C FAR (max)	R FAR (max)	Height (max)						
	CRN	0.25 to 1.5	0.00 to 1.5	0.00 to 1.5	25' to 65'						
	CRT	0.25 to 4.0	0.25 to 3.5	0.25 to 3.5	35' to 150'						
	CR	0.5 to 8.0	0.25 to 7.5	0.25 to 7.5	35' to 300'						
8	4.	Zones are established	d at density incre	ments of 0.25 FA	R and height						
9		increments of 5 feet	up to the maximu	ims in Section_4.5	5.2.A.3.						
0	[[5.	For a Life Sciences of	or Research and I	Development Use	under Section						
1		3.5.8 or a Medical/Scientific Manufacturing and Production Use under									
2		Section 3.6.4.D in th	e CR zone that is	within a red poli	<u>cy area or</u>						
3		opportunity zone, inc	cluding contiguou	us properties sepa	rated from the						
4		red policy area or op	portunity zone or	nly by a public rig	<u>ght-of-way; or</u>						
5		within ¹ / ₂ mile of a pl	anned or existing	g Bus Rapid Trans	sit route						
6		including the Corrido	or Cities Transity	including the Corridor Cities Transitway:							

77				<u>a.</u>	with Planning Board approval, a property with a maximum
78				<u>u.</u>	building height of 100 feet or less may exceed the maximum
79					building height allowed in the mapped zone by 2.0 times, and a
80					property with a maximum building height of 100 to 200 feet
81					may exceed the maximum building height allowed in the
82					mapped zone by 1.5 times; and
83				<u>b.</u>	nonresidential FAR may be increased above the number
84					following the C on the zoning map if the total FAR does not
85					exceed the maximum total mapped FAR of the property,
86					including any increases allowed under this Chapter, and the
87					building height does not exceed the height allowed under
88					Section 4.5.2.A.5.a.
89				<u>c.</u>	Where the provisions of any Overlay zone are contrary or more
90					restrictive, Section 4.5.2.A.5. applies.]]
91	*	*	*		
92	See	ctior	<u>4.5</u>	.4. Ор	tional Method Development
93					
15	*	*	*		
94	*		* <u>3.</u>	<u>Deve</u>	lopment Standards
	*			<u>Deve</u>	<u>lopment Standards</u>
94	*	Ī	<u>3.</u>	<u>Deve</u>	<u>lopment Standards</u> <u>Development of Certain Biohealth Uses</u>
94 95	*	Ī	<u>3.</u>		
94 95 96	*	Ī	<u>3.</u>		Development of Certain Biohealth Uses
94 95 96 97	*	Ī	<u>3.</u>		<u>Development of Certain Biohealth Uses</u> a. Additional height is permitted for any application where
94 95 96 97 98	*	Ī	<u>3.</u>		Development of Certain Biohealth Uses a. Additional height is permitted for any application where the primary use is Research and Development under
94 95 96 97 98 99	*	Ī	<u>3.</u>		Development of Certain Biohealth Usesa.Additional height is permitted for any application where the primary use is Research and Development under Section 3.5.8 or Medical/Scientific Manufacturing and
94 95 96 97 98 99 100	*	Ī	<u>3.</u>		Development of Certain Biohealth Usesa.Additional height is permitted for any application wherethe primary use is Research and Development underSection 3.5.8 or Medical/Scientific Manufacturing andProduction under Section 3.6.4.D, if:

104			opportunity zone only by a public right-of-way; or
105			within ¹ / ₂ mile of a planned or existing Bus Rapid
106			Transit route including the Corridor Cities
107			<u>Transitway;</u>
108		<u>2.</u>	the application site fronts on a street classified as
109			an arterial roadway or higher classification;
110		<u>3.</u>	the application site does not abut or confront a
111			property in an Agricultural, Rural Residential,
112			Residential Detached, or Residential Townhouse
113			zone that is vacant or improved with an
114			agricultural or residential use; and
115		<u>5.</u>	the application achieves public benefit points for
116			Adaptive Buildings under Sec. 4.7.3.D.1.
117	<u>b.</u>	In ord	ler to achieve additional height under Section
118		<u>4.5.4</u> .	B.5.a, the following provisions apply:
119		<u>1.</u>	A property with a mapped height of 100 feet or
120			less may exceed that mapped height by 1.5 times
121			the mapped height.
122		<u>2.</u>	Building height for a portion of a building or
123			buildings across an application site may be
124			increased above the number following the H on the
125			zoning map so long as the average height of all
126			buildings is no greater than the maximum height
127			allowed by the mapped zone.
128			<u>i.</u> <u>Average building height is calculated as the</u>
129			sum of each area of each section of roof
130			having a different height multiplied by that

131									height, divided by the total roof area. Height
132									is measured at the midpoint of each roof
133									section along each frontage.
134								<u>ii.</u>	If the application site has more than one
135									mapped height, the maximum height is
136									based on the proportion of the application
137									site within each mapped zone. It is
138									calculated as the sum of site square footage
139									within each mapped zone multiplied by the
140									mapped height, divided by the total site area.
141					<u>c.</u>		<u>For pr</u>	operti	es that satisfy the requirements of Section
142							<u>4.5.4.</u>]	<u>B.5.a.,</u>	residential FAR may be reallocated to
143							nonres	sidenti	ial FAR if the total FAR does not exceed the
144							<u>maxin</u>	<u>num to</u>	otal mapped FAR for the property.
145	*	*	*						
146			Sec	. [[3]]	<u>2</u> . D	[VIS	SION 5	59-4.6	is amended as follows:
147	Di	visi	ion 4	1.6. E1	nploy	yme	ent Zor	ies	
148	*	*	*						
149	Se	ctio	on 4.	6.2. D	ensit	y ai	nd Hei	ght A	llocation
150	A.		Der	nsity a	nd H	[eig]	ht Lim	its	
151			1.	Der	nsity	is ca	alculate	ed as a	an allowed floor area ratio (FAR).
152			2.	Eac	h GF	8, N	R, LSC	C, and	EOF zone classification is followed by a
153				nur	nber	and	symbo	ol: H, v	which is followed by another number where:
154				a.	Tl	ne n	umber	follov	ving the classification is the maximum total
155					F	AR a	allowed	d unle	ss additional FAR is allowed under Section
156					4.	6.2.	C and S	Sectio	n 4.6.2.D; and

b. The number following the H is the maximum building height in feet allowed unless additional height is allowed under Section 4.6.2.D or Section [[4.6.2.A.5.]]4.6.4.B.5.
3. The following limits apply unless additional total FAR, residential FAR, or height are allowed under [[Section 4.6.2.A.5,]]Section

4.6.2.C, [[and]]or Section 4.6.2.D.

162 163

	1	Zone	Total FAR (max)	Height (max)
GR			0.5 to 2.5	25' to 120'
NR			0.25 to 1.5	25' to 50'
LSC			0.5 to 2.5	35' to 200'
EOF			0.5 to 4.0	35' to 200'
	4.	Zones are esta	blished at density increment	nts of 0.25 FAR and height
		increments of	5 feet up to the maximums i	n Section_4.6.2.A.3.
	[[5.	For a Life Scie	ences or Research and Devel	opment Use under Section
		<u>3.5.8 or a Med</u>	ical/Scientific Manufacturin	ng and Production Use under
		Section 3.6.4.I	D in the LSC or EOF zone th	nat is within a red policy
		area or opportu	unity zone, including contigu	uous properties separated
		from the red p	olicy area or opportunity zoi	ne only by a public right-of-
		way; or within	¹ / ₂ mile of a planned or exis	ting Bus Rapid Transit
		route including	g the Corridor Cities Transit	way:
		<u>a.</u> with Pla	nning Board approval, a pro	perty with a maximum
		<u>building</u>	theight of 100 feet or less m	ay exceed the maximum
		<u>building</u>	the ight allowed in the mapp	ed zone by 2.0 times, and a
		property	with a maximum building l	height of 100 to 200 feet
		<u>may exc</u>	eed the maximum building	height allowed in the
		mapped	zone by 1.5 times; and	

9

179				<u>b.</u>	nonre	esident	ial FAR may be increased above the number
180					follo	wing th	ne C on the zoning map if the total FAR does not
181					excee	ed the 1	maximum total mapped FAR of the property,
182					<u>inclu</u>	ding aı	ny increases allowed under this Chapter, and the
183					<u>build</u>	ing hei	ight does not exceed the height allowed under
184					<u>Secti</u>	on 4.6.	.2.A.5.a.
185				<u>c.</u>	When	the p	provisions of any Overlay zone are contrary or more
186					<u>restri</u>	ctive, S	Section 4.6.2.A.5. applies.]]
187	*	*	*				
188	Se	<u>ctio</u> 1	<u>1 4.6</u>	<u>5.4. O</u> r	otional	Metho	od Development
189	*	*	*				
190]	<u>B.</u>	Deve	<u>elopme</u>	e <u>nt Sta</u>	<u>ndards</u>
191	*	*	*				
192				<u>5.</u>	<u>Deve</u>	lopme	ent of Certain Biohealth Uses
193					<u>a.</u>	Addi	tional height is permitted for any application in the
194						LSC	zone where the primary use is Research and
195						Deve	lopment under Section 3.5.8 or Medical/Scientific
196						<u>Manı</u>	afacturing and Production under Section 3.6.4.D, if:
197						<u>1.</u>	the application site is located within a red policy
198							area or opportunity zone, including contiguous
199							properties separated from the red policy area or
200							opportunity zone only by a public right-of-way; or
201							within 1/2 mile of a planned or existing Bus Rapid
202							Transit route including the Corridor Cities
203							<u>Transitway;</u>
204						<u>2.</u>	the application site fronts on a street classified as
205							an arterial roadway or higher classification;

206		<u>3.</u>	the app	plication site does not abut or confront a
207			proper	ty in an Agricultural, Rural Residential,
208			Reside	ential Detached, or Residential Townhouse
209			<u>zone tl</u>	hat is vacant or improved with an
210			<u>agricu</u>	ltural or residential use; and
211		<u>5.</u>	the app	plication achieves public benefit points for
212			Adapti	ive Buildings under Sec. 4.7.3.D.1.
213	<u>b.</u>	<u>In orc</u>	der to ac	chieve additional height under Section
214		<u>4.6.4</u>	<u>.B.5.a, t</u>	he following provisions apply:
215		<u>1.</u>	<u>A prop</u>	perty with a mapped height of 100 feet or
216			<u>less m</u>	ay exceed that mapped height by 1.5 times
217			the ma	apped height.
218		<u>2.</u>	<u>Buildi</u>	ng height for a portion of a building or
219			<u>buildir</u>	ngs across an application site may be
220			increas	sed above the number following the H on the
221			<u>zoning</u>	g map so long as the average height of all
222			<u>buildir</u>	ngs is no greater than the maximum height
223			<u>allowe</u>	ed by the mapped zone.
224			<u>i.</u>	Average building height is calculated as the
225				sum of each area of each section of roof
226				having a different height multiplied by that
227				height, divided by the total roof area. Height
228				is measured at the midpoint of each roof
229				section along each frontage.
230			<u>ii.</u>	If the application site has more than one
231				mapped height, the maximum height is
232				based on the proportion of the application

233				site within each mapped zone. It is						
234				calculated as the sum of site square footage						
235				within each zone multiplied by the mapped						
236				height, divided by the total site area.						
237	*	*	*							
238		[[Sec. 4. DIVISION 59-6.2 is	amended as follows:						
239	Division 6.2. Parking, Queuing, and Loading									
240	*	*	*							
241	See	ctio	n 6.2.4. Parking Requirement	is a second s						
242	*	*	*							
243	B.	1	Vehicle Parking Spaces							

24	Δ
24	

USE or USE GROUP	Metric	Agricultural,	Commercial/Residential and Employment Zones		
		Rural			
		Residential,	Within a Parking Lot District or Reduced Parking Area		Outside a Parking Lot District or
		Residential,			
		and Industrial			
		Zones			Reduced
					Parking Area
		Baseline	Baseline	Baseline	Baseline
		Minimum	Minimum	Maximum	Minimum
* * *					
Office and Professional					
Office	1,000 SF of GFA	2.80	2.00	3.00	2.25
Life Sciences Research and Development	1,000 SF of GFA	1.50	1.00	3.00	1.50
Biohealth Priority Campus	1,000 SF of GFA		<u>1.00</u>	<u>3.00</u>	<u>1.50</u>

245]]* * *

Sec. 5. Effective date. This ordinance becomes effective 20 days after thedate of Council adoption.

This is a correct copy of Council action.

Judy Rupp Clerk of the Council

Racial Equity and Social Justice (RESJ) Zoning Text Amendment Statement

Office of Legislative Oversight

ZTA 22-02:

DENSITY AND HEIGHT LIMITS, PARKING - BIOHEALTH

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Zoning Text Amendment 22-02 could negatively impact racial equity and social justice as its benefits would disproportionately accrue to White business owners and employees. OLO anticipates a small impact of this ZTA on racial and social inequities. To improve racial equity and social justice, this statement offers a few recommended policy options for consideration.

PURPOSE OF RESJ IMPACT STATEMENTS

The purpose of RESJ impact statements for zoning text amendments (ZTAs) is to evaluate the anticipated impact of ZTAs on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.²

PURPOSE OF ZTA 22-02

The purpose of ZTA 22-02, Density and Height Limits, Parking – Biohealth, is to diminish current requirements for building height, density, and parking for biohealth facilities that locate in urban areas in the County. The underlying intent of ZTA 22-02 is to reduce building regulations for biohealth businesses that could grow the sector and advance economic development in the County.

Towards this end, ZTA 22-02 amends recent changes to the zoning code establishing Biohealth Priority Campuses to provide more building flexibility for facilities that locate on them and increases building height and density allocations for biohealth facilities that operate under the Life Sciences, Research and Development, and Medical/Scientific Manufacturing and Production uses.³ More specifically, this ZTA allows the transfer of floor area ratios (FARs) for residential uses to commercial uses thus increasing densities for biohealth facilities beyond what is currently allocated on the zoning map for commercial uses in Commercial/Residential (C/R) zones.

If enacted, ZTA 22-02 would allow:

- Biohealth Priority Campuses to consolidate facilities for utilities, open space, parking and reduce parking space requirements.
- Higher building densities and height allocations for biohealth facilities located in C/R zones within a Red Policy Area⁴ (or adjacent to it), within an Opportunity Zone,⁵ or within ½ mile of a planned or existing Bus Rapid Transit route.⁶ Increased building densities and height allocations established with this ZTA could supersede existing Overlay Zone requirements for building densities and height allocations.
- Higher building densities and height allocations for biohealth facilities located in Employment Zones. Increased building densities and height allocations established with this ZTA could also supersede existing Overlay Zone requirements for building densities and height allocations.

ZTA 22-02 was introduced on March 15, 2022.

LAND USE, ECONOMIC DEVELOPMENT, AND RACIAL EQUITY

Understanding the impact of ZTA 22-02 on racial equity and social justice requires understanding the historical context that shapes land use and economic development in Montgomery County today. To describe this historical context, this section describes the historical drivers of racial inequities in land use and economic development and available data on racial disparities, especially within the biohealth industry.⁷

Inequities in Land Use. The way land is used and regulated either helps or hinders people's access to opportunity. Throughout the 20th century, jurisdictions have used zoning to separate not only uses – like residential, commercial, and industrial – but also people according to wealth, class, and race.⁸ More specifically, land use regulations have been used to exclude people of color and low-income residents from predominantly White and affluent residents in several ways. For example, by allowing single family homes or homes on large lots, both of which exclude more affordable housing.⁹ This has resulted in the concentration of poverty, especially in BIPOC communities.¹⁰ Because social determinants are so tightly connected to where one lives, the implications of zoning on inequality are large as where one lives determines where they go to school, their exposure to crime and policing, and where they can shop.¹¹ For homeowners, where one resides is perhaps the most important determinant of their family's wealth.¹²

Data show that many poor neighborhoods have disproportionately high people of color populations and lack access to jobs, good schools, and other opportunities necessary to help residents rise out of poverty.¹³ The land use injustices and social inequities impacting localities are multi-faceted.¹⁴ They manifest not only in housing segregation but also in disparities in exposure to pollution, health inequities, unequal access to green and blue infrastructure (e.g. parks, trees, well-functioning waterways), transportation infrastructure, and economic investment.¹⁵ These inequities result from zoning and a variety of other government policies and private actions that include environmental laws, housing policies, transportation policies, restrictive covenants, housing-market discrimination, and redlining.¹⁶

Patterns of inequitable land use in Montgomery County manifest as racial and economic segregation by Council district, higher rates of unemployment, poverty, and housing burden among Black and Latinx residents, and as greater reliance on public transit and longer commutes for Black residents. More specifically, the data shows:

- Racial and economic segregation by Council district where 72 percent of District 1 (Bethesda, Poolesville, and Potomac) residents were White, average household income was \$205,600, and the poverty rate was 3 percent compared to 66 percent of District 5 residents (Burtonsville, Silver Spring, and Takoma Park) were BIPOC, average household income was \$102,500, and the poverty rate was 9 percent from 2011 to 2015.¹⁷
- Racial inequities in unemployment where 5 percent of Black residents and 4 percent of Latinx residents were unemployed compared to 3 percent of Asian and White residents in 2019.¹⁸
- Racial inequities in poverty where 13 percent of Latinx residents and 12 percent of Black residents lived in poverty compared to 6 percent of Asian residents and 3 percent of White residents in 2019.¹⁹
- Racial inequities in housing burden where 59 percent of Latinx renters and 54 percent of Black renters expended more than 30 percent of their household income on housing compared to 43 percent of Asian renters and 42 percent of White renters in 2019.²⁰
- Racial inequities in public transit use where 21 percent of Black residents commuted to work via public transit compared to 14 percent of Asian residents, 13 percent of White residents and 11 percent of Latinx residents.²¹

• Racial inequities in commuting time where Black residents averaged 38 minutes commutes to work compared to 36 minutes commutes for Asian residents and 34 minutes commutes for both White and Latinx residents.²²

Inequities in Economic Development. Historically inequitable policies have fostered racial and ethnic inequities in economic development among business owners and employees. As noted by the Federal Reserve Bank of Boston:²³

"(T)he practices and policies that laid the groundwork for and built the U.S. were explicitly designed to ensure an absolute accumulation of intergenerational wealth and concentrated power for white people, particularly men. A legacy of land theft, slavery, racial segregation, disenfranchisement, and other exclusive policies against Black and Indigenous people and people of color produced a racialized economy that decimated these communities and intentionally barred survivors and descendants from building wealth, socioeconomic well-being, and resilience."

Current inequities in policies and practices also adversely impact people of color as they consider starting and growing businesses. These include disparities by race and ethnicity in educational attainment, personal wealth, access to mainstream capital, and exposure to entrepreneurship in family and social networks.²⁴ They also include disparities by race and ethnicity in access to credit with Black - and Latinx-owned businesses more likely to have been denied credit, to receive only a portion of the funding requested, or to refrain from applying for needed funding out of fear their applications will be rejected.²⁵ Other factors that explain the disparity in capital include discriminatory lending practices, less wealth to leverage, recent financial challenges, and lower credit scores.

Historic and current inequities in economic opportunity result in sizable disparities in business ownership, employment, and income by race and ethnicity. More specifically:

- Despite Black and Latinx firms each accounting for 15 percent of local firms in 2012 and Asian firms accounting for 14 percent of local firms, Black and Latinx firms each accounted for less than 2 percent of business revenue, and Asian firms accounted for 4 percent of business revenue.²⁶
- Nearly two-thirds (64 and 62 percent) of White and Asian residents in Montgomery County were employed in management, business, science and arts occupations in 2017 compared to less than half of Black residents (45 percent) and only a quarter of Latinx residents were employed in such positions.²⁷
- The median household income for White families in Montgomery County was \$119,000 in 2017 and \$109,000 for Asian families compared to \$73,000 for Black households and \$72,000 for Latinx households.²⁸

Inequities in the Biohealth Industry. Systemic racism has also fostered racial inequities in health care and the biohealth industry. The nation's history of inequitable health care by race predates its founding with the near genocide of Indigenous people due to their exposure to small pox and other diseases from European colonists and the inhumane treatment of enslaved Africans that made them more susceptible to disease and death.²⁹ Post slavery, health care services remained segregated by race and it was not until the 1960's with the passage of Medicare and Medicaid that health care services were integrated.³⁰

Racial inequities have also characterized the biohealth industry where historically the medical community has exploited Black people through experimentation.³¹ Additionally, educational and occupational segregation continue to limit the participation of Black and Latinx people as professionals in Science, Technology, Engineering, and Mathematics (STEM) fields that include the biohealth industry. Nationally, between 2017 and 2019: ³²

- Black people accounted for 11 percent of all jobs, 9 percent of STEM jobs, and 6 percent of life science jobs.
- Latinx people accounted for 17 percent of all jobs and 8 percent of STEM jobs and 8 percent of life science jobs.

- Asian people accounted for 6 percent of all jobs, 13 percent of STEM jobs and 19 percent of life science jobs.
- White people accounted for 63 percent of all jobs, 67 percent of STEM jobs and 65 percent of life science jobs.

A study of personnel and executives in the biotech industry also finds an under-representation of Black, Latinx and Indigenous employees and executives. The 2020 survey of 18 biotech firms found that:³³

- Black people accounted for 7 percent of biotech employees and 3 percent of executives;
- Latinx people accounted for 4 percent of biotech employees and 4 percent of executives;
- Asian people accounted for 18 percent of biotech employees and 14 percent of executives;
- Native Americans, Hawaiians and Pacific Islanders accounted for 0.4 percent of biotech employees and 0
 percent of executives; and
- White people accounted for 65 percent of biotech employees and 78 percent of executives.

These racial and ethnic disparities in the biohealth workforce are significant because the industry offers high wages. In 2017, bioscience workers earned an average income of nearly \$99,000.³⁴ In Maryland, the average annual pay for biomedical positions was nearly \$70,000 with workers at the 25th percentile earning \$44,000 annually and those at the 90th percentile earning \$107,000 annually.³⁵

The racial and ethnic disparities in the biohealth workforce are also significant because the industry is sizable. More than 800,000 people work in the biopharmaceutical industry in the U.S.; it is estimated that the biohealth industry supports another 4.7 million jobs across the country.³⁶ Of note, the Biohealth Capital Region of Maryland, the District of Columbia, and Virginia employs an estimated 75,000 workers and ranks fourth among U.S. biopharma hubs, behind Boston, San Francisco, and New Jersey/New York.³⁷ The United Therapeutic Corporation headquartered in Silver Spring, Maryland and the Research Training Park in North Carolina employs 950 people.³⁸

ANTICIPATED RESJ IMPACTS

Understanding the impact of ZTA 22-02 on racial equity and social justice requires understanding the stakeholders most likely to be impacted by this zoning text amendment and their demographics. Since this ZTA is aimed at reducing building regulations and requirements for biohealth facilities, biotech firm owners, employees and residents located near biohealth facilities are the stakeholders most likely to be impacted by this ZTA as follows.

- Biohealth Business Owners. Available data on local business revenue suggest that White-owned firms predominate the biohealth industry and thus could disproportionately benefit from ZTA 22-02. While White-owned firms accounted for slightly more than half of all Montgomery County businesses in 2012, they accounted for more than 90 percent of local business revenue. If White-owned firms benefit more from ZTA 22-02 than BIPOC-owned firms, this ZTA could widen current racial and ethnic inequities in entrepreneurship.
- Biohealth Workers. Available data on occupations and the biohealth workforce from national and local sources suggests that Asian residents are significantly over-represented among local biohealth workers and thus could disproportionately benefit from growth in the local biotech industry fostered by ZTA 22-02. White people account for a majority of the biotech workforce and thus would benefit from biotech industry growth as well. Nationally, Asian people account for 18 percent of biotech positions compared to 6 percent of the overall workforce; White people account for 65 percent of biotech positions compared to 63 percent of the overall workforce. If Asian and White employees benefit more from ZTA 22-02 than Black, Latinx and Indigenous residents, this ZTA could widen current racial and ethnic inequities in biohealth employment

Residents Near Biohealth Facilities. County residents whose communities abut biohealth facilities are the
residents potentially most impacted this ZTA. Currently, the master plans, sector plans, and overlay zone
districts impacting the zones subject to ZTA 22-02 have been shaped with community engagement.³⁹ Every
master plan, sector plan, functional plan, or plan amendment is submitted to a full public hearing.⁴⁰ Planning
staff also initiates community participation in the development of master plan staff drafts that can include the
formation of master plan citizens advisory committees to ensure that master plans reflect residents' interests.⁴¹

OLO anticipates a negative impact of ZTA 22-02 on the residential neighbors of biohealth facilities because it potentially overrides master plans, sector plans, and overlay plans shaped by community engagement. This ZTA also does not establish a process for community engagement per biohealth facility request to utilize the height, density, and parking provisions that it authorizes. The demographics of which residents could be most adversely impacted by this ZTA, however, remain unknown as it is unclear where biohealth facilities will locate, relocate, or expand in the County due to this ZTA.

Taken together, OLO finds that ZTA 22-02 could have a net impact of widening racial and ethnic inequities in the County as available data suggests that the two groups to benefit the most from this bill – biohealth business owners and employees – are disproportionately White and Asian. To narrow racial and social inequities, ZTA 22-02 would have to yield greater benefits for BIPOC groups under-represented in the biohealth industry as business owners and employees. Overall, OLO anticipates a small impact of ZTA 22-02 on racial and social inequity.

RECOMMENDED POLICY OPTIONS

The County's Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.⁴² For zoning text amendments, OLO offers recommended policy options rather than amendments to offset potentially racially or socially inequitable changes to the Zoning Ordinance.

Overall,OLO finds that ZTA 22-02 could widen racial and ethnic inequities because its provisions could exacerbate racial inequities in business revenue and employment in the biohealth sector. Should the Council seek to advance equitable growth in the biohealth industry that reduces racial and social inequities, the following policy options could be considered to require and/or encourage biohealth firms seeking to create or expand their facilities to:⁴³

- **Report workforce and vendor data by race, ethnicity, and gender.** The rationale for public policies to support economic development is that their benefits exceed their costs to government. Yet, there is rarely any accountability for achieving favorable returns on public investments for economic development or equitable development that narrows gaps in outcomes by race and ethnicity. To track whether changes in the zoning code and/other public policies enhance equitable economic development, the County Council could encourage and/or require biohealth firms to report data on their workforce and vendor demographics by race (Black, Asian, White, Indigenous, Other), ethnicity (Latinx), and gender (male, female, non-binary).
- Invest in workforce development opportunities, particularly for BIPOC residents.⁴⁴ To ensure that growth in the biohealth industry benefits a cross-section of communities and reduces disparities in the biohealth workforce by race and ethnicity, biohealth firms could be encouraged to enter into agreements to provide biohealth workforce development opportunities for underrepresented persons of color. Biohealth firms investing in biohealth workforce development programs could be encouraged to partner with community members, education institutions and non-profit partners to design and deliver programs. Career and technical education programs in secondary and post-secondary institutions, apprenticeships and targeted training could increase the pipeline of Latinx and Black residents into biohealth professions.

Invest in local small businesses, especially underrepresented BIPOC small businesses.⁴⁵ To ensure that local small businesses inclusive of BIPOC businesses benefit from the expansion of biotech business opportunities, biotech firms could be encouraged to (a) partner with underrepresented BIPOC businesses to increase the success of such firms in the biohealth industry; and (b) provide opportunities to BIPOC businesses that offer spillover benefits for industry expansion. For example, local biohealth firms could be encouraged to support an industry eco-system analogous to the Opportunity Hub Initiative in Atlanta that promotes "inclusive high-tech innovation, entrepreneurship, and investment eco-systems" to foster BIPOC entrepreneurship in technology.⁴⁶

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

CONTRIBUTIONS

OLO staffers Elaine Bonner-Tompkins, Senior Legislative Analyst, and Elsabett Tesfaye, Performance Management and Data Analyst, drafted this RESJ impact statement.

- ¹⁰ Tyler Quinn-Smith
- ¹¹ Lance Freeman

¹ Definition of racial equity and social justice adopted from "Applying a Racial Equity Lends into Federal Nutrition Programs" by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools <u>https://www.racialequitytools.org/glossary</u> ² Ibid

³ Montgomery County Council, Zoning Text Amendment 22-02, Density and Height Limits, Parking – Biohealth, Introduced March 15, 2022

⁴ Red Policy Areas, also known as Metro Station Areas Policy Areas (MSPA), are one of the four areas within the Transportation Policy Area. MSPAs are characterized by high-density development and the availability of premium transit service (Metrorail, MARC). Montgomery County Planning Department

⁵ Opportunity Zones are designed to spur economic development by providing tax benefits to investors. They are part of a federal tax code that allow investors to roll capital gains into Opportunity Funds that invest in businesses, equipment, and real property in select census tracts. Montgomery County Planning Department: Montgomery County Economic Indicators Briefing 2019. ⁶ Bus Banid Transit is a high-quality and high-capacity bus-based transit system that delivers fast, comfortable, reliable and cost-

⁶ Bus Rapid Transit is a high-quality and high-capacity bus-based transit system that delivers fast, comfortable, reliable and costeffective transit service. Montgomery County Planning Department, Transportation.

⁷ Information in this section originally referenced in OLO RESJ Impact Statement for ZTA 21-09, Office and Professional – Biohealth Priority Campus, December 2, 2021

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⁴¹ Ibid

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⁴³ Two of the three recommended amendments originally referenced in OLO RESJ Impact Statement for ZTA 21-09, Office and Professional – Biohealth Priority Campus, December 2, 2021

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