

INCENTIVE ZONING UPDATE:

WORK SESSION #3



INCENTIVE ZONING UPDATE

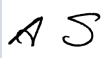
IMPROVING THE PUBLIC BENEFITS POINT SYSTEM FOR CR AND EMPLOYMENT ZONES

Description

Draft Recommendations for implementing the updates to the public benefits point system as a part of the Incentive Zoning Update Study.



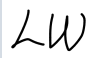
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Incentive Zoning Update:

Draft Recommendations, Work Session #3

Planning Division: Director's
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Planning Board Information

MCPB Item No. 7

06-20-2024

SUMMARY

- Staff will present draft recommendations related to next steps for review by the County Council and implementation of the proposed recommendations.
- Staff requests the Planning Board approve the transmittal of the draft recommendations as amended for review and approval by the County Council.

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RECAP OF WORKSESSIONS 1 & 2

During the past two worksessions, Staff presented the following key recommendations to the Planning Board:

- Streamline the categories of public benefits to align with key county policy priorities: Housing for All, Environmental Resilience, Infrastructure for Compact Growth, and Complete Community Amenities.
- Focus the menu of public benefits to include thirteen distinct public benefits under the four proposed categories.
- Offer four tiers of participation for each public benefit.
- Migrate from a points-based evaluation to a more direct and proportional, FAR-based evaluation of public benefits.
- Offer payment-in-lieu options where practical and enable applicants to request Excel-To-Build Density beyond the mapped FAR, where permitted by the master or sector plan.
- Allow master plans to tailor the menu of public benefits.
- Apply the policy strategically to each of the four zones EOF, LSC, CR and CRT.
- Establish the standard method threshold at 0.5 for CR and CRT zone.
- Allow regulatory staff to approve up to 0.25 FAR on a discretionary basis that meets certain criteria and allow the Planning Board the discretion to approve public benefits that are not explicitly outlined within the categories.

This report will mostly focus on Staff's recommendations related to next steps involving review by the County Council, creation, and adoption of a Zoning Text Amendment (ZTA) to implement the recommendations, updating the Implementation Guidelines, and roll-out of the new version.

ANTICIPATED PROCESS FOR APPROVAL AND ADOPTION

TIMELINE

Several steps will be required to enact the recommended updates and roll out the new version of the policy:

- **Completing Planning Board Worksessions:** Following this worksession, Staff requests the Planning Board approve the draft recommendations for transmittal to County Council unless there are any outstanding issues that still require the Board's review. If additional review is required, Staff will convene another worksession with the Board, tentatively schedule for July 25, 2024, to tie up all loose ends and gain the Board's approval for transmittal to Council.
- **Committee & County Council Review:** Once the Board approves transmittal of the recommendations to the County Council, Staff will package the recommendations as

amended by the Planning Board and begin the process to schedule worksessions with the County Council’s Planning, Housing, & Parks Committee. We anticipate this review to begin in the fall of 2024.

- **Zoning Text Amendment Process:** Following Council’s review, Staff will prepare a zoning text amendment (ZTA) to update the various sections of County Code that the policy currently references. The ZTA will then go through the required public hearing and Council’s review process prior to being approved. Staff anticipates this process to occur in the winter of 2024-25.
- **Update to Implementation Guidelines:** Upon adoption of the ZTA, Staff will create a new version of the Implementation Guidelines to provide guidance to applicants, Planning Staff, the Board and other county agencies to apply the updated version of the policy. Staff anticipates this work to occur in the spring of 2025 with the roll out to occur by fall of 2025.

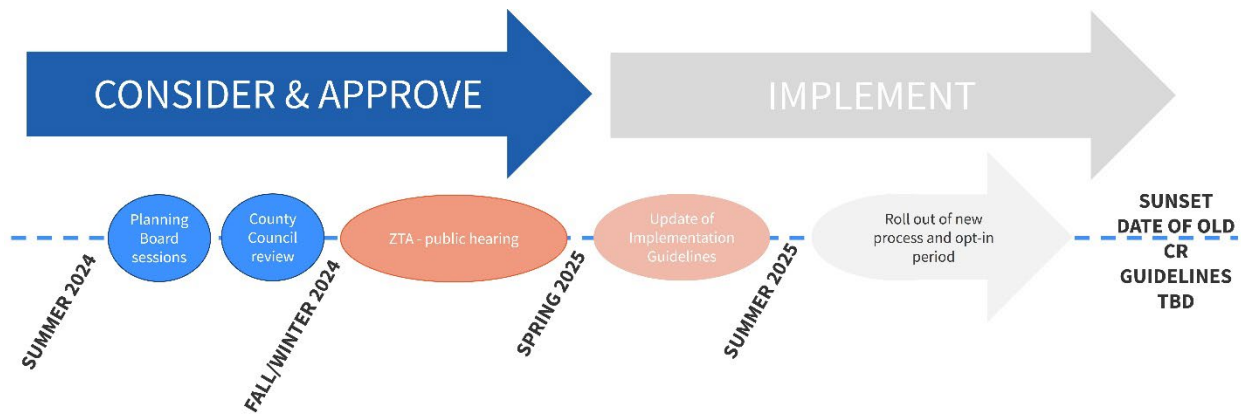


Figure 1 – Proposed timeline for implementation

UPDATES TO BLT AND TDR REGULATIONS

As proposed, the adoption of the recommendations will also require updates to the County’s Farmland Preservation Laws governing the BLT and TDR programs. Depending on guidance by the County Council, these may be covered within the same ZTA or require a separate ZTA to ensure that the recommendations related to these programs and the Optional Method of development can be successfully implemented.

UPDATING THE IMPLEMENTATION GUIDELINES

The Implementation Guidelines are key to ensuring that projects are reviewed consistently throughout the process and noting where flexibility is appropriate. Development of the updated

Guidelines will require additional outreach with the numerous agencies that have been consulted in the drafting of these recommendations. The Guidelines will need to address the following:

- **Criteria for review:** A standard set of criteria for each of the public benefits, submission materials for each application phase, and interagency coordination processes.
- **Project Amendments:** How amendments to Projects that were approved under the old guidelines should be reviewed and establish a threshold for when amendments would be subject to the new Guidelines.
- **Role of Sector Plans:** Staff is proposing that sector plans be given more flexibility to tailor public benefits to the needs of the local communities as determined through the master or sector planning process. The Guidelines will address how the menu of public benefits can be tailored by master or sector plans to ensure that public benefits meet local needs while also moving the needle on the County's key policy priorities.
- **Future updates to the Implementation Guidelines:** Additionally, Staff recommends this policy be reviewed and updated periodically so it remains nimble and responsive to changing construction and energy codes, real estate market dynamics, planning priorities etc. Staff recommends an assessment of the policy every five years, which is not intended to be a comprehensive in nature as further described below. Biennially, the payment in lieu should be updated based on the published construction cost index. The Implementation Guidelines will address how and when the Guidelines can be more simply updated in the future, without requiring extensive zoning text amendments.

ROLL OUT OF THE NEW POLICY

Staff recognizes that this is a comprehensive update to the policy and is therefore recommending an “opt-in” period to provide a flexible and smooth transition from the current to the proposed version. Staff recommends that there be an “opt-in” period of 12-18 months from the passing of the ZTA when new development applications can choose to be reviewed under the existing or updated version of the policy. During this period, existing masterplans where the current policy is applicable should also conduct a review and establish which public benefits from the new menu align most closely with the public benefit priorities identified from the current menu. All new master or sector plans created after the passing of the ZTA must use the new version of the policy, as adjusted through the sector planning process. After the end of the opt-in period, all Optional Method developments should utilize the updated version of the policy for the CR and CRT zones, as amended by the applicable master or sector plans. As a reminder, the EOF zone will not be required to provide public benefits and the Great Seneca Life Science Overlay zone will regulate the delivery of public benefits within its boundaries.

MONITORING OF THE POLICY AND UPDATES

During the Project's analysis phase, Staff encountered several challenges in collecting data related to the approval of public benefits, which was eventually pulled together from Planning Board resolutions, staff reports, and building permit documents. This data was then entered into an online central data hub where all information can be easily accessed and parsed by geography, sector plan, type of benefit etc. Continued use of this online data hub will be valuable to gauge the performance of the new system and staff recommends it be utilized to track public benefits as they are approved by the Planning Board under this new version. As the Planning Board approves sketch and/or site plans under the Optional Method, these should be entered into the data base on a rolling basis. Staff will create this data hub after the ZTA is approved.

We are recommending that the policy be assessed every five years, with the assistance of the data hub to analyze how the policy has been applied and adjusted by various master plans and evaluate what public benefits have been received to determine if public benefit categories require updating. An intermittent check-in may be needed if significant changes are made to the County's Construction and Green Codes since those will impact some of the proposed benefits under the Environmental Resilience category.

NEXT STEPS

Staff recommends the Planning Board approve the transmittal of the recommendations to the County Council as amended through the various worksessions.