

ReImagine **Rock Spring**

MASTER PLAN

ROCK SPRING MASTER PLAN

Planning Board Worksession #1: Dec. 15, 2016

Planning Board Item #8

Area 2 Division

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www.montgomeryplanning.org/community/rockspring/

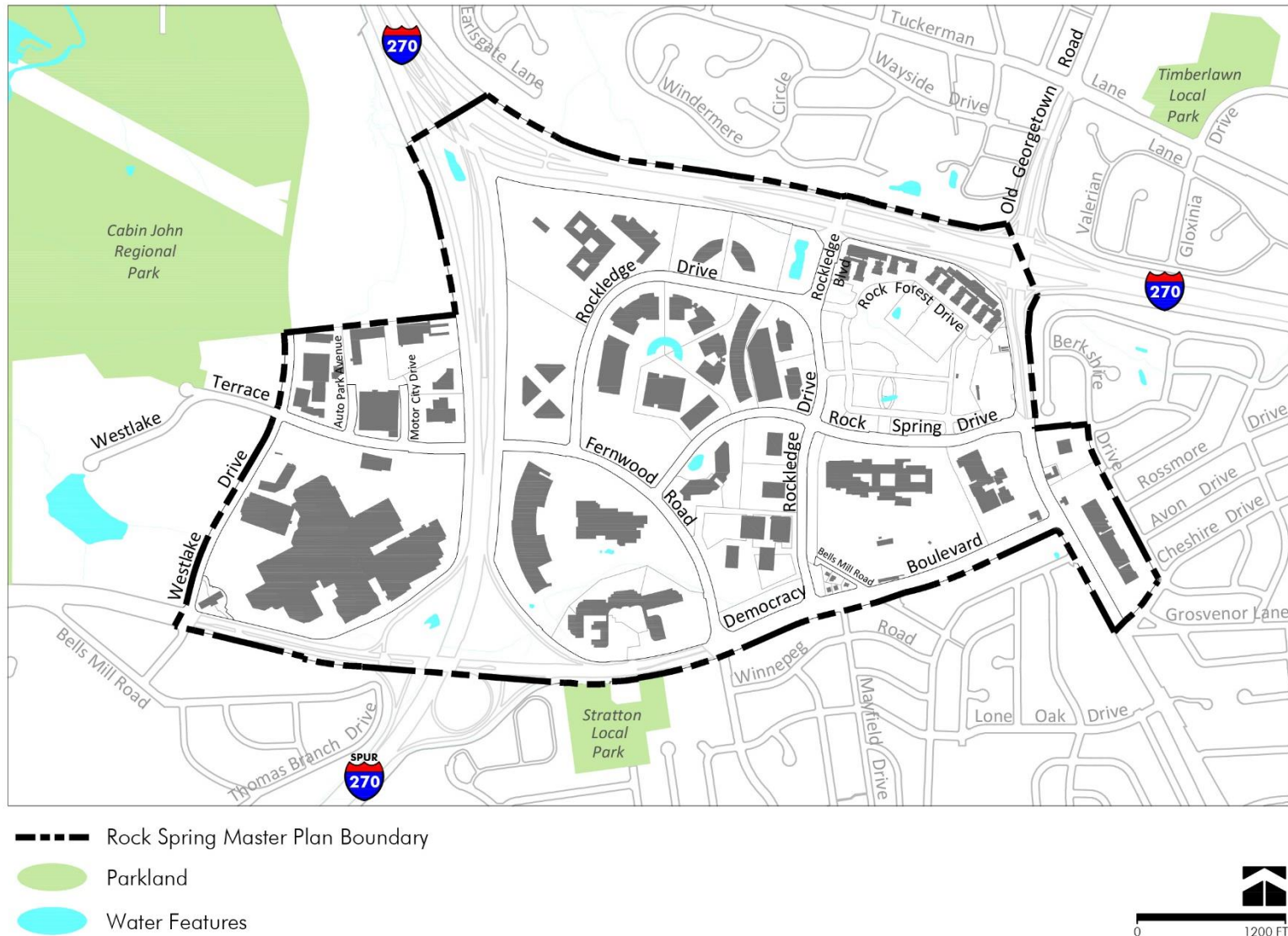
THE MARYLAND - NATIONAL CAPITAL PARK AND PLANNING COMMISSION



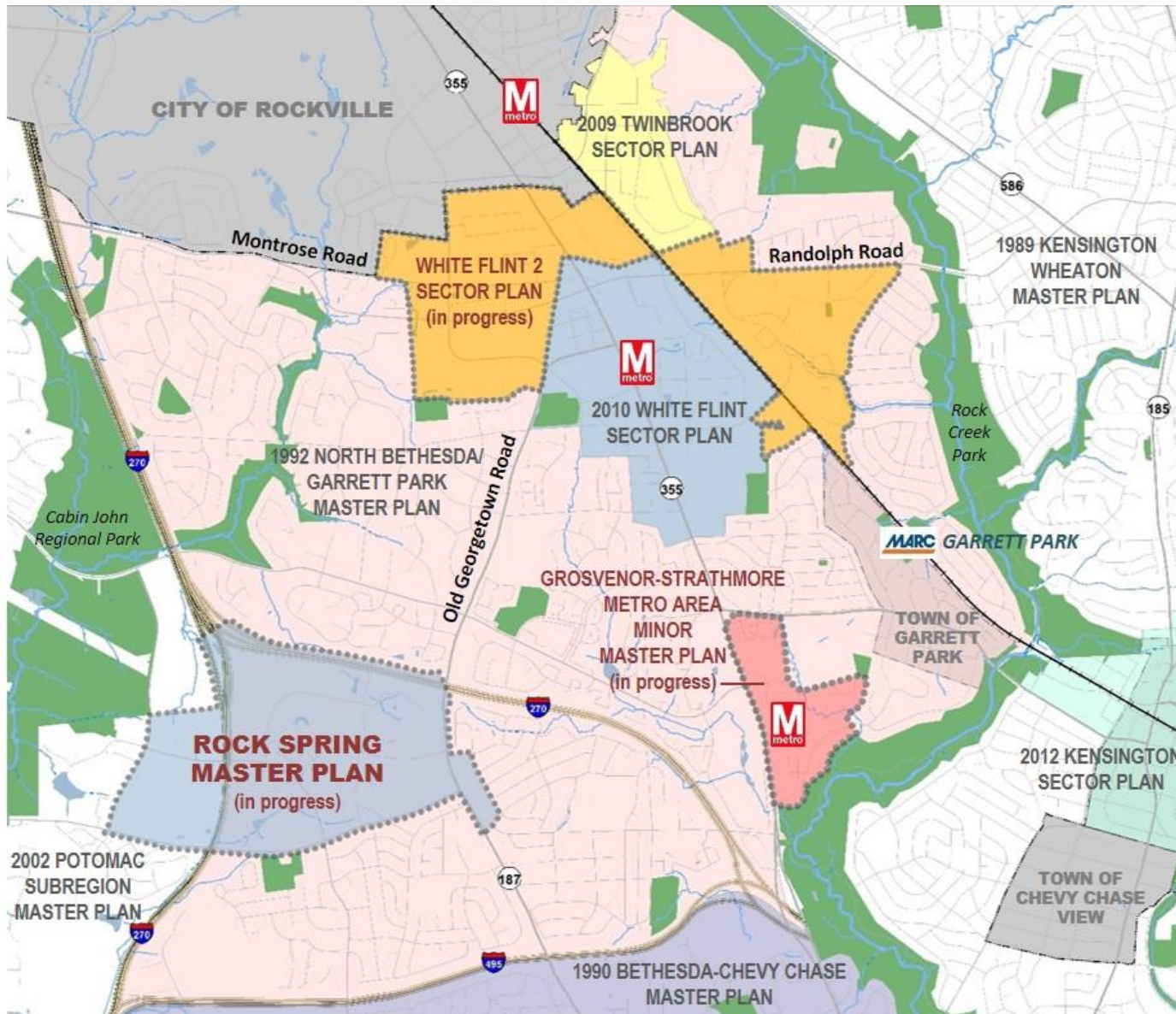
Worksession #1: Overview

- Rock Spring Master Plan – Context
- Scale Comparisons and Hierarchy of Place
- Rock Spring – Office and Residential Markets
- Adaptive Reuse Examples
- Zoning Approach

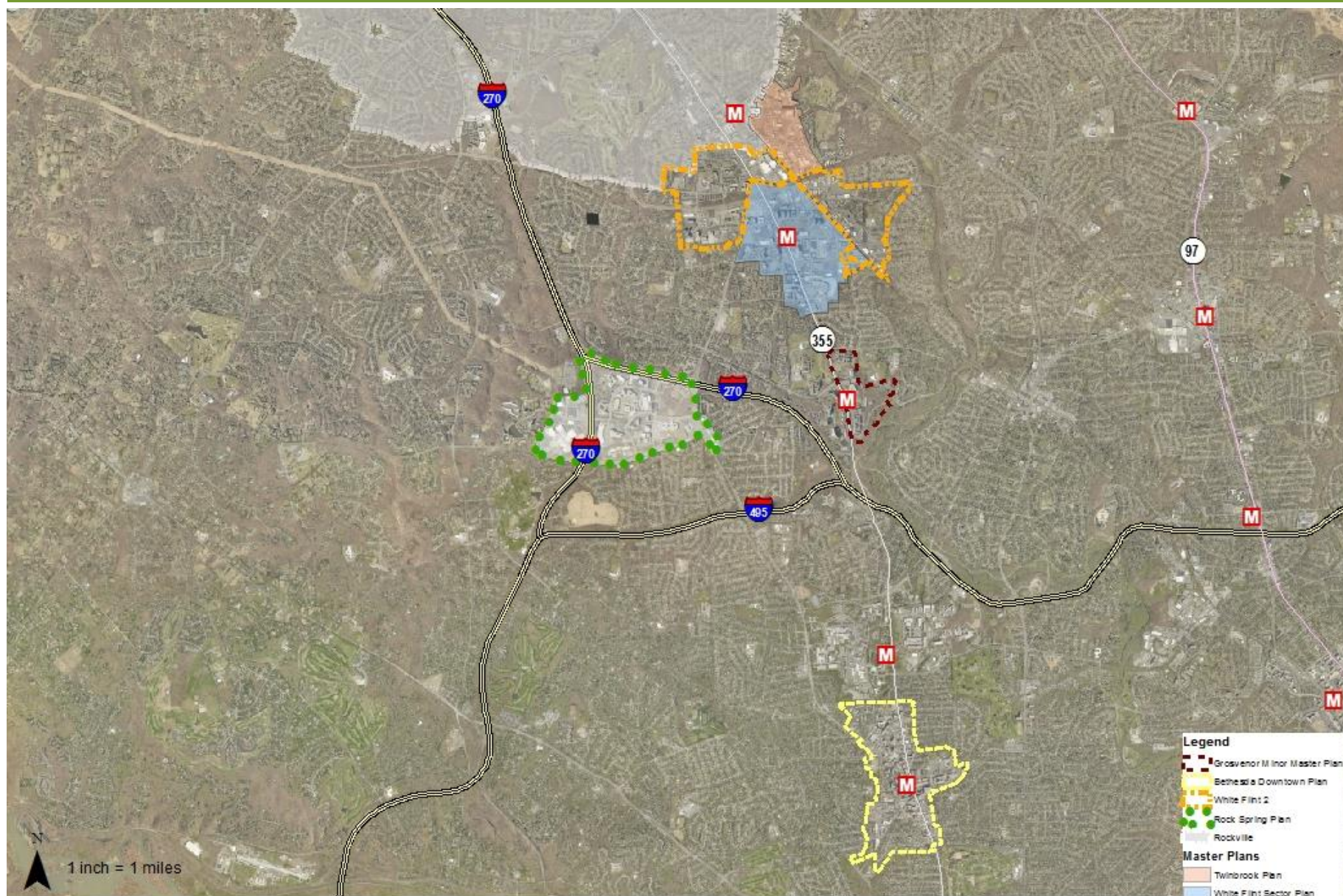
Plan Boundaries



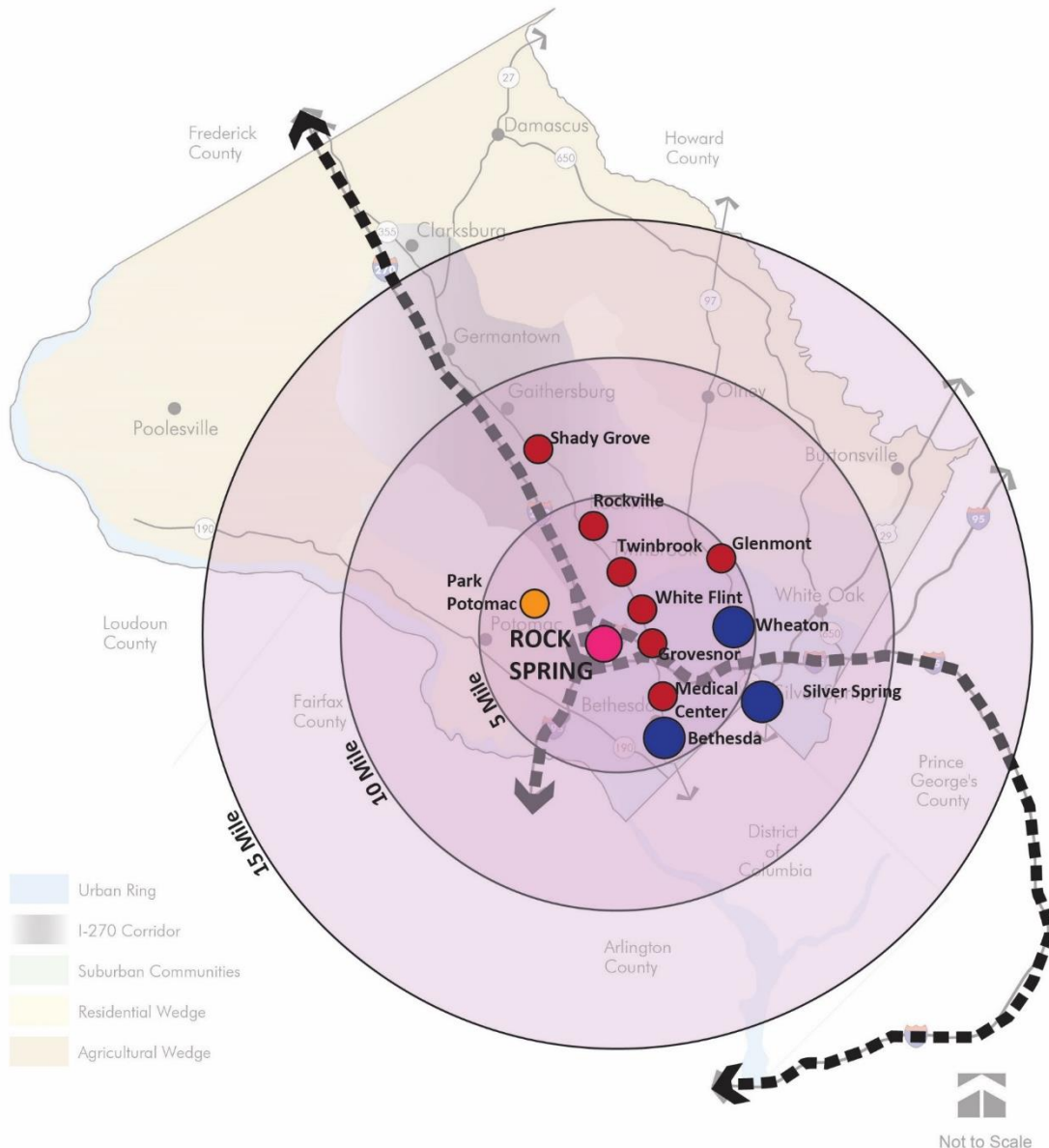
Surrounding Area Context



Rock Spring – Regional Context



Regional Context



- Rock Spring Master Plan Area
- Metro Serviced CBD
- Metro Serviced Non-CBD
- Non Metro, Non-CBD

Location	Area	FAR	Height
Bethesda	450 Acres	0.5-8.0	35'-290'
Silver Spring	265 Acres	1.0-8.0	50'-200'
Wheaton	484 Acres	1.0-6.0	45'-250'
White Flint	430 Acres	0.5-4.0	50'-300'
Twinbrook	154 Acres	1.0-2.0	50'-145'
Glenmont	711 Acres	1.5-3.0	45'-120'
Rock Spring	535 Acres	0.5-1.5	35'-150'
Park Potomac	54 Acres	>1.0	100'
Mosaic	31.3 Acres	1.39	115'

Downtown Central Business Districts at Metro = 5 - 8 FAR

(Floor Area Ratio)

- Most dense
- Highly mixed-use and many amenities



Rock Spring Scale Comparison: CBDs Serviced by Metro

Rock Spring Master Plan Area

535 Acres

FAR 0.5-1.5

Heights 35'-150'

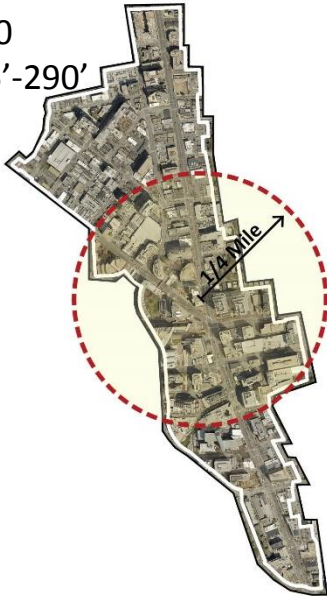


Bethesda CBD

156 Acres

FAR 0.5-8.0

Heights 35'-290'

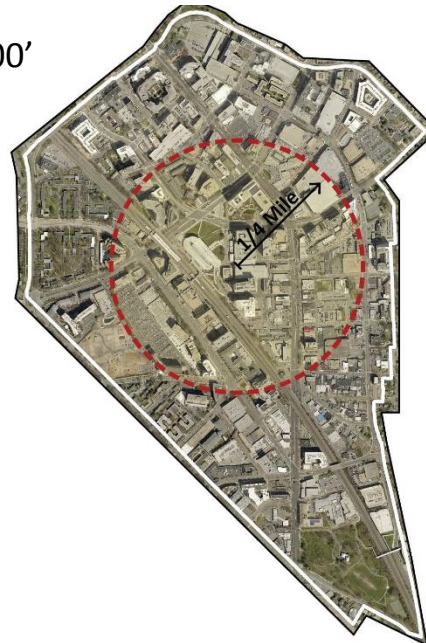


Silver Spring CBD

265 Acres

FAR 1.0-8.0

Heights 50'-200'



Wheaton CBD

83 Acres

FAR 2.0-6.0

Heights 75'-250'



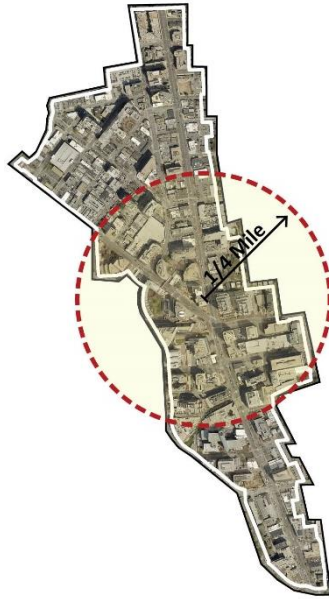
Hierarchy of Place

Bethesda CBD

156 Acres

FAR 0.5-8.0

Heights 35'-290'



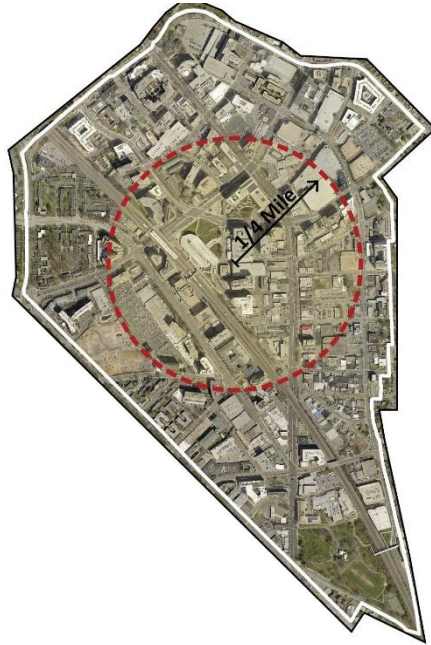
Hierarchy of Place

Silver Spring CBD

265 Acres

FAR 1.0-8.0

Heights 50'-200'



Silver Spring CBD



Hierarchy of Place

Wheaton CBD

83 Acres

FAR 2.0-6.0

Heights 75'-250'



Wheaton CBD



Non CBD Metro Stations

= 2 – 4 FAR (Floor Area Ratio)

- Mix of towers and mid-rise
- Can support more amenities



Rock Spring Scale Comparison: Non CBD Metro

Rock Spring Master Plan Area

535 Acres

FAR 0.5-1.5

Heights 35'-150'



White Flint

430 Acres

FAR 0.5 – 4.0

Heights 50'-300'

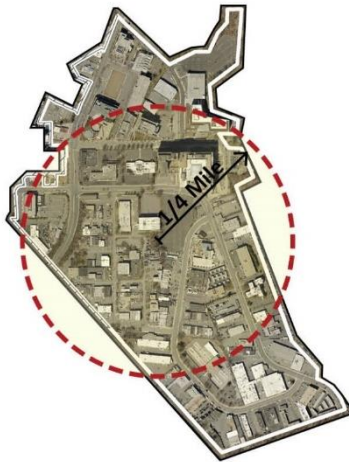


Twinbrook

154 Acres

FAR 1.0-2.0

Heights 60'-150'



Glenmont

711 Acres

FAR 1.5-3.0

Heights 45'-120'



Hierarchy of Place

White Flint

White Flint

430 Acres

FAR 0.5 – 4.0

Heights 50'-300'



Hierarchy of Place

Twinbrook

Twinbrook

154 Acres

FAR 1.0-2.0

Heights 50'-145'



Hierarchy of Place

Glenmont

Glenmont

711 Acres

FAR 1.5-3.0

Heights 45'-120'



Glenmont Metrocenter Site

30.9 Acres FAR 2.0 Max. Height 85'

Phase 1.1: 171 Townhouses



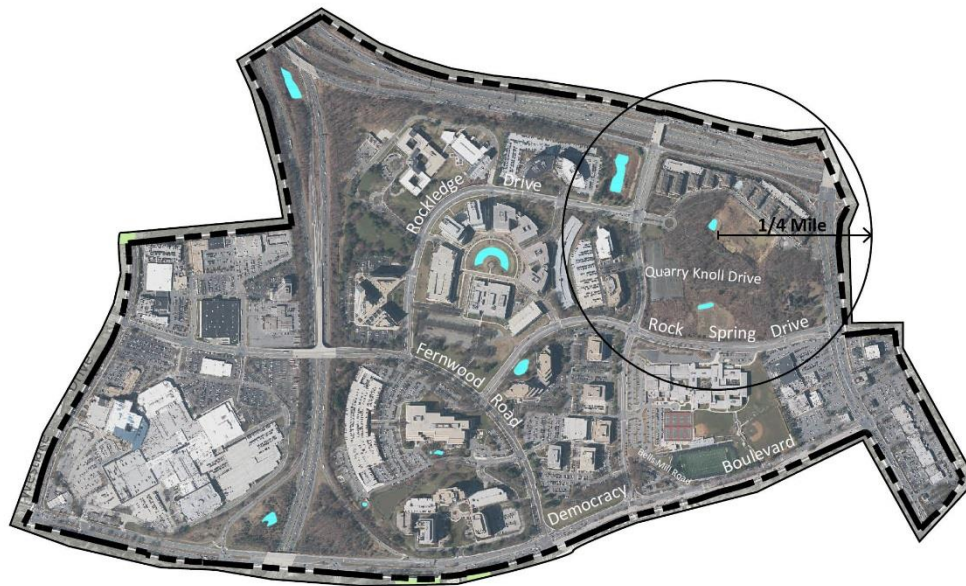
Non-Metro Station Centers

= 1 - 1.5 FAR (Floor Area Ratio)

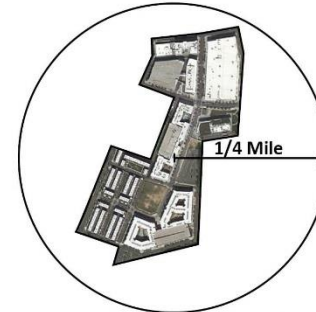
- Low- and Mid-rise buildings
- Fewer amenities (parks, parking structures, neighborhood retail and services)



Rock Spring Scale Comparison: Non Metro Non CBDs



Rock Spring Master Plan Area: 535 Ac



Mosaic District: 31.3 Ac

- 170K Office
 - 520K Retail / Restaurant
 - 148 Room Hotel
 - 42,000 Movie Theater
 - 1 Million SF Residential
- 1.39 FAR
 - Max. Ht: 115'
 - Built: 75'



Park Potomac: 54.8 Ac

- 835K Office
 - 45K Retail / Restaurant
 - 156 Room Hotel
 - 1 Million SF Residential
- <1.0 FAR
 - Max. Ht: 100'
 - Built: 75'

Hierarchy of Place



Mosaic District

- 31.3 Acres
- 1.39 FAR
- Max. Ht.: 115'
- Built Up to 75'
- 1,000 Units
- 1.8 Million SF



Hierarchy of Place

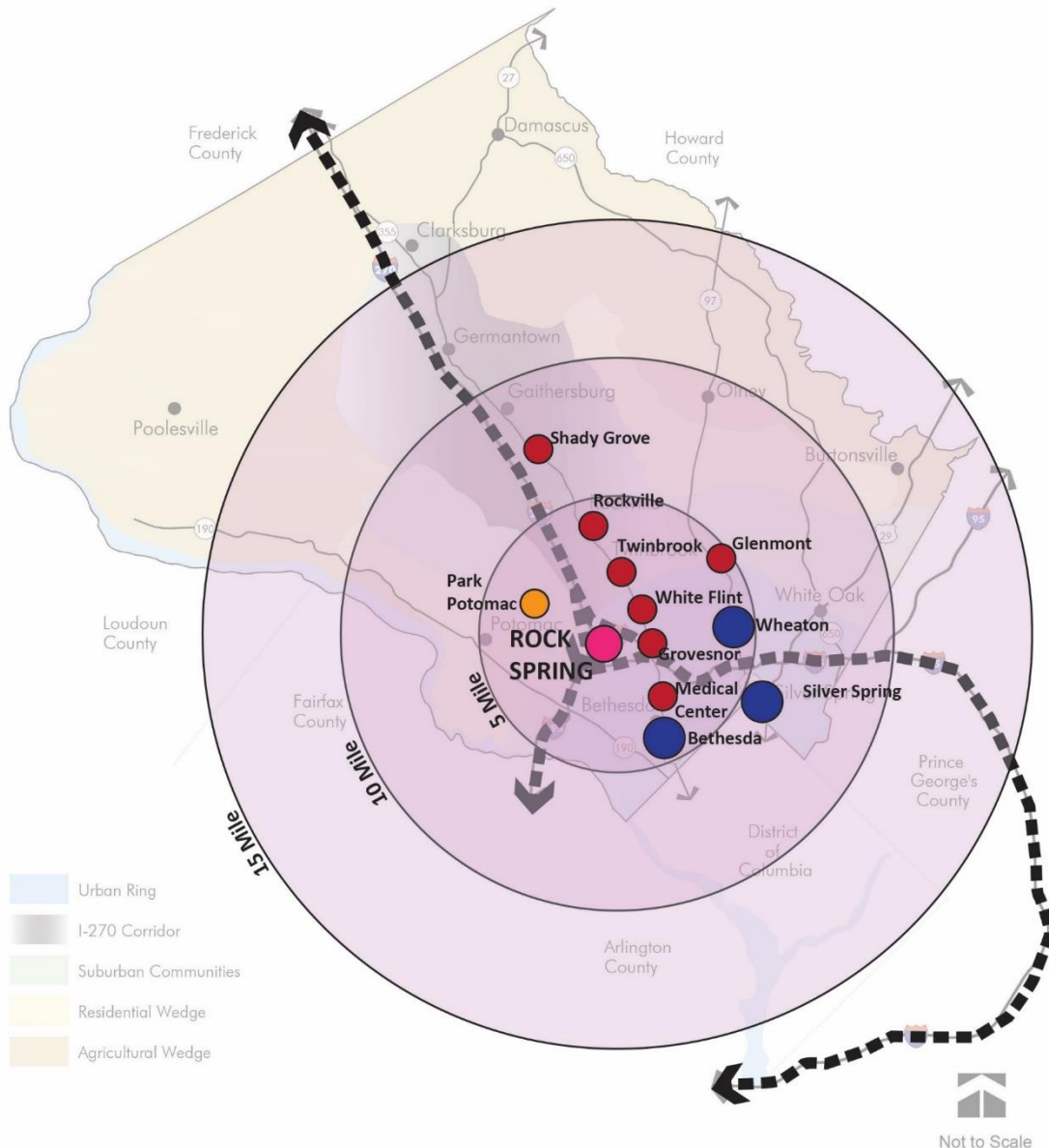
Park Potomac



- 54 Acres
- < 1.0 FAR
- Max. Ht: 100'
- 600 Units
- 2.0 Million SF



Regional Context



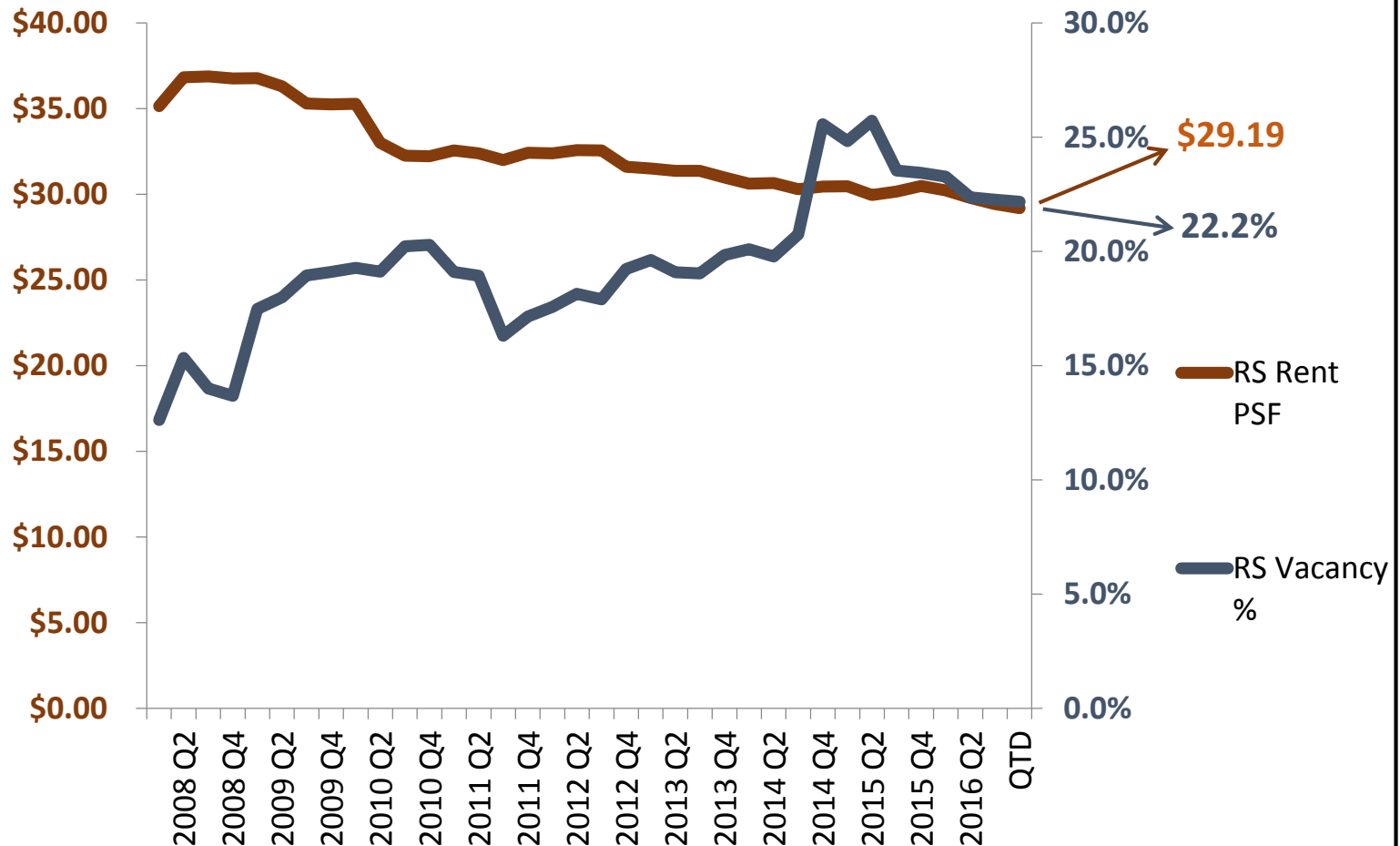
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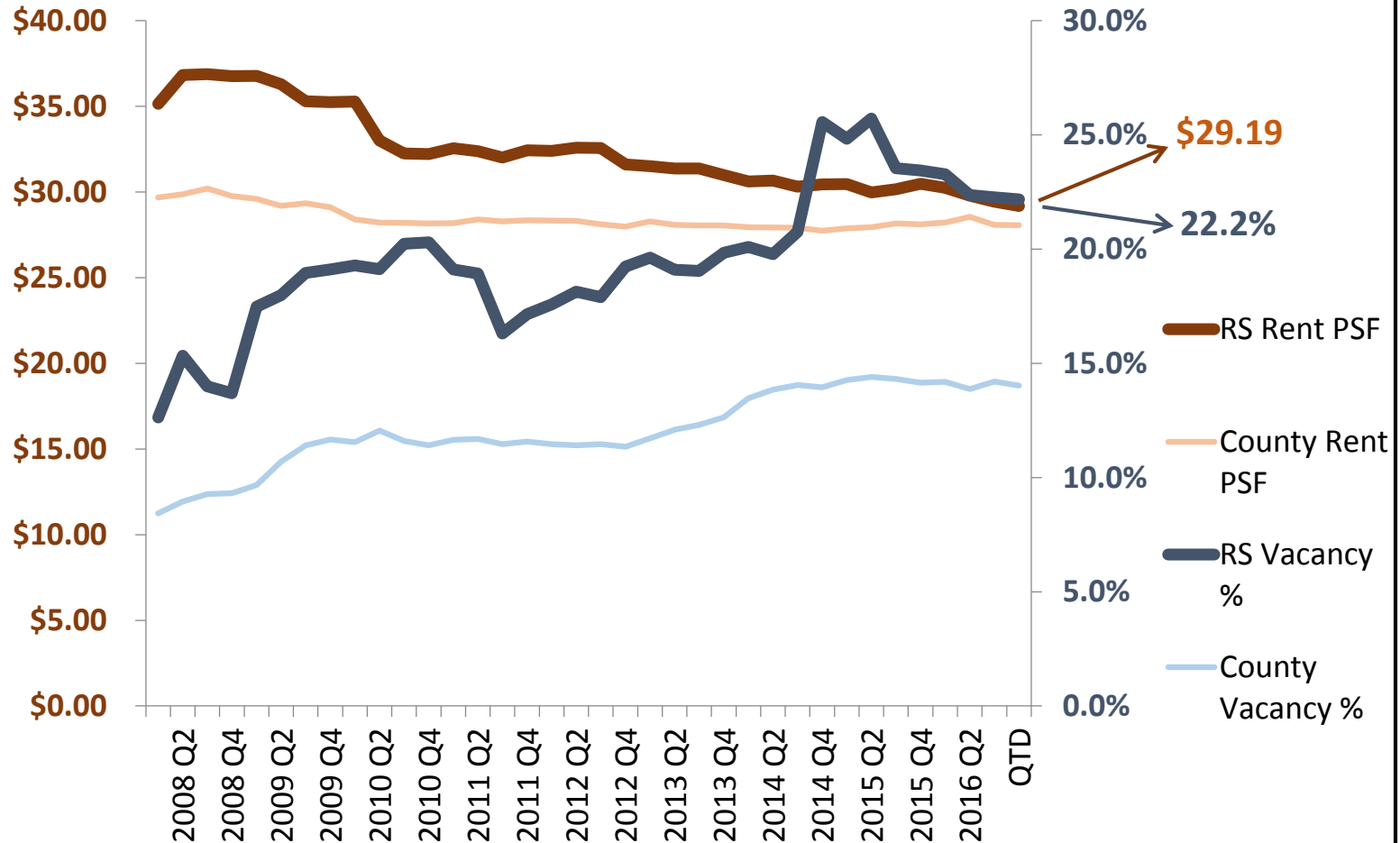
The Rock Spring Office Market



Office Vacancy and Rent Rates, 2008-Today



Office Vacancy and Rent Rates, 2008-Today



Rock Spring Advantages

- Corporate HQ Space and nationally prominent tenants
 - (e.g. Host Hotels, Lockheed, Coventry Health)
- Recent leasing activity
 - Total Wine & More (100,000+ SF)
 - NIH consolidation (630,000 SF)
- Primary vacancies are isolated
 - Two vacant buildings over 150K SF comprise 1/3 of office vacancy
- Overall rents still higher than County (+ 4%)
- Strong medical-user office market



NIH Consolidation 2016



Medical Offices

Rock Spring Disadvantages

- Rents continue to slide
- Building valuations are lower
- Fewer large, single-user tenants to lease entire buildings
 - Single-user, purpose-built buildings may have trouble (COMSAT, Marriott HQ)
 - Smaller spaces tend to fill up quicker and easier
- Lack of transit and amenities to compete
 - Price factors still matter



100% Vacant Buildings



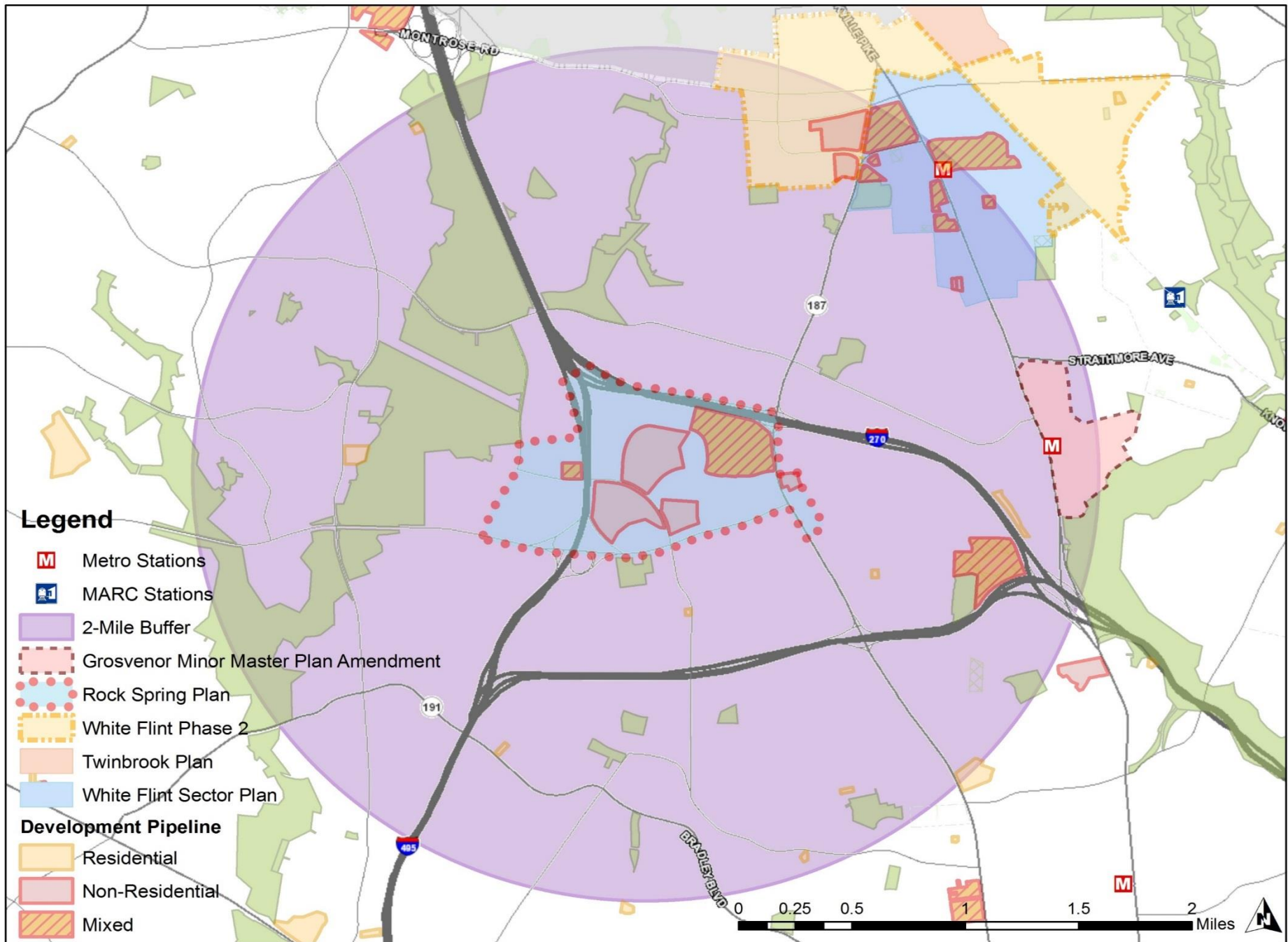
Marriott HQ

Rock Spring's Future

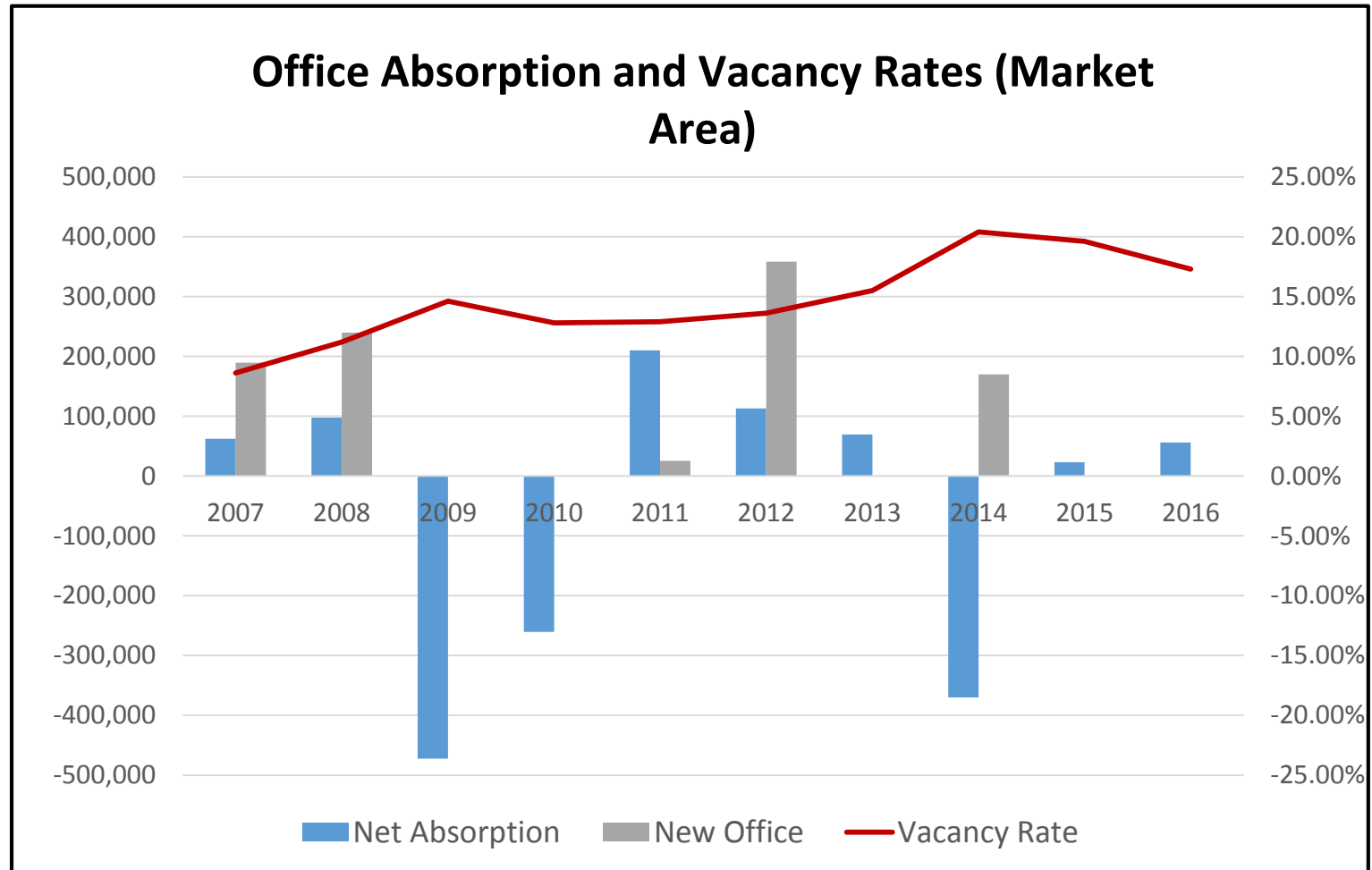
- Value of buildings too high for redevelopment
 - Buildings are aging but not obsolete
 - Conversions/adaptive reuse difficult
 - Continued reinvestment on case-by-case basis

- Rock Spring still a competitive market
 - Strong location, value pricing and convenient parking
 - Landlords positive about area but with more modest expectations
 - Owners positive about mixed-use additions and connectivity links

- The Future
 - Rock Spring will likely retain a core office use with incremental mixed-use over time
 - Evolution of large office users and overall office usage is critical



Office Absorption



Source: CoStar, M-NCPPC Pipeline Development

Current Vacant Office Space: 2.34 M SF

Approved Office Space in Pipeline: 4.14 M SF

Rock Spring Housing

- Within 2-miles of the Rock Spring plan, there are 4,772 multi-family units within the development pipeline
 - 354 single-family units

Current - 2015

Built	2002
Units	386
Effective Rent Per SF	\$1.84
Effective Rent Concessions %	1.3%
Vacancy	3.9%

Source: CoStar

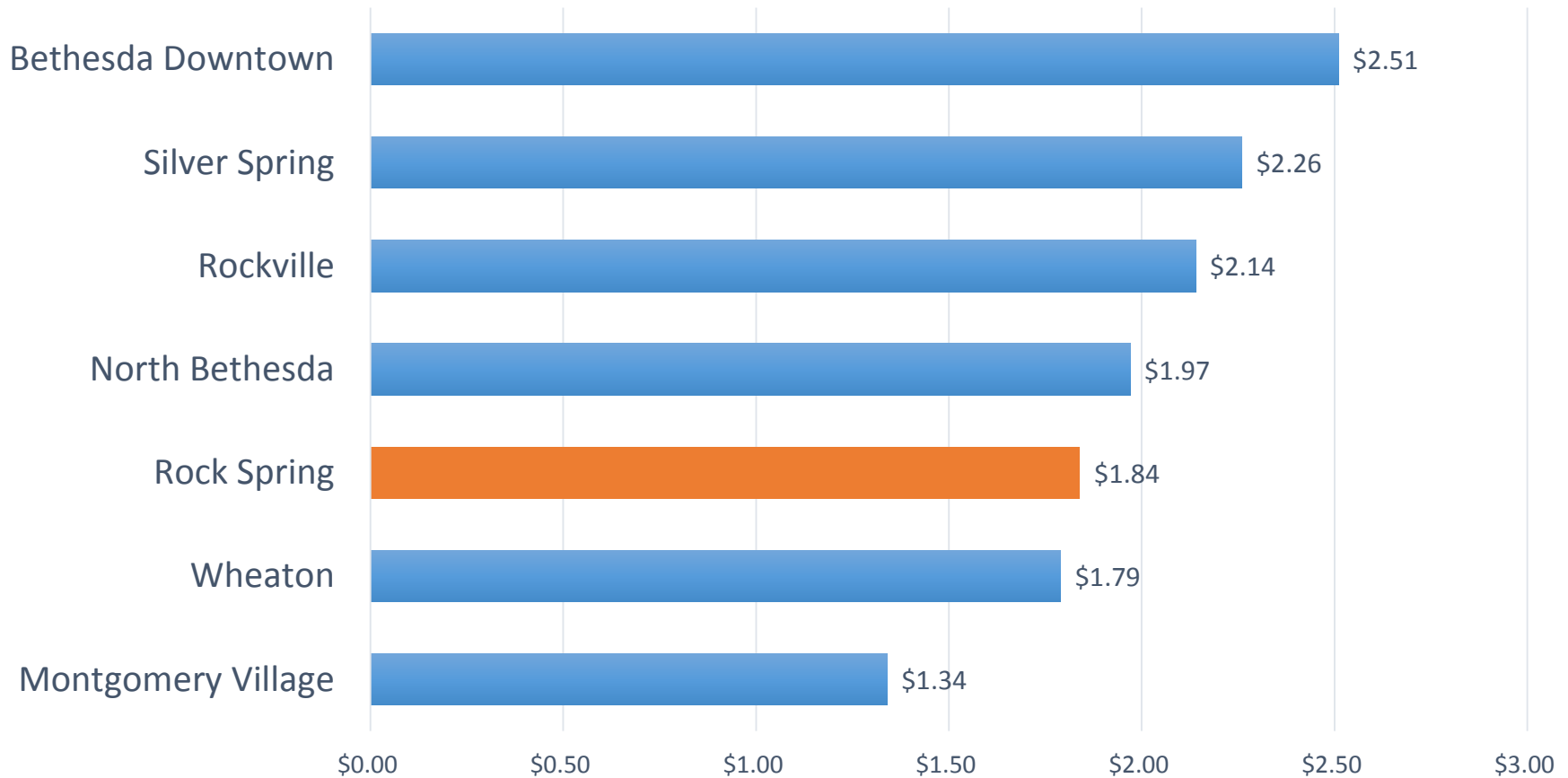
Historical Trends 2003 - YTD

US Inflation	2.15%
Effective Rent % Growth/Yr	1.50%
Effective Rent Per SF	\$1.73
Effective Rent Concessions %	0.71%
Vacancy	5.2%

Source: CoStar

Rock Spring Comparative Multifamily Developments

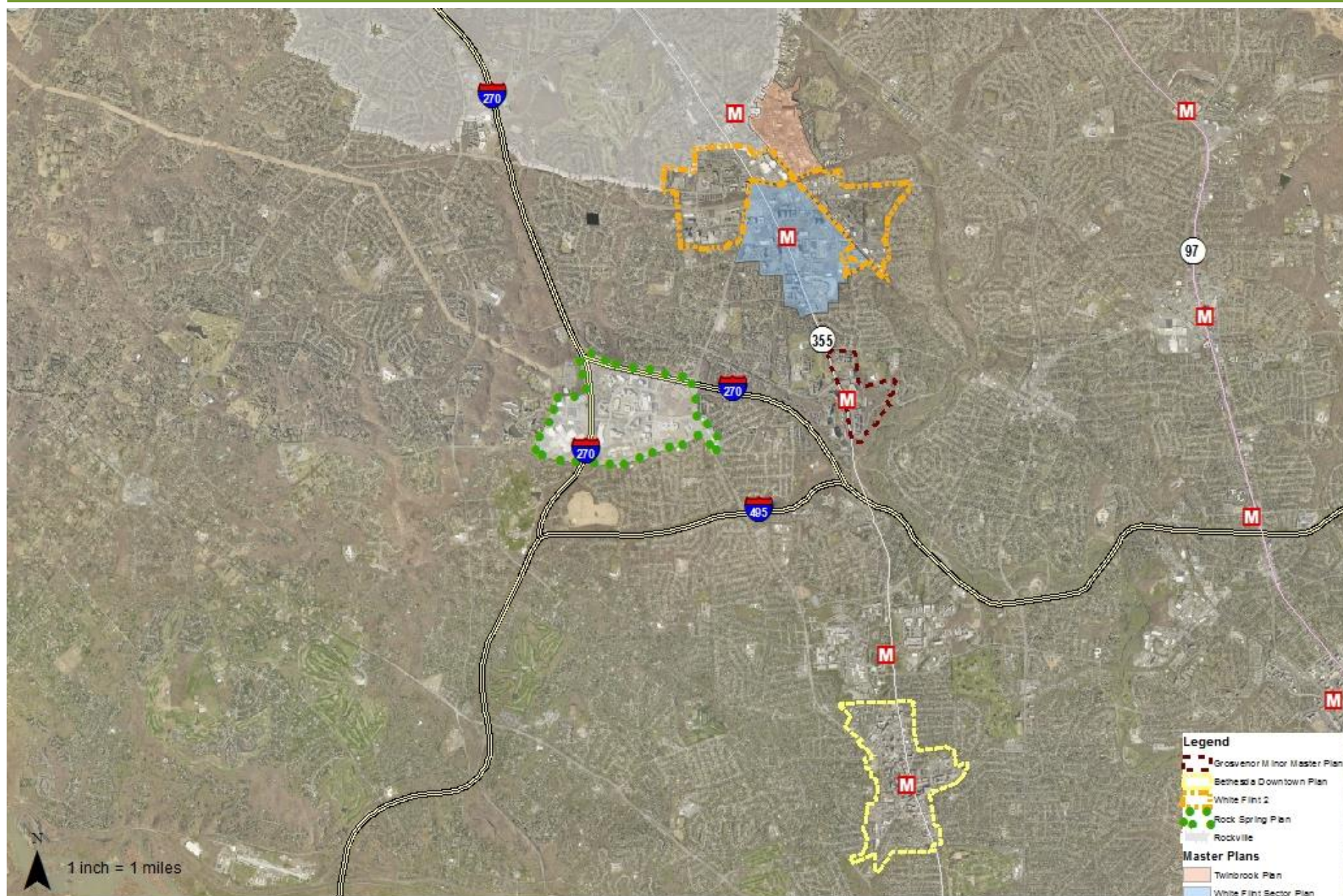
Effective Rent Per Square Foot -
Comparative Buildings (2015)



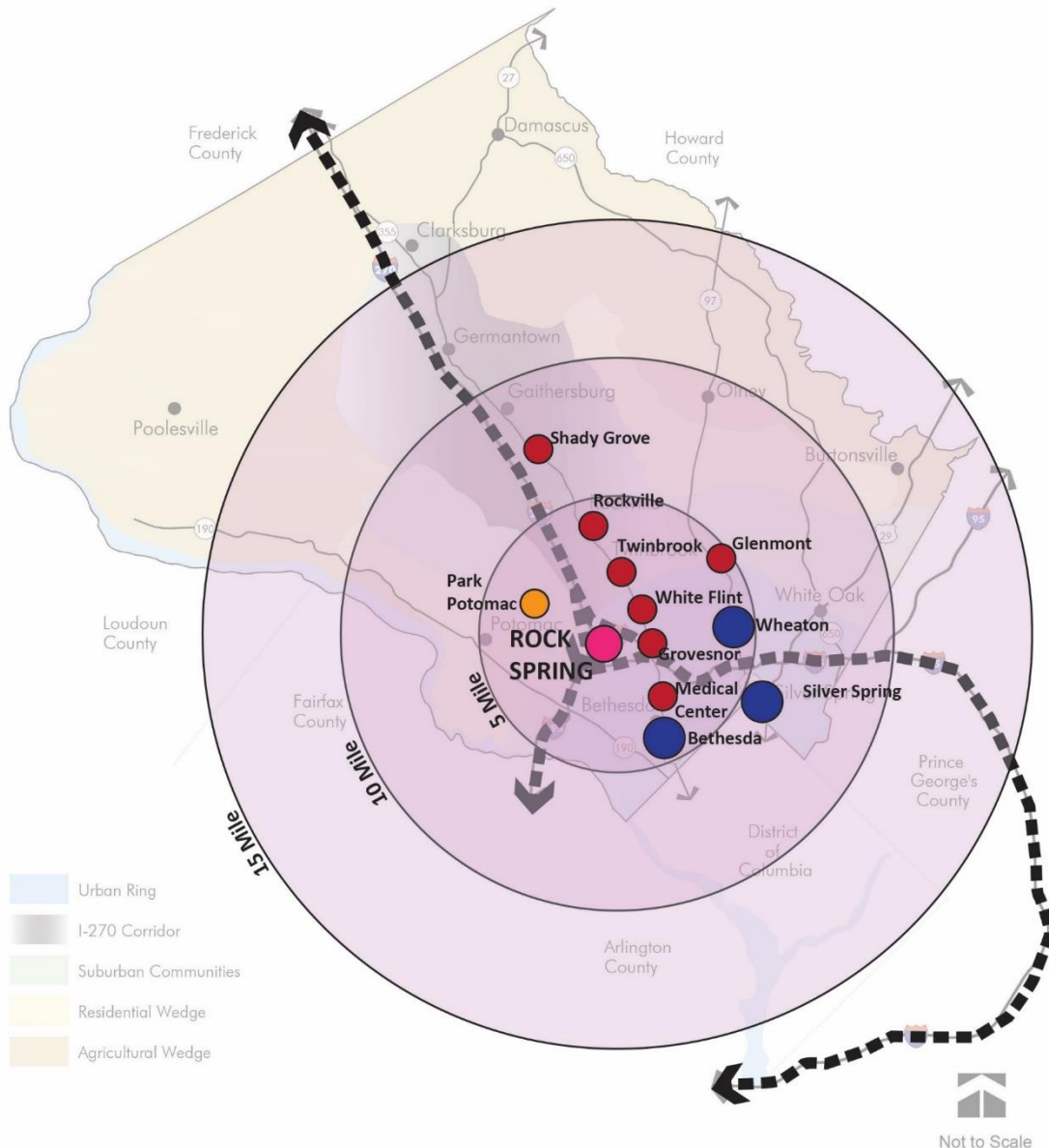
Source: CoStar

Maryland-National Capital Park and Planning Commission

Rock Spring – Regional Context



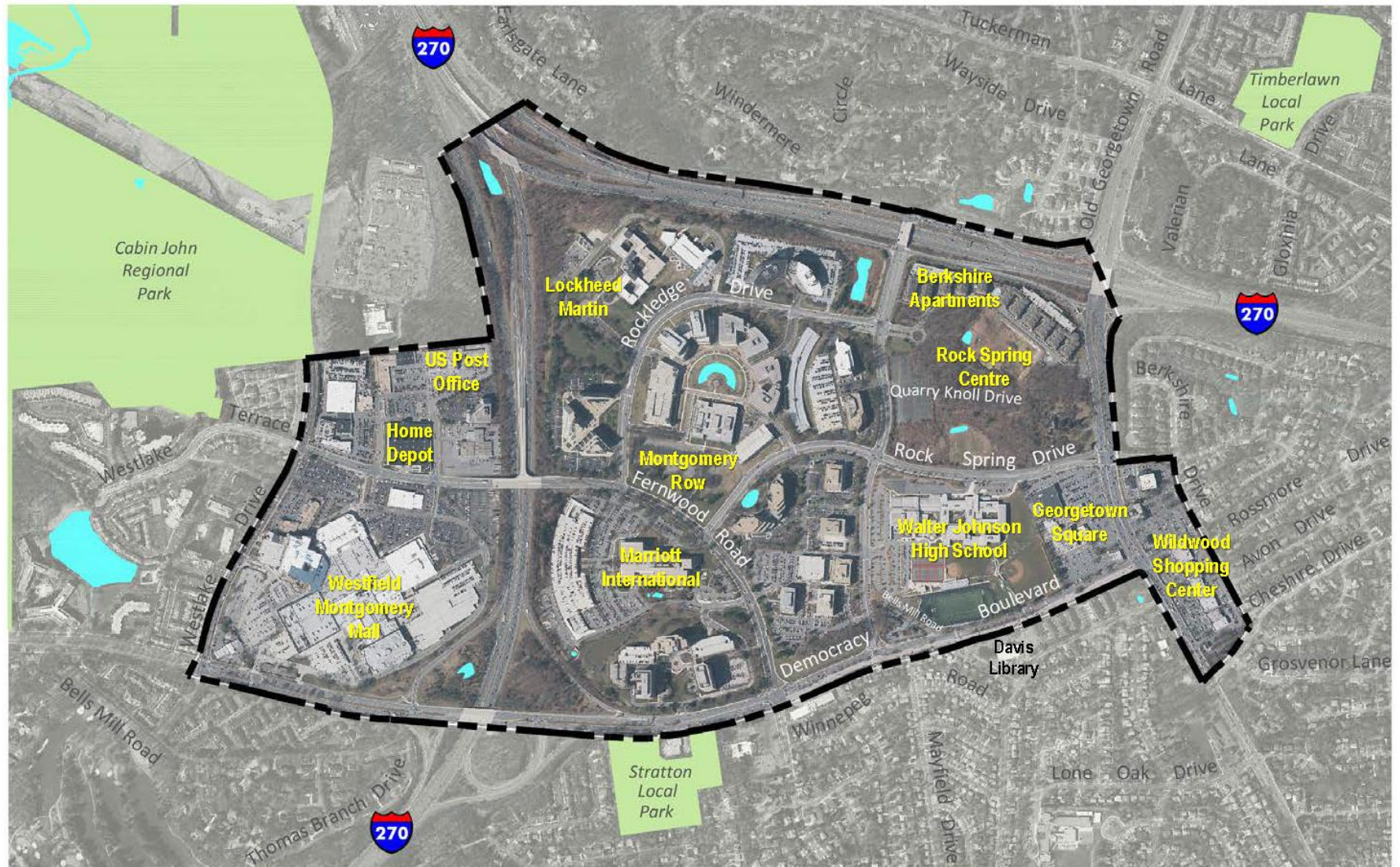
Regional Context



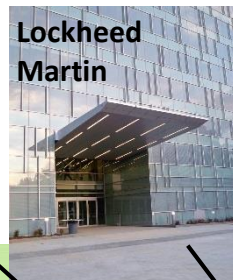
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Rock Spring Master Plan Area



Existing Land Uses



Pipeline Development



Pipeline Projects

- ① Ourisman Ford
- ② EYA–Montgomery Row
(under construction)
- ③ Rock Spring Centre
- ④ Aubinoe Residential Building

Proposed Transitway

- ➔ Proposed Line
- ⊗ Proposed Station Location



Rock Spring – Approved Pipeline Development

Rock Spring Centre

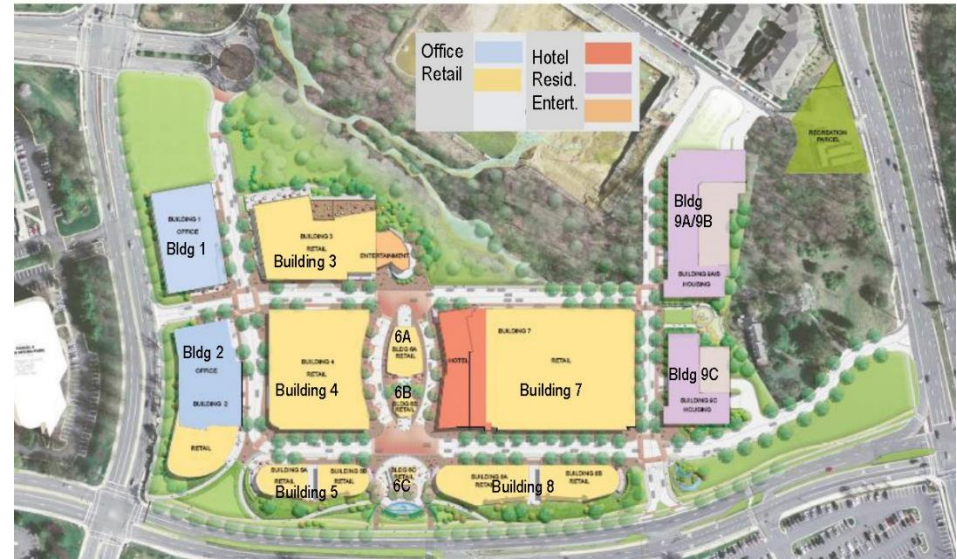
- 1 million Commercial SF
- 1,250 Units (*386 Units Constructed*)

Ourisman Ford

- 54,000 Commercial SF
- 340 Units

Aubinoe Properties

- 58 Units



Rock Spring Residential



Existing

386 Multi-family DUs (#3)

Under Construction

168 Townhomes (#2)

Approved Pipeline

340 DUs (#1)

864 DUs (#3)

Rock Spring Centre

1250 DUs approved

386 DUs built

864 DUs in pipeline

58 DUs (#4)

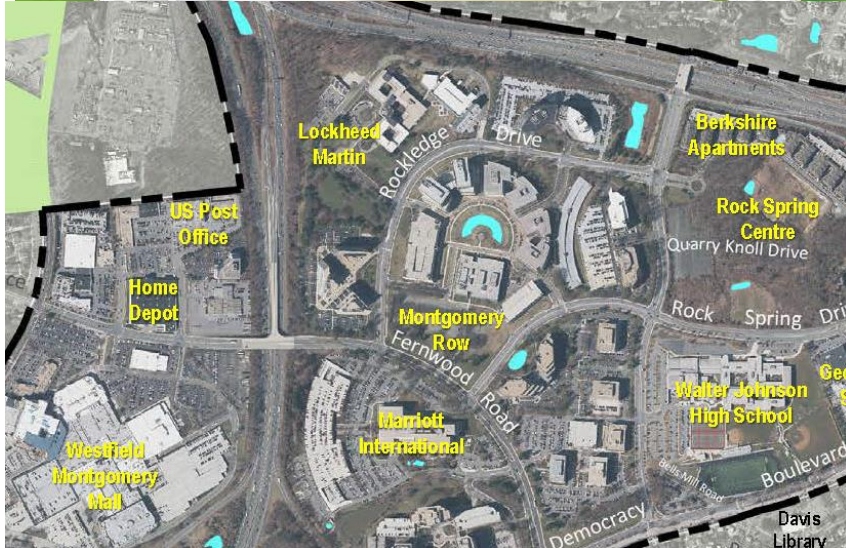
Total DUs in Pipeline:

1,262

Rock Spring – EYA Townhouses Under Construction

Montgomery Row

- 168 Units



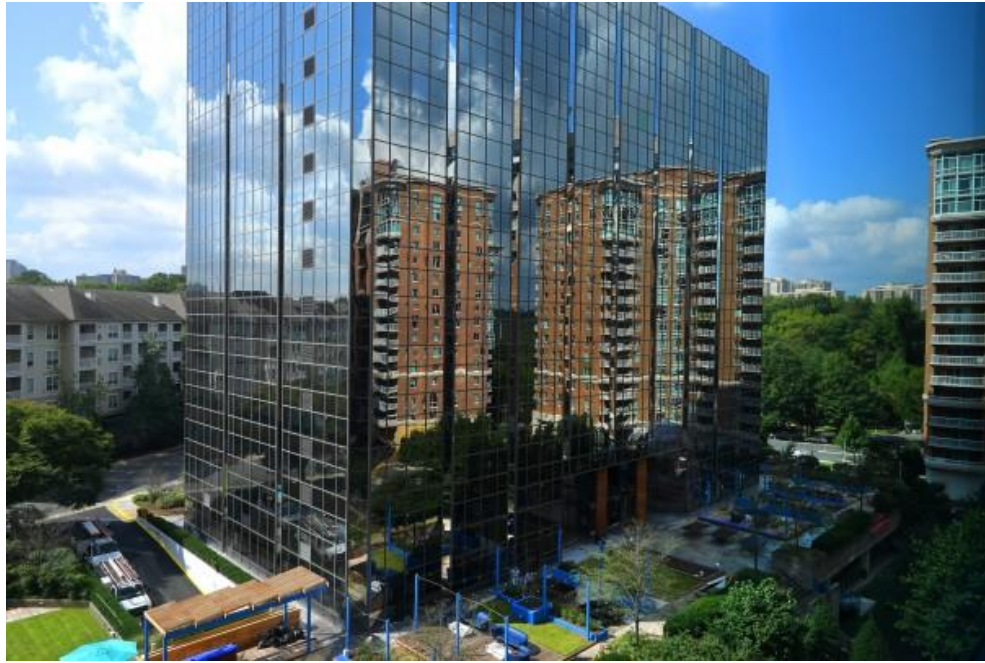
Adaptive Reuse: The Oronoco, Alexandria VA



Adaptive Reuse: WeWork and WeLive, Crystal City VA



Adaptive Reuse: E-Lofts, Alexandria VA



Zoning Approach

Maintain EOF in the office park, but allow more residential

- Increase FAR maximums for all EOF properties to 1.5 to provide greater flexibility and incentive to infill or reuse properties.
- Modify the EOF zone to allow more residential and retail uses.
- Modify the EOF zone to allow senior/assisted living facilities as a conditional or limited use.

Zoning Approach

The Plan recommends changes to the EOF zone to permit additional residential development:

- If an EOF-zoned site is recommended for mixed-use by the master plan, the percentages of non-office use can be changed pursuant to the careful analysis and deliberations of the master planning process. Up to 60 percent of the GFA on an EOF-zoned site could be allowed for non-office uses, with any mix of residential and retail, rather than limiting it to 30% each. (page 67)
- Allow senior/assisted living facilities as a conditional or limited use in the EOF zone. (page 68)

Zoning Approach

Development under the EOF zone should:

- Prioritize the establishment of the central spine as a pedestrian-friendly environment
- Orient development toward the spine or establish connections to it.
- Focus development around suggested future transitway locations.
- Introduce a mix of uses and pedestrian-friendly amenities.
- Establish synergies between existing and new uses.

(page 31)

Zoning Approach

CR Floating Zone (CRF) Option:

Intent of the floating zone to provide a zoning option that responds to changing economic and market conditions.

- When a property owner is ready to undertake comprehensive changes, they can apply for the CRF zone.
- Allows the zoning to be applied when the owner/market conditions are ready for change.
- Allows for an incremental evolution of the area and pairs the rezoning of a property with the owner's actual intentions of bringing a new project to fruition.
- CRF Zone requires public benefits for development above 0.5 FAR.
- A CRF Zone could have **1.5-2.5 FAR and a height of up to 150 feet.** (page 31)

Zoning Approach

If applying for a CRF Zone:

- Cluster higher densities along the central spine and around future transitway locations.
- Implement compact development patterns that introduce short block and enhance connectivity.
- Improve internal connectivity between adjacent properties and to and from the spine.
- Create local character by incorporating public art and enhancing public spaces.

(page 31)

Additional design guidelines: pages 19, 22, 23