



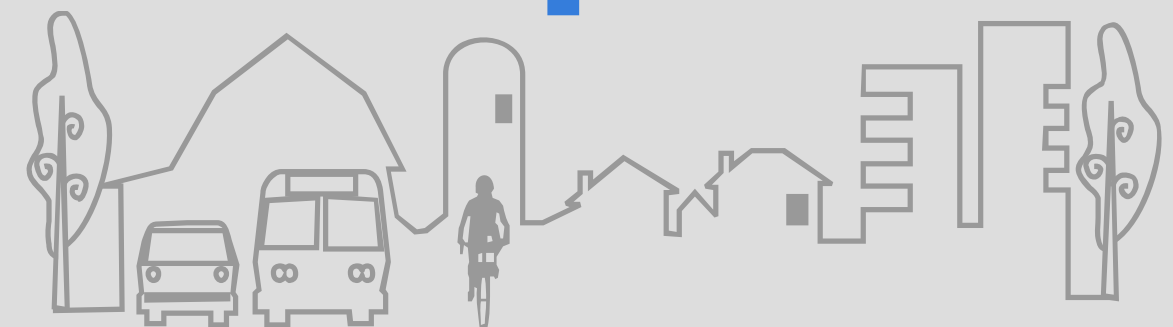
Montgomery Planning

Countywide Planning and Policy

02/26/2024

# Transportation Advisory Group

## Meeting #4



# Agenda

- Draft Preliminary Recommendations
  - Transportation Element
  - Impact Tax
- Next Steps

# Introductions and Welcome

- Darcy Buckley Project Manager
- Eli Glazier Acting Transportation Planning Supervisor
- Richard Brockmeyer Mid County
- Katie Mencarini Down County
- Lily Murnen Countywide



# TAG Members

- Neil Blanc
- Françoise Carrier
- Nick Driban
- Robert "Bob" Graham
- Chris Kabatt
- Patrick G. La Vay
- Nancy Randall
- Kate Kubit
- Stacy Silber
- Katie Wagner
- William Zeid
- Rebecca Torma, MCDOT
- Andrew Bossi, MCDOT
- Kara Olsen Salazar, DGS
- Meredith Wellington, CEX
- Joseph Moges, MDOT SHA
- Francine Waters, MDOT
- Roz Grigsby, City of Takoma Park
- Douglas Smith, City of Gaithersburg
- Faramarz Mokhtari, City of Rockville

# Goals



# Goals of GIP Update

- Proportionality
- Predictability
- Transparency
- Effectiveness
- Alignment with County Priorities

# County Priorities

- Racial Equity and Social Justice
- Economic Competitiveness
- Environmental Resilience
- Compact Growth
- Housing for All
- Safety
- Good Governance

# Preliminary Transportation Recommendations



# 1. Adjust Policy Area Boundaries to Reflect Growth Priorities

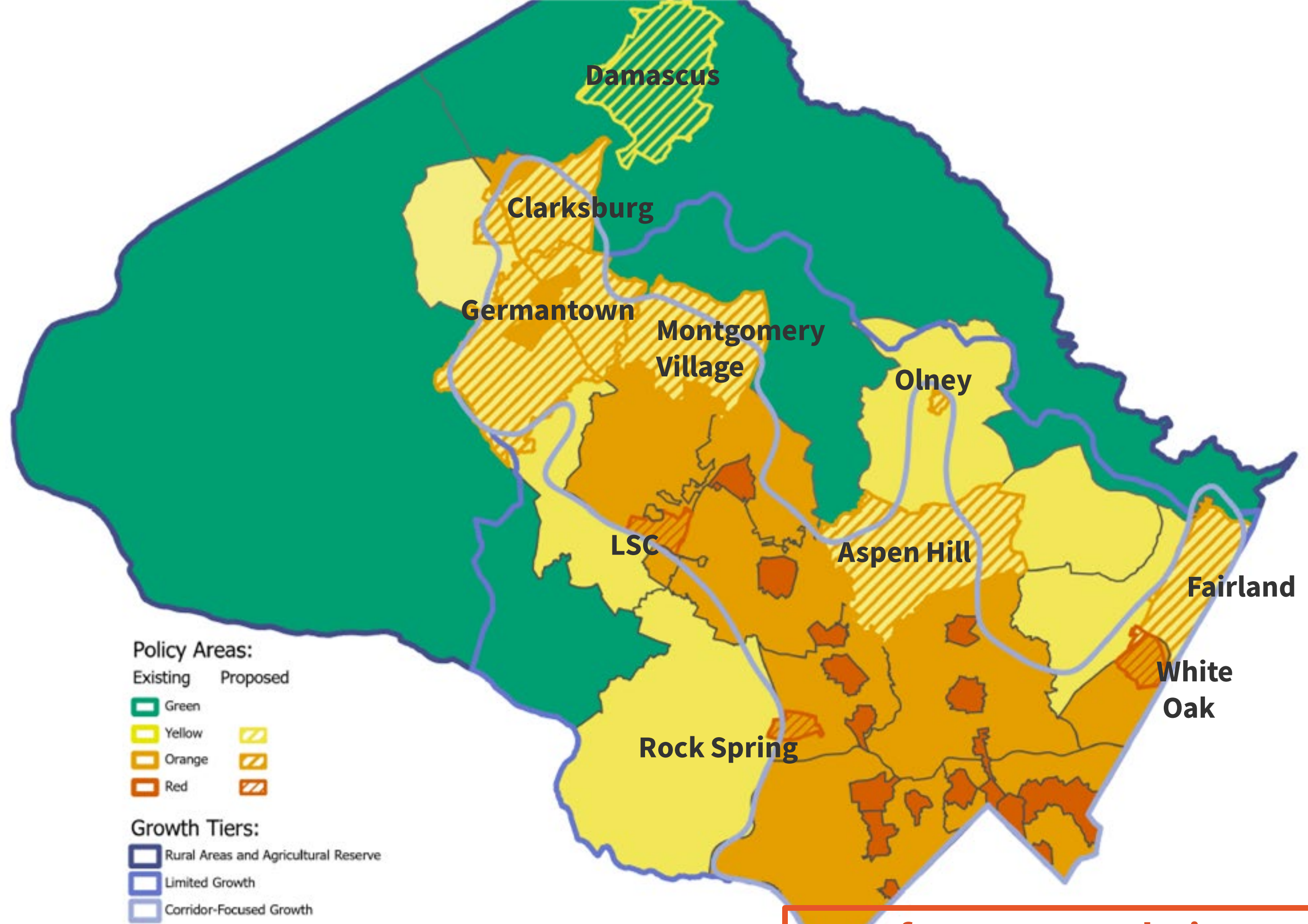
- **Issue:**

- Policy area designations should align with Corridor-Focus Growth Areas

- **Recommendation:**

- Designate Life Sciences Center, Life Sciences / FDA Village, and Rock Spring as red policy areas and Aspen Hill, Fairland, Germantown East, Germantown West, Montgomery Village, and Olney Town Center as orange policy areas.
- Designate Damascus as a yellow policy area.
- Split Fairland/Colesville and the Clarksburg policy areas to better align with Corridor-Focused Growth.

# Proposed Transportation Policy Areas Color Designations



**Draft Recommendations**  
02.26.2024

## 2. Expand LATR Exemptions to Align with County Policies

**Provide new exemptions from LATR** for the following uses:

- Impact Tax-Exempt Affordable Housing, including
  - Multi-family with 25%+ affordable units
  - Mixed Income Communities
- Three-bedroom multifamily units (from mitigation)
- Daycare facilities
- Bioscience, currently expires January 1, 2025
  - Extend exemption until January 1, 2029.

### 3. Expand Impact Tax Credit to Align with County Policies

- **Background:** County Code allows Impact Tax credits for certain types of off-site and frontage improvements.
- **Issue:** Imprecise and contradictory code definitions adds uncertainty to the development process. In practice, only countywide capacity improvements are creditable. Improvements along state roadways are not creditable.
- **Recommendation:** Update Section 52-47 and 52-50 of the code to allow credit for all adequacy improvements, including frontage, off-site and along state roads.



## 4. Replace Person Trips with Average Daily Vehicle Trips

- **Background:** The peak-hour person trips metric serves as the threshold for conducting a LATR study and the threshold for test scoping. Person trips were introduced in the 2020 update.
- **Issues:**
  - Fails to account for the differences in impact between auto vs non-auto trips.
  - Undercounts land uses primarily generating trips outside of the peak, like restaurants, and overcounts other uses, like schools.
  - Travel trends show more trips occurring outside of the peak.
- **Recommendation:** Develop new study and test thresholds using Average Daily Vehicle Trips (ADT). The thresholds are TBD.

# 5. Modify the Proportionality Guide Calculation

- **Background:**

Introduced by the Planning Board in 2022 to address concerns about disproportionate costs.

$$LATR\ Improvement\ Cap = \left( \frac{Extent\ of\ Development}{Development} \right) \times \left( \frac{LATR\ Improvement\ Cap\ Rate}{Cap\ Rate} \right) \times \left( \frac{LATR\ Improvement\ Cap}{Adjustment\ Factor} \right)$$

- **Issue:** The 2020 GIP exposed development projects to millions of dollars of potential new costs for off-site improvements. The Proportionality Guide calculation continues to generate disproportionate and excessive costs for some projects.

- **Recommendation:**

Develop a new calculation that better addresses proportionality,

# Proposed Proportionality Guide Calculation

## [Net New Development] x [Trip Based Policy Area Rate]

- **Net New Development**

- [Total New – Discontinued Existing – Exempted Housing Types]
- *Discontinued Existing Use*: Align rules with impact tax, e.g., existing use is credited if the old building demolition is within one year of the building permit for new development.
- *Exempt Housing Types*: i.e., Affordable Housing and 3-bedroom multi-family units

- **Trip Based Policy Area Rate**

- Standardized cost per unit/square footage by land use
  - Accounts for a specific use's trip generation
  - Where in the county the development is located
  - Based on Impact Tax rates

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## 6. Streamline the GIP and LATR Guidelines

- Remove the Safe Systems Adequacy Test Placeholder from the GIP
- Streamline the Vision Zero Statement from the GIP
- Streamline Pedestrian, Bus, and Bicycle Adequacy Tests
- Overhaul the LATR Guidelines



## a. Remove the Safe Systems Adequacy Test Placeholder

- **Background:** The 2020-2024 GIP included a placeholder for a Safe Systems Adequacy Test that would be added upon completion of the Predictive Safety Analysis, a project that quantifies safety risk on all streets in the county.
- **Issues:**
  - Another expense while providing limited transportation safety benefits
  - Pedestrian and bicycle tests address similar issues
  - County design guidance like the Complete Streets Design Guide and other related County Code updates provide appropriate direction for private development
  - Difficult to administer because currently cannot accurately assess the reduction of crash risk by transportation improvements
- **Recommendation:** Remove reference to the Safe Systems Adequacy Test from the GIP.

## b. Streamline the Vision Zero Statement

- **Background:** The Vision Zero Statement assesses and proposes solutions to high-injury network and safety issues, reviews traffic speeds, and describes in detail how safe site access will be provided.
- **Issues:**
  - Limited opportunities for applicants to act on the data
  - Site access section is better covered as part of a project’s Chapter 50 responsibilities.
- **Recommendation:**
  - Focus on speed and reduce analysis.
  - Standardize the maximum number of speed studies using the current yellow/green policy area scope.
  - Clarify that the applicant is not required to reduce speeds.

Vision Zero Statement Scoping – Table 6 from LATR Guidelines

Peak-Hour Person Trips Generated	Red and Orange Policy Areas	Yellow and Green Policy Areas
50-99	2	1
100-199	4	2
200-349	6	3
350 or more	8	4

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## c. Streamline the Pedestrian Adequacy Tests

- **Background:**

Pedestrian tests require extensive analysis across a large area. More study and mitigation are required in the red and orange policy areas.

- **Issues:**

- Identifies more deficiencies than the project can address.
- Higher burden in red and orange policy areas despite their ability to support new growth best.

- **Recommendation:**

- Standardize using the current yellow/green policy area extents.

Current Pedestrian Adequacy Test Scoping Table

Peak-Hour Person Trips Generated	Red and Orange Walkshed	Yellow and Green Walkshed
50 – 99	400'	250'
100 – 199	750'	400'
200 – 349	900'	500'
350 or more	1,000'	600'

Max. length of sidewalk and streetlighting improvements beyond frontage = 4x

Max. span for ADA improvements beyond the frontage = 1/2x

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## d. Streamline the Bicycle Test

- **Background:** Bicycle system adequacy is achieved with low Level of Traffic Stress (LTS-2) conditions on all transportation rights-of-way with master plan-recommended bikeways within a certain distance of the site frontage.
- **Issues:**
  - Study extents in yellow and green policy areas are not large enough to provide meaningful facilities.

Current Bicycle Adequacy Test Scoping Table

Peak-Hour Person Trips Generated	Red and Orange Policy Areas	Yellow and Green Policy Areas
50 – 99	400'	250'
100 – 199	750'	400'
200 – 349	900'	500'
350 or more	1,000'	600'

- **Recommendation:**
- Standardize using the current red/orange policy area extents.

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## e. Streamline the Bus Transit Adequacy Test

- **Recommendation:** Update requirements to:
  - Provide accessible bus stop pads.
  - Provide shelters and RTI displays in line with published MCDOT policies.
  - Standardize using current red/orange policy area standards.
  - Remove exemption for green policy areas.

Current Bus Transit Adequacy Test Scoping Table

Peak-Hour Person Trips Generated	Max # of shelters Red and Orange	Max # of shelters Yellow	Distance from Site
50 – 99	2	1	500'
100 – 199	2	2	1,000'
200 – 349	3	2	1,300'
350 or more	4	3	1,500'

## f. Overhaul LATR Guidelines

- **Issue:**

The LATR Guidelines is difficult to follow. It lacks explicit guidance for some common challenges, adding uncertainty and delay to the process.

- **Recommendation:**

Overhaul the LATR Guidelines to improve clarity and reduce duplicative and contradictory language. Add guidance for common challenges.

## 7. Clarify SHA's Role in the LATR Process

- **Issue:**

SHA requests for traffic assessments where none are required and for traffic analysis later than staff or applicants anticipate reduce the certainty and predictability of the development process in Montgomery County.

- **Recommendation:**

- Clarify GIP text to state that any motor vehicle monitoring in red policy areas would be completed outside the development process by the County or State.
- Add parameters for Synchro and SimTraffic modeling in the LATR Guidelines. To be developed in partnership with MCDOT and MDOT-SHA.
- Develop an MOU between Montgomery Planning, MCDOT, and SHA that details the role of SHA in the development review process, particularly in areas where motor vehicle analysis and mitigation is not a county priority.



## 8. Create Repository for Fee-In-Lieu Payments

- **Background:** GIP allows developers to pay a fee in lieu of improving deficiencies if mitigation projects would degrade safety or are otherwise impracticable.
- **Issue:** Payments collected in lieu of construction must be spent in the direct vicinity of the project. Small amounts of money attached to discrete areas make it impossible to track, budget, and spend the funds.
- **Recommendation:** Create policy area repositories for fee-in-lieu payments that can be used toward capital projects. Fund could be used to bridge the gap for developer-built improvements.



# Impact Tax Recommendations

## Calculate Attached and Detached Rates by Square Foot

- **Background:** Currently, impact tax fees are charged on a per-unit basis, with no distinction for the size of the unit.
- **Issue:** One way of incentivizing the production of entry-level homes is to provide an impact tax-based incentive to build smaller homes.
- **Recommendation:** Calculate attached and detached rates by square foot based on average new house size.

## Remove Discount for Desired Growth and Investment Areas

- **Background/Issue:** Desired Growth and Investment Areas include certain Metropolitan Washington Council of Governments (MWCOCG) designated Activity Centers and a 500-foot buffer around existing and certain planned bus rapid transit (BRT) lines, except for in the city of Rockville.
  - 40% Discount for Orange Policy Areas
  - 32% Discount for Yellow Policy Areas
- **Issue:** Another boundary related to the GIP that complicates the policy.
- **Recommendation:** Remove this exemption.

## Remove Enterprise Zone Exemption from Impact Tax

- **Background:** The Maryland Enterprise Zone program designates areas of the state that meet certain requirements as targets for employment growth. The Enterprise Zone designations expire after 10 years.
- **Issue:** Only two current Enterprise Zones remain.
- **Recommendation:** Eliminate the current Enterprise Zone exemption from impact tax.

## Keep Opportunity Zone Impact Tax Exemption

- **Background:** An Opportunity Zone is an economically distressed community where private investments may be eligible for capital gains tax incentives. 14 census tracts in the county have been certified as Qualified Opportunity Zones. The designation remains for 10 years.
- **Issue:** While Opportunity Zones remain an important way to invest in economically distressed communities, the exemption expires by 2028.
- **Recommendation:** Keep exemption to support the county's economic development goals.
- Add grandfathering language for projects that may have an approved application but have not yet gone to building permit by the time the program ends in 2028.

## Three-bedroom units

- **Background:** Currently, a three-bedroom multifamily dwelling unit located in an Infill Impact Area pays impact taxes at 40% of the otherwise applicable rate.
- **Issue:** The county has prioritized building these types of units in the past, desiring more family friendly units.
- **Recommendation:** Modify the exemption to fully waive impact taxes for three-bedroom units in multifamily structures.

## Office-to-Residential Conversions

- **Background:** Currently, Office-to-Residential conversions get a credit for the office use against their new residential impact taxes.
- **Issue:** There is a high office vacancy rate in the county, and it is difficult and expensive nature to convert office-to-residential.
- **Recommendation:** Exempt office-to-residential conversions from impact taxes

# BioSciences

- **Recommendation:** Extend exemption until January 1, 2029.



# Next Steps

# Project Schedule

