

**Montgomery Planning** 

# 2024 Growth and Infrastructure Policy

**Working Draft** 

# Agenda

- Today's Purpose: Provide an overview of Planning staff's recommendations contained within the Working Draft of the 2024 Growth and Infrastructure Policy.
- Today's Agenda:
  - Introduction
  - 2024 Update
  - Working Draft Recommendations:
    - Schools
    - Transportation
    - **Impact Taxes**
  - Next Steps
  - Motion to
    - Approve the Public Hearing Draft
    - Set the date of the public hearing
    - Transmit the "staff draft of the Growth and Infrastructure policy" to the County Council

# Upcoming Planning Board Sessions

- Public Hearing:
  - May 23
- Planning Board Work Sessions:
  - May 30 Work Session #1 (Schools)
  - **June 6** Work Session #2 (Transportation)
  - **June 13** Work Session #3 (Transportation, Impact Taxes)
  - June 20 Work Session #4 (Impact Taxes)
  - June 27 Work Session #5 (Track Changes/Edits)
  - July 24 Planning Board approval of Planning Board Draft and Resolution
- Transmittal of the Planning Board Draft to the County Council:
  - August 1



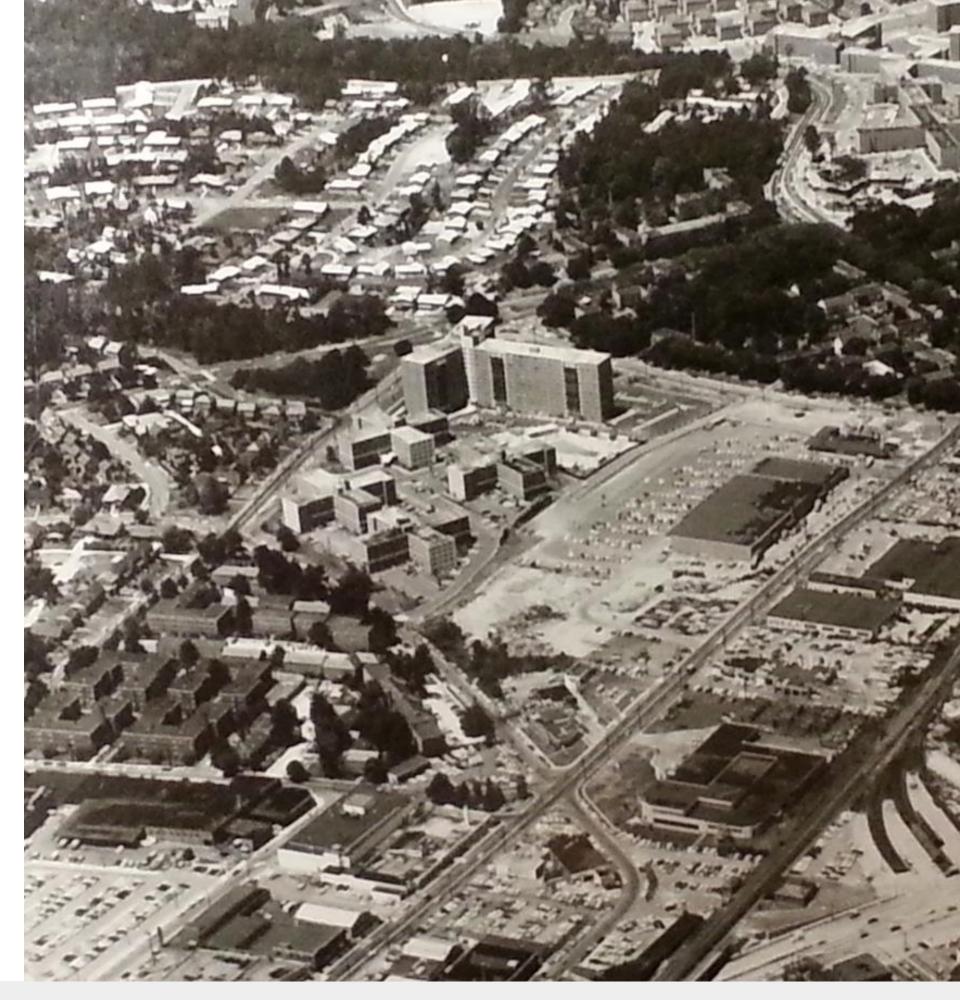
### Introduction

- Montgomery Planning initiates an update of the County's Growth and Infrastructure Policy (GIP) every 4 years.
- Planning Board transmits a draft to the County Council by August 1.
- County Council adopts the 2024-2028 policy by November 15, 2024.



# History of the Policy

- During the 1980s and 1990s, greenfield development necessitated a policy focused on creating new capacity.
- Today, growth is through infill development and redevelopment.
- The policy approach has shifted to respond to the county's changing growth context and reflect its planning goals.





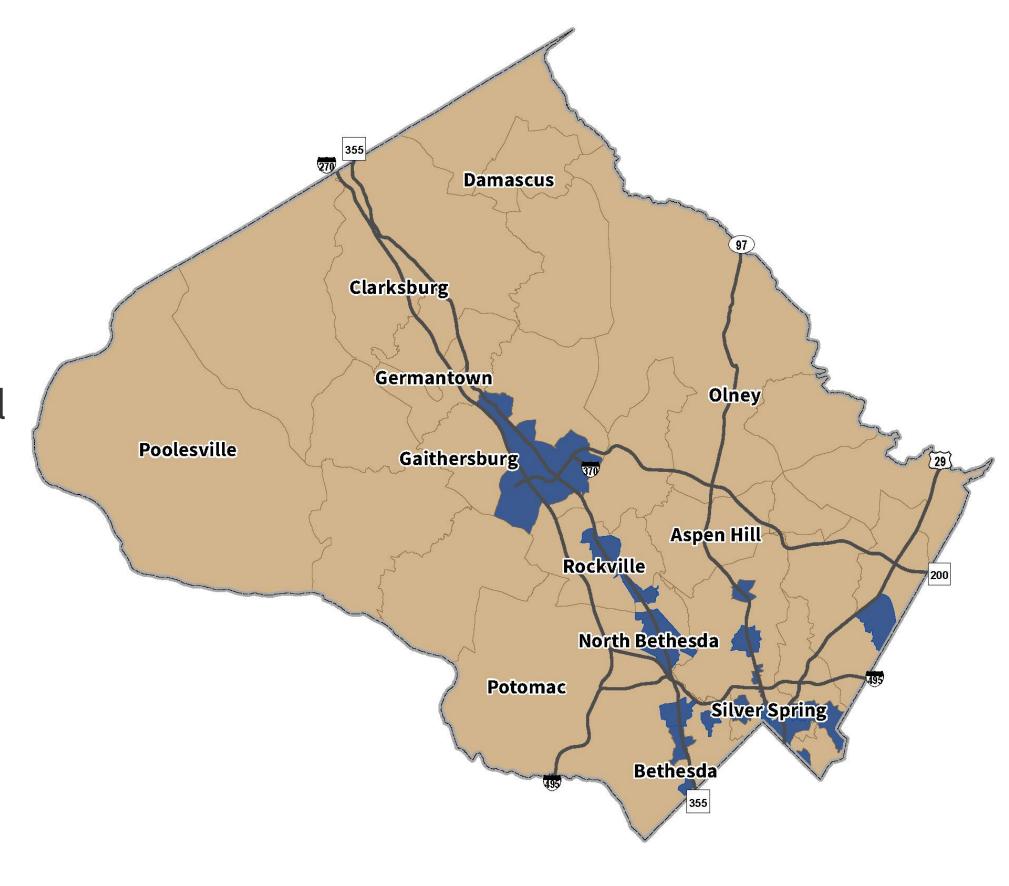
# What is the Growth and Infrastructure Policy?

- Directs the Planning Board's administration of the Adequate
   Public Facilities (APF) requirements.
- Guides **adequacy assessment** during the development review process.
- **Sets the adequacy standards**, criteria for evaluation, and requirements for mitigation.
  - Making an adequacy determination involves both forecasting future impacts from private development *and* assessing the condition of existing public infrastructure.



# Adequacy – Schools

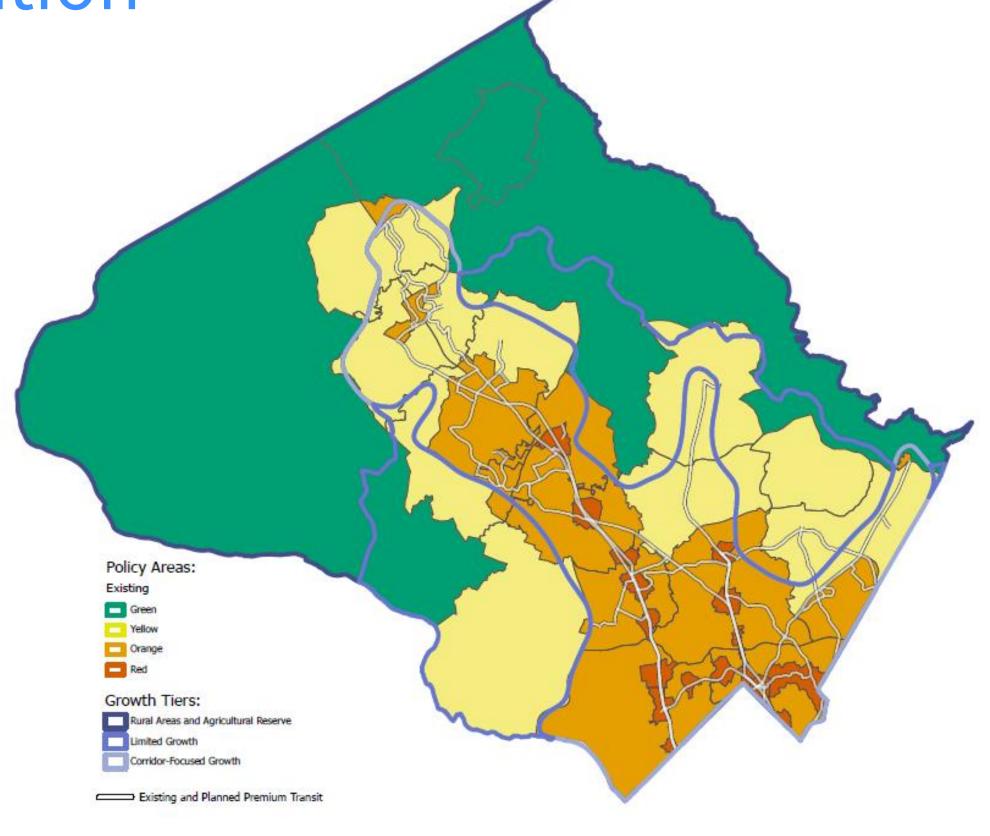
- Each residential development application is evaluated to forecast its demand for school facilities and to determine if and how the applicant will mitigate inadequacies
  - Annual Schools Test
  - School Utilization Report
  - School Impact Taxes
  - **Utilization Premium Payments**



Adequacy – Transportation

 Each proposed development forecasts its impacts and evaluates surrounding infrastructure to determine if and how it will mitigate its impact.

- Local Area Transportation Review (LATR)
  - Details the multimodal "tests" for any development project generating 50+ net new trips.
- Transportation Policy Areas



# Adequacy – Other

- Water and Sewer
- Police, Fire and Health Services



# Implementation Guidelines

- The Council-adopted GIP establishes the broad rules for defining adequacy
- The GIP is then implemented through subject-specific guidelines approved by the Planning Board:
  - Annual School Test Guidelines
  - Local Area Transportation Review (LATR)
     Guidelines





# 2024 Update

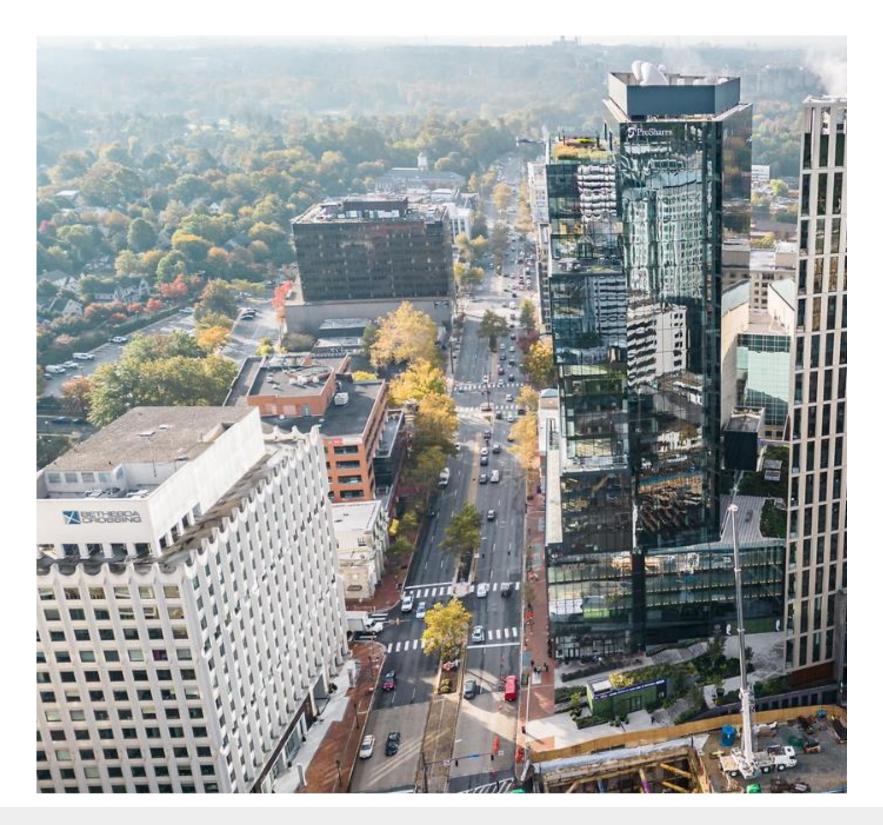
# 2024 Update: Themes

- Review the Performance of the 2020-2024 GIP
- Consider the County's Current **Growth Trends**
- Make Policy Implementation Clearer and More Efficient
- Review Development Impact Taxes
- Align the Policy with Updated **County Priorities**



# **County Priorities**

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



# Working Draft Overview

- Ensure adequacy while improving development conditions in the county.
- Enhance predictability, transparency, and proportionality in the approval process.
- Support the county's goals and priorities.

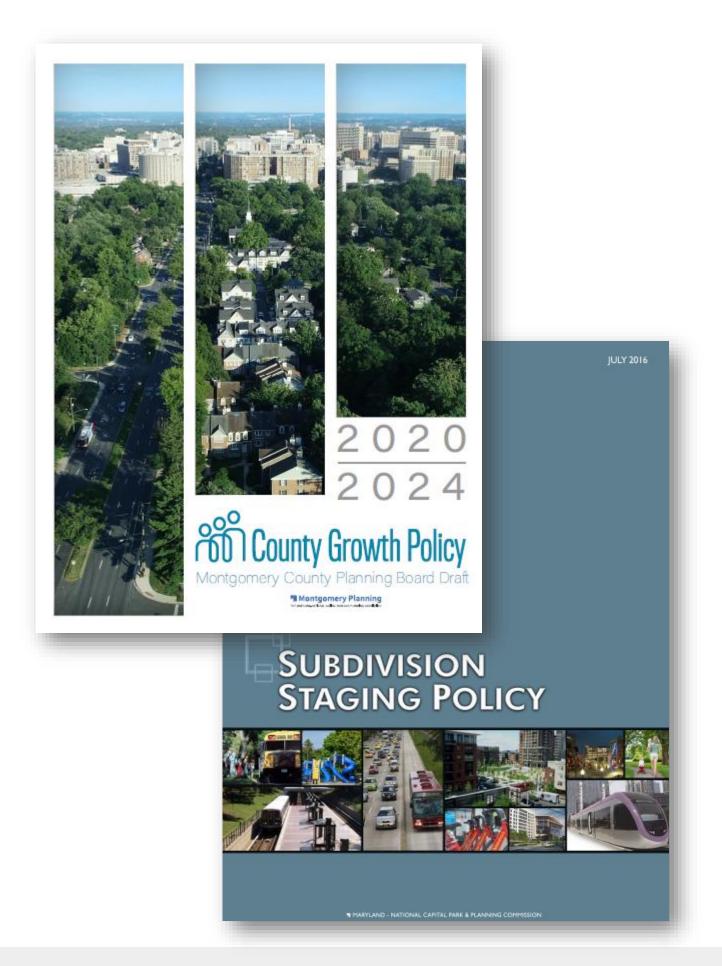


# Working Draft Recommendations

# Schools

# Previous Update

- Replaced moratorium with a tiered mitigation system (Utilization Premium Payments).
- Introduced School Impact Areas to administer adequacy requirements through a context sensitive approach.





# Utilization Premium Payment Outcomes

School Service Area	Impact Area Type	UPP Level	Unit Type (# of units)	Estimate*
Blake HS	Turnover	Tier 1	SFD (1)	\$3,478
Clarksburg HS	Turnover	Tier 2	SFD (58), SFA (237), MFL (476), MFH (89)	\$4,138,651
Gaithersburg HS	Infill	Tier 1	SFA (5)	\$14,443
Richard Montgomery HS	Infill	Tier 2	MFH (49)	\$546,033
	Turnover	Tier 2	MFH (307)	
Northwest HS	Turnover	Tier 1	SFD (4)	\$13,911
Quince Orchard HS	Turnover	Tier 2	SFD (1)	\$6,956
Ashburton ES	Turnover	Tier 2	SFD (1)	\$8,695
Bannockburn ES	Turnover	Tier 1	SFD (2)	\$8,695
Total				\$4,740,861

<sup>\*</sup> Estimates are based on a hypothetical assumption that building permits are pulled during FY 2024-2025, using current impact tax rates.



# Schools Element Working Draft Recommendations



# 1. School Impact Area Boundaries

#### Recommendation 2.1:

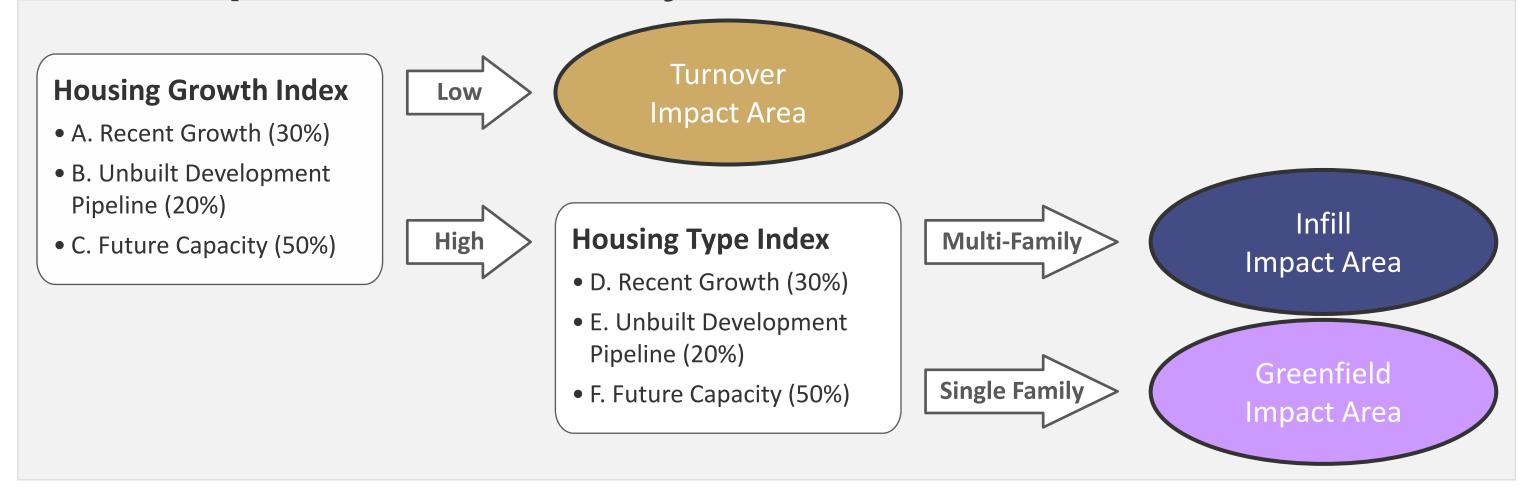
Modify the School Impact Area boundaries so that they align with the proposed Transportation Policy Area boundaries, and classify each area into Infill, Turnover, or Greenfield based on an updated analysis of their latest growth context and potential.

- Infill Impact Area: High housing growth predominantly in the form of multifamily units that generate relatively few students on a per-unit basis
- Turnover Impact Area: Low housing growth where enrollment trends are largely dependent on the turnover of existing single-family units
- **Greenfield Impact Area:** High housing growth predominantly in the form of single-family units, consequently experiencing high enrollment growth.



# 1. School Impact Area Boundaries

**School Impact Area Preliminary Classification Method:** 

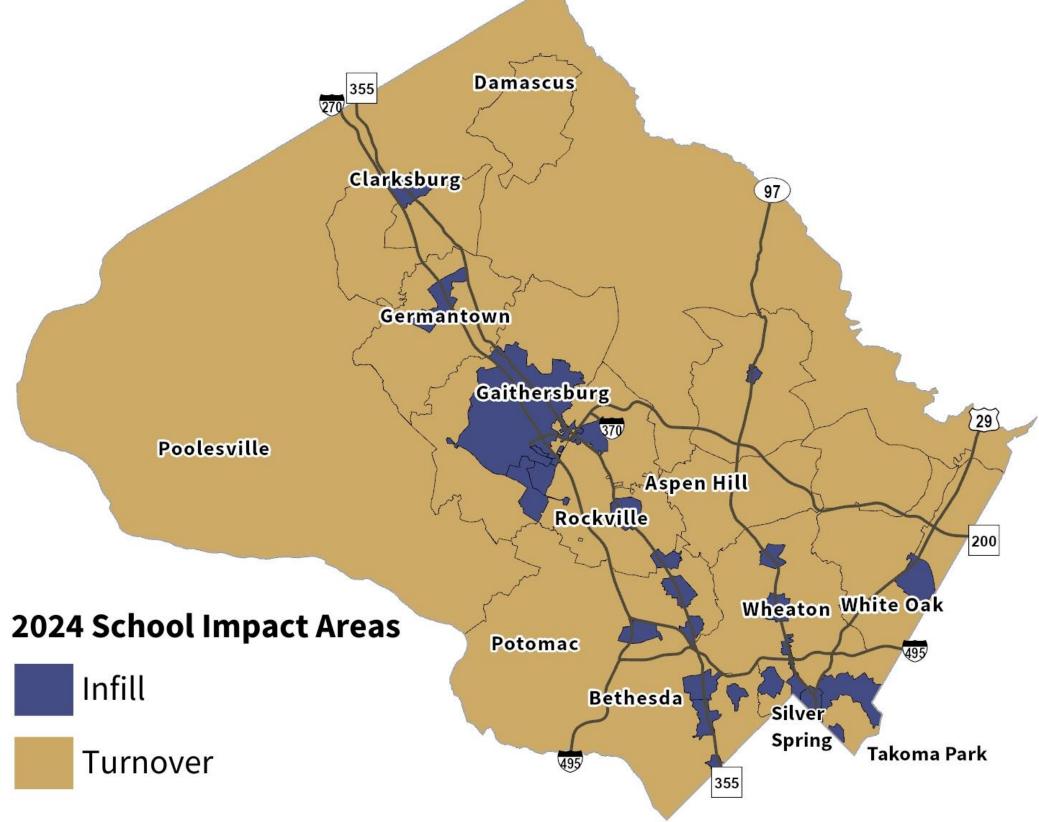


#### **Manual Override of Indexed Results:**

- Red Transportation Policy Areas » Infill Impact Area
- Insufficient record count for Greenfield classified areas » Turnover Impact Area

1. School Impact Area Boundaries

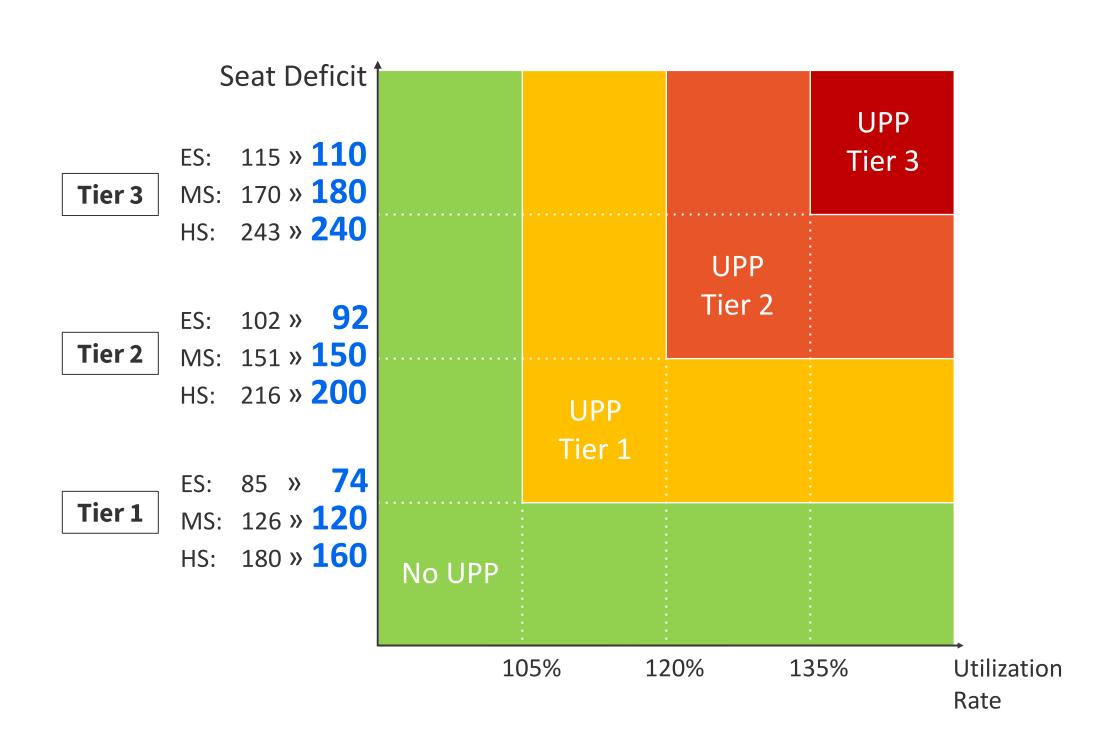
Infill Impact Area	Turnover Impact Area
Bethesda CBD	Aspen Hill
Chevy Chase Lake	Bethesda/Chevy Chase
Clarksburg Town Center	Burtonsville Town Center
Forest Glen (overwrite)	Clarksburg East (overwrite)
Friendship Heights (overwrite)	Clarksburg West (overwrite)
Gaithersburg (overwrite)	Cloverly
Germantown Town Center	Damascus
Glenmont	Derwood
Great Seneca Life Center	Fairland/Briggs Chaney
Grosvenor	Colesville
Lyttonsville (overwrite)	Germantown East
Medical Center (overwrite)	Germantown West
Olney Town Center	Kensington/Wheaton
Purple Line East (overwrite)	Montgomery Village/Airpark
Rock Spring	North Bethesda
Rockville Town Center	North Potomac
Shady Grove Metro Station	Olney
Silver Spring CBD	Potomac
Takoma (overwrite)	R&D Village
Twinbrook	Rockville City
Wheaton CBD (overwrite)	Rural East
White Flint	Rural West
White Oak Village & Center (overwrite)	Silver Spring/Takoma Park
Woodside (overwrite)	White Oak



# 2. Annual School Test Adequacy Threshold

#### Recommendation 2.2:

Adjust the seat deficit thresholds of each UPP tier to align with MCPS's CIP guidelines for classroom additions and maintain the existing utilization rate thresholds.



# 2. Annual School Test Adequacy Threshold

#### Revision to the FY 2024 School Test Under 2024 GIP Recommendations

Evaluates Adequacy for the 2027-2028 School Year, Reflecting Approved FY2024 Capital Budget and Amendments to the FY2023-2028 Capital Improvements Program

#### **School Test Summary**

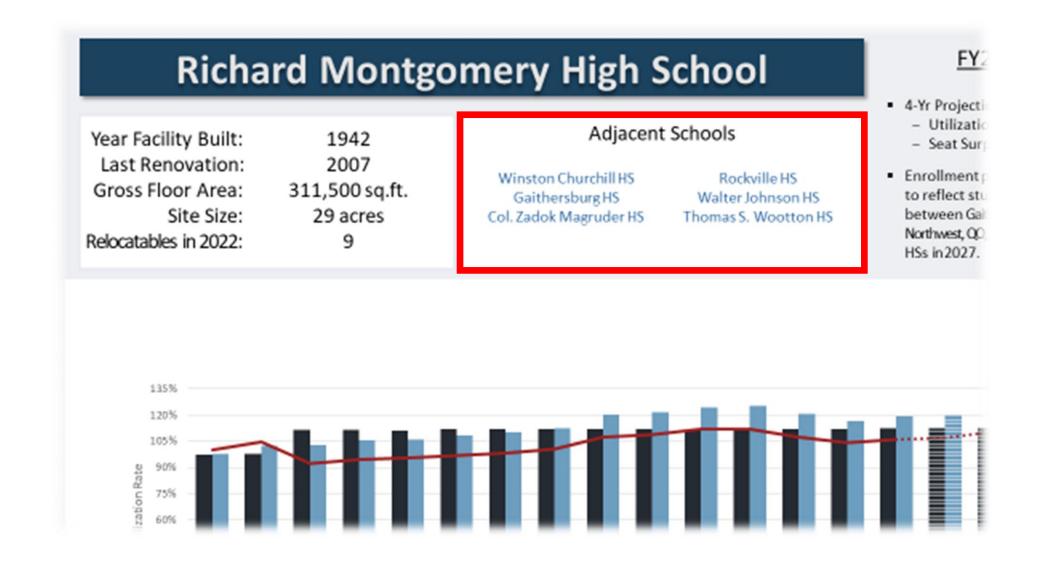
UPP Tier	High Schools	Middle Schools	Elementary Schools
TIER 1 UPP	13⅓% of Impact Tax	10% of Impact Tax	16¾% of Impact Tax
Utilization: ≥105%	James Hubert Blake HS	(none)	Arcola ES
Seat Deficit:	Paint Branch HS		Lake Seneca ES
≥ <b>85 74</b> for ES			Sargent Shriver ES
≥ <del>126</del> <b>120</b> for MS			
≥ <del>180</del> <b>160</b> for HS			
TIER 2 UPP	26¾% of Impact Tax	20% of Impact Tax	33⅓% of Impact Tax
Utilization: ≥ 120%	Clarksburg HS	(none)	Ashburton ES
Seat Deficit:			Oakland Terrace ES
≥ <del>102</del> <b>92</b> for ES			
≥ <del>151</del> <b>150</b> for MS			
≥ <del>216</del> <b>200</b> for HS			
TIER 3 UPP	40% of Impact Tax	30% of Impact Tax	50% of Impact Tax
Utilization: ≥135%	(none)	(none)	Mill Creek Towne ES
Seat Deficit:			
≥ <del>115</del> <b>110</b> for ES			
≥ <del>170</del> <b>180</b> for MS			
≥ <del>243</del> <b>240</b> for HS			



# 3. Utilization Premium Payment - Use of Funds

#### Recommendation 2.3:

Allow funds collected as
UPPs to be used for capital
projects adding capacity at
schools adjacent to the
school for which the funds
were collected, as outlined
in the School Utilization
Report.



# 4. Student Generation Rate (SGR) - Housing Types

#### Recommendation 2.4:

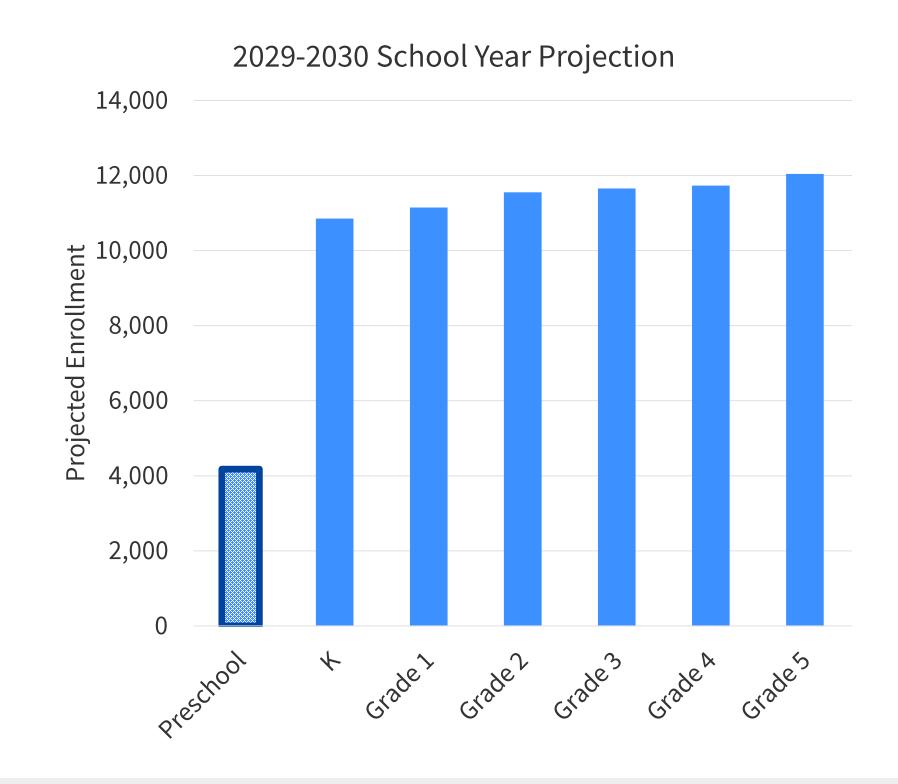
Reclassify stacked flats and similar housing unit types that deviate from the traditional single-family or multi-family classifications from the current multi-family low-rise category to the single-family attached category.



# 5. Early Childhood Program Expansion

#### Recommendation 2.5:

Monitor the countywide early childhood program projections through the School Utilization Report. When the enrollment is projected to be more universal, include them in the elementary school student generation rate calculations.



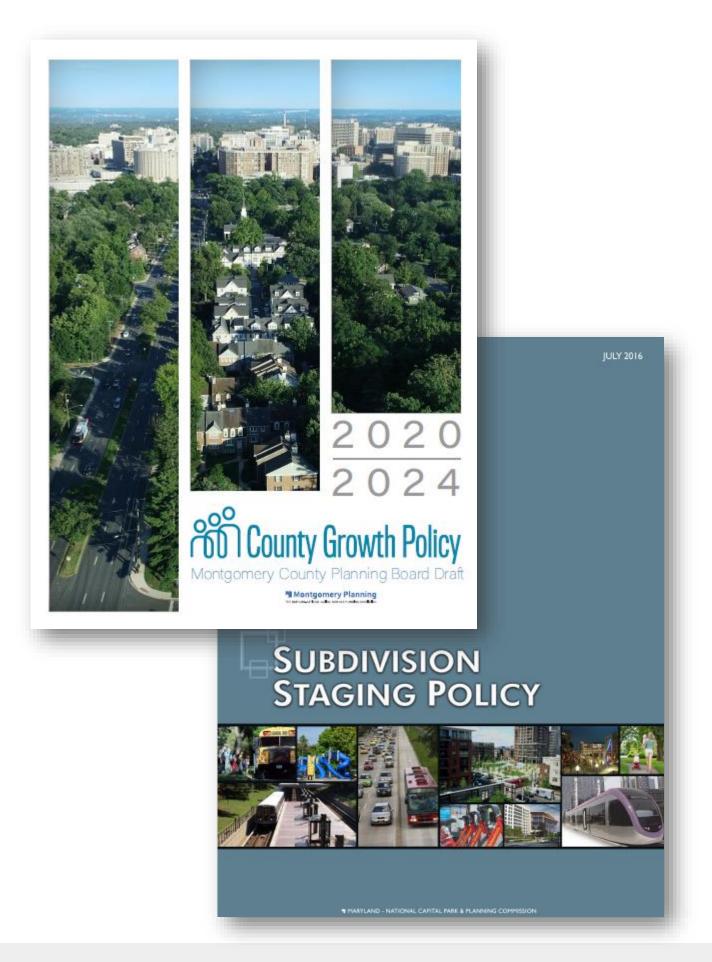


# Transportation

### Previous Updates

Moved the policy away from strategies exclusively concerned with reducing congestion...

toward ones making walking, biking, and transit safer and more convenient.



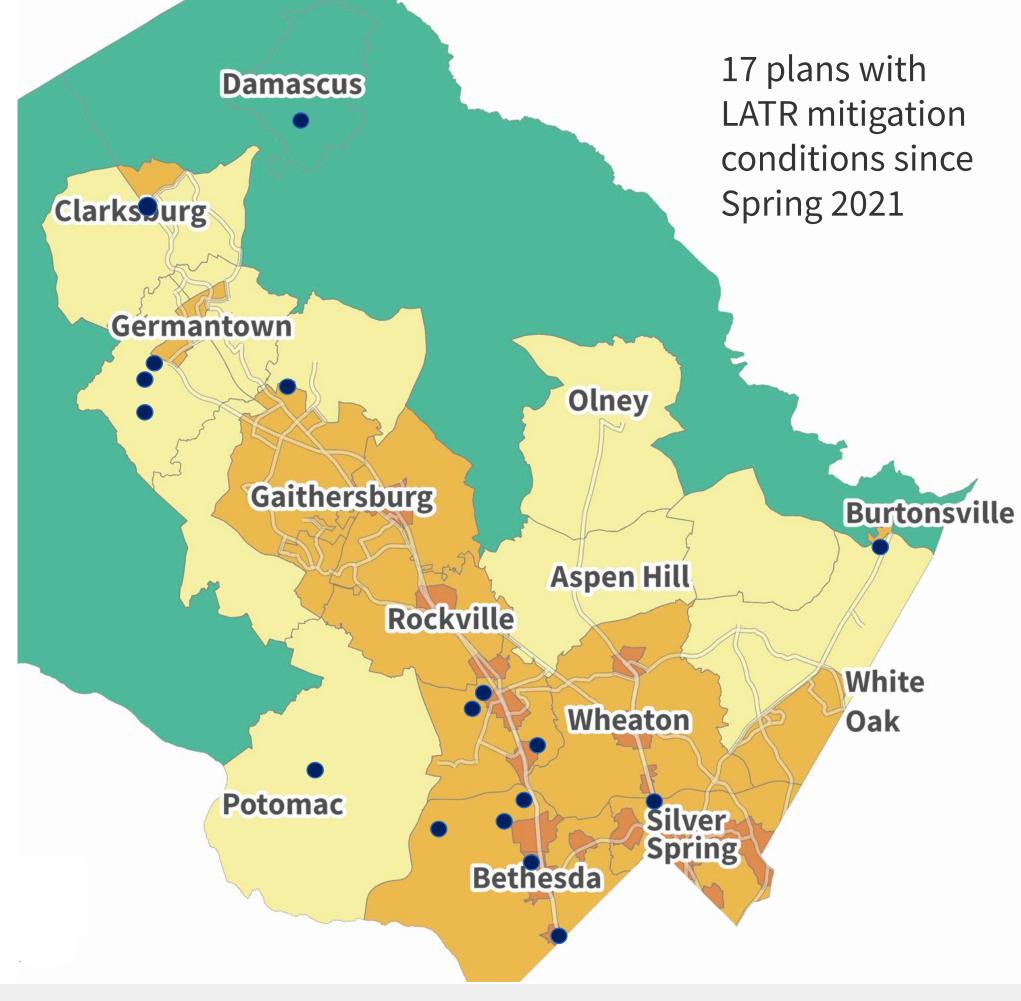


### LATR Outcomes

#### Off-site mitigation totals (conditioned):

- \$4.11 million in developer-constructed improvements
- \$3.14 million in mitigation payments

Off-site Improvement	Amount	
ADA Curb Ramps	22	
Bus Shelters	3	
High Visibility	6	
Crosswalks	O	
Separated Bike Lanes	2,300 ft	
Sidewalks	3,450 ft	
Sidepaths	4,600 ft	
Streetlights	5	
Traffic Signals	1	
Turn Lanes	1	



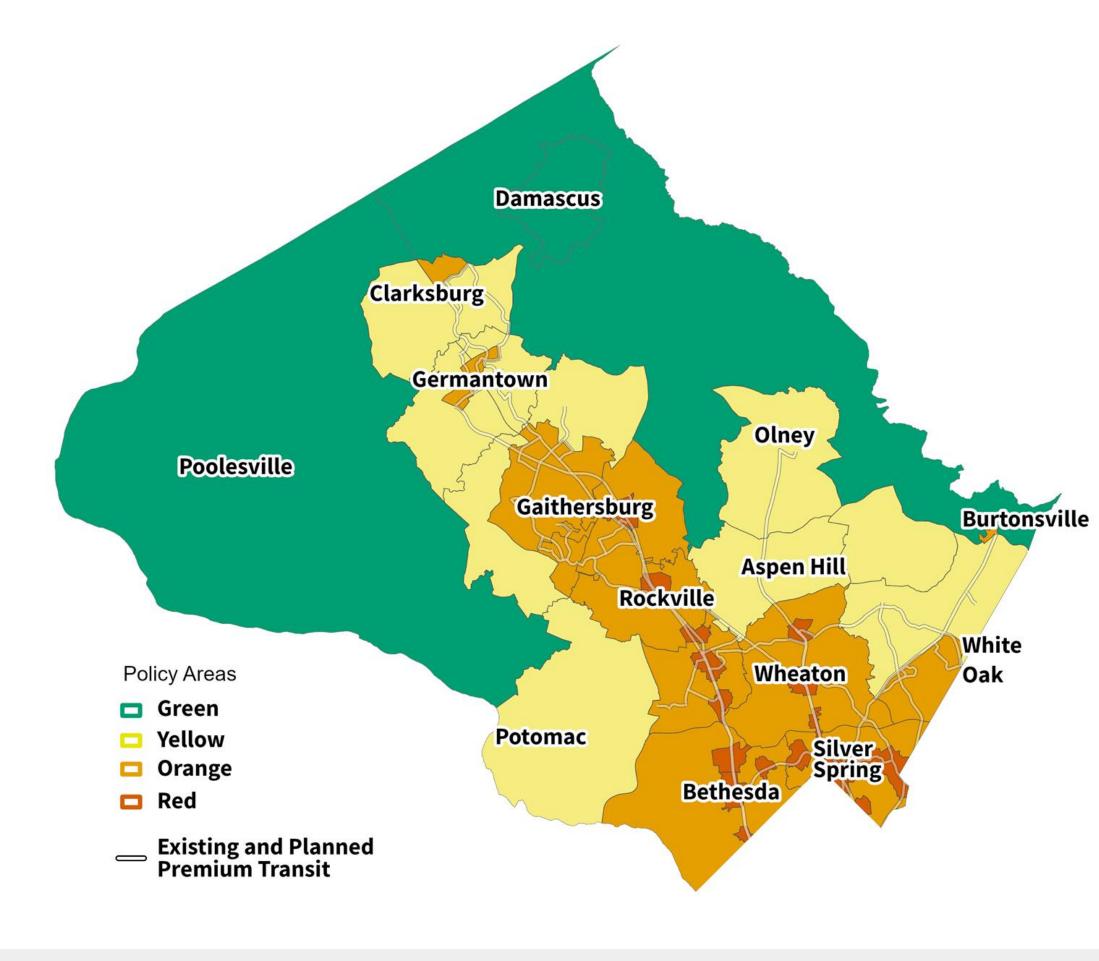


# Transportation Working Draft Recommendations



# A. Transportation Policy

- Red Downtowns with current or master planned high-density development and premium transit service (e.g., Metrorail, Purple Line, BRT).
- Orange Town centers and corridorfocused growth areas with planned premium transit.
- Yellow Lower-density areas residential neighborhoods with community-serving commercial areas
- **Green** The county's Agricultural Reserve and rural areas.



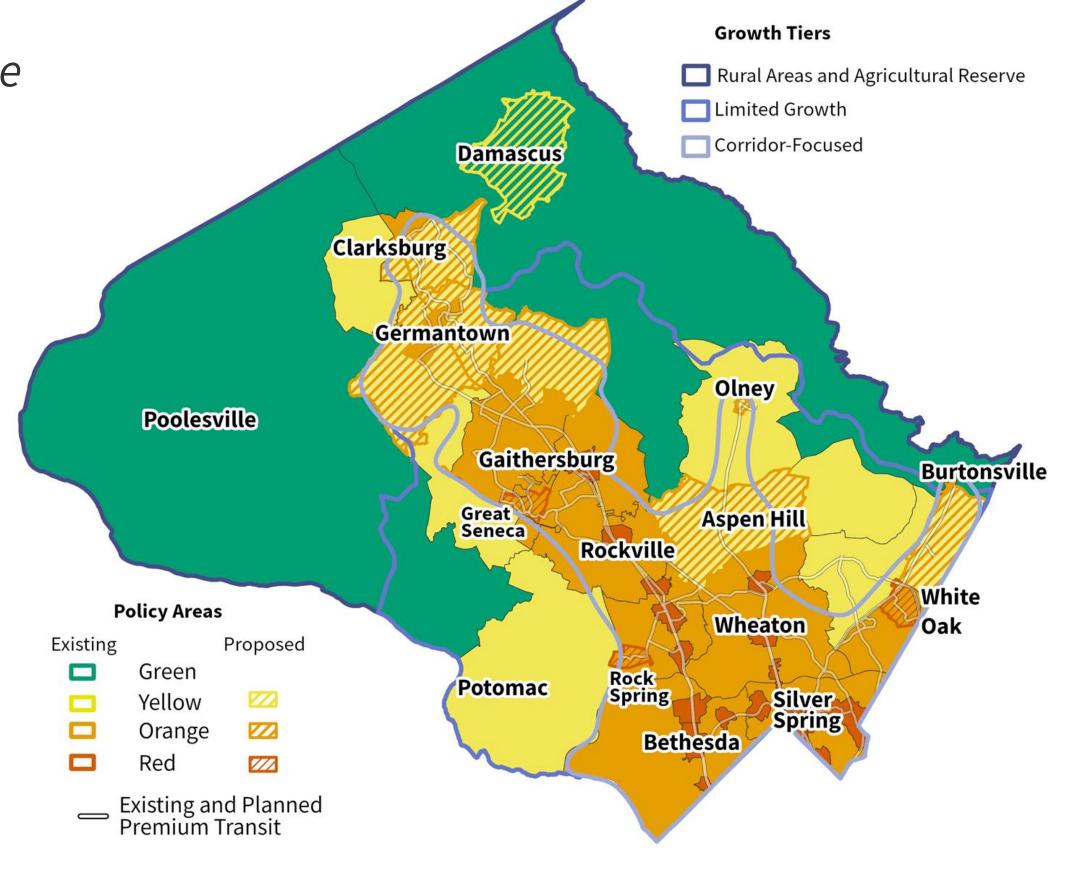


#### **Recommendation 3.1:**

Update policy areas to support the county's goals

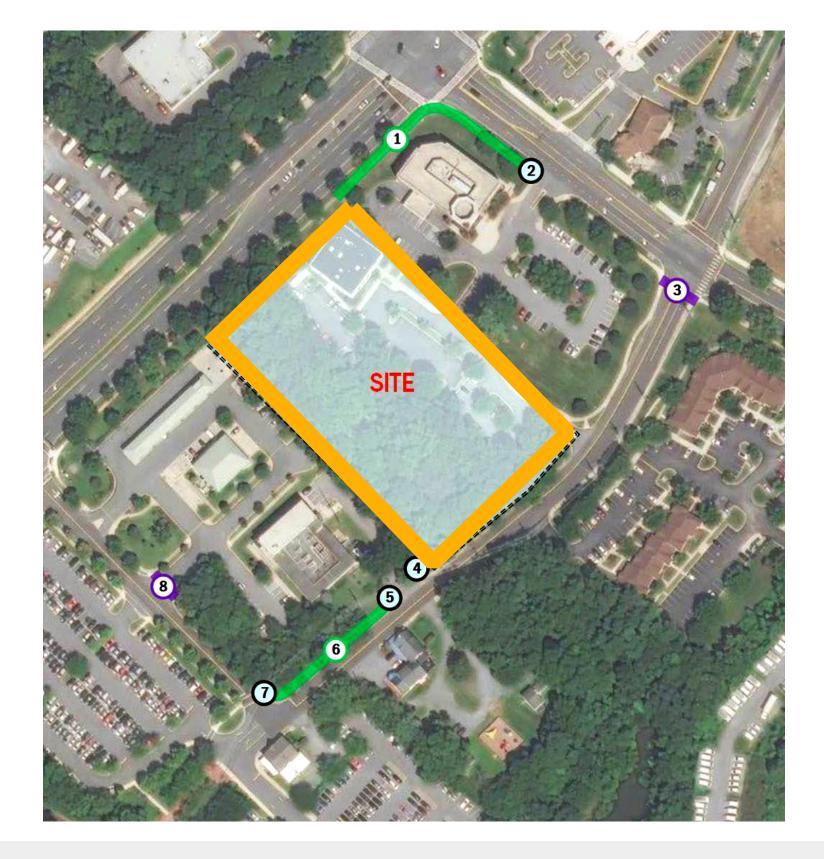
- **Red:** Great Seneca Life Sciences Center, White Oak Village and Town Center, and Rock Spring
- Orange: Aspen Hill, Germantown East and West, Montgomery Village, Olney Town Center, and Fairland-Briggs Chaney & Clarksburg East

• Yellow: Damascus



### B. Local Area Transportation Review (LATR)

- Serves as a guide for determining adequacy.
- Only addresses <u>off-site</u> transportation facilities.
- Series of multimodal tests.
- Evaluate conditions, identify deficiencies, and develop list of mitigations.





#### B. Local Area Transportation Review (LATR)

## Measuring Impact

• Recommendation 3.2: Require a LATR study for any proposed development generating 30 or more net new peak-hour motor vehicle trips.

50 person trips ≈ 30 vehicle trips

Vehicle trips would serve as the metric for:

- Conducting a LATR study, including all tests.
- Determining the size of the study area for all tests.
- Determining the maximum cost of mitigation via the LATR Proportionality Guide.

#### Thresholds for LATR Adequacy Tests

Policy	LATR Adequacy Tests	Peak-Hour Trip Threshold
2012–2016 SSP	Motor Vehicle	≥30 vehicle trips
2016–2020 SSP	Motor Vehicle	≥50 person trips
	Bus Transit	≥50 transit trips
	Pedestrian	≥50 pedestrian trips
	Bicycle	≥50 bicycle trips
2020–2024 GIP	Motor Vehicle	≥50 person trips
	Bus Transit	
	Pedestrian	
	Bicycle	
2024–2028 GIP (Recommended)	Motor Vehicle	>20 vobielo tripo
	Non-Motor Vehicle	≥30 vehicle trips



#### B. Local Area Transportation Review (LATR)

### Motor Vehicle Adequacy

• **Recommendation 3.3:** *Update the LATR* intersection delay standards to reflect changes to policy area boundaries and designations.

#### Updated LATR Intersection Delay Standards

	HCM Average Vehicle Delay		
	Standard (vehicle/seconds)		
Policy Area	2020–2024 GIP	2024–2028 GIP	
Aspen Hill	59	63	
Clarksburg East	51	55	
Fairland-Briggs	59	63	
Chaney	39	05	
Germantown	51	55	
East	<b>3</b> I	55	
Germantown	51	55	
West	۱ د	33	
Gaithersburg	51	59	
Montgomery	<u> </u>	<b>E</b> 0	
Village/Airpark	51	59	
Olney Town	55	63	
Center	رر	03	

#### B. Local Area Transportation Review (LATR)

### Non-Motor Vehicle Adequacy

- **Recommendation 3.4:** Establish a Non-Motor Vehicle Adequacy Test.
- This test replaces the individual pedestrian, bicycle, and bus transit systems tests.

- Pedestrian Level of Comfort (PLOC):
   "Somewhat Comfortable" (PLOC-2) or "Very Comfortable" (PLOC-1) score.
- Illuminance: Montgomery County
  Department of Transportation (MCDOT)
  streetlight and illuminance standards.
- **ADA Compliance:** The Americans with Disabilities Act (ADA) standards.
- **Bicycle System:** Low Level of Traffic Stress (LTS-2).
- **Bus Transit System:** ADA-accessible bus shelter and amenities per MCDOT guidelines.

#### B. Local Area Transportation Review (LATR)

### Non-Motor Vehicle Adequacy

**Recommendation 3.5:** Modify the non-motor vehicle adequacy test requirements to maintain the county's high standards while minimizing unnecessary data collection and analysis.

Study Area Extent by Evaluation Category and Motor Vehicle Trips

Peak-Hour Motor Vehicle Trips (Net New)	ADA Compliance	Pedestrian Level of Comfort (PLOC)	Illuminance	Bicycle	Transit
30–64	125′	250′	250'	400′	500′
65–124	200'	400′	400′	750′	1000′
125–224	250′	500′	500′	900'	1300′
225 +	300′	600′	600′	1000′	1500′

#### B. Local Area Transportation Review (LATR)

### Vision Zero & System Safety

**Recommendation 3.6:** Refine the Vision Zero Statement to focus on managing speed for safety.

**Recommendation 3.7:** Remove the reference to the Safe Systems Adequacy Test.



#### C. Proportionality and Mitigation

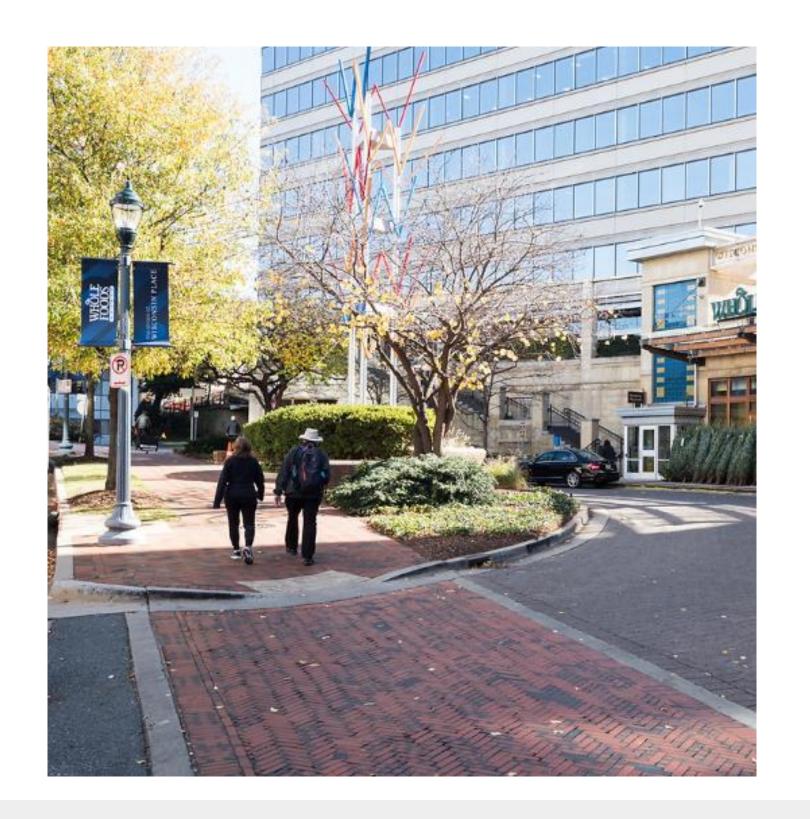
### Proportionality Guide

- Proportionality Guide
   Sets cost limit for mitigation
  - Predictable
  - Reasonable
  - Proportional
- Recommendation 3.8: As part of the 2025

  LATR Guidelines update, develop a vehicle

  trip-based Proportionality Guide calculation

  that better accounts for impacts.

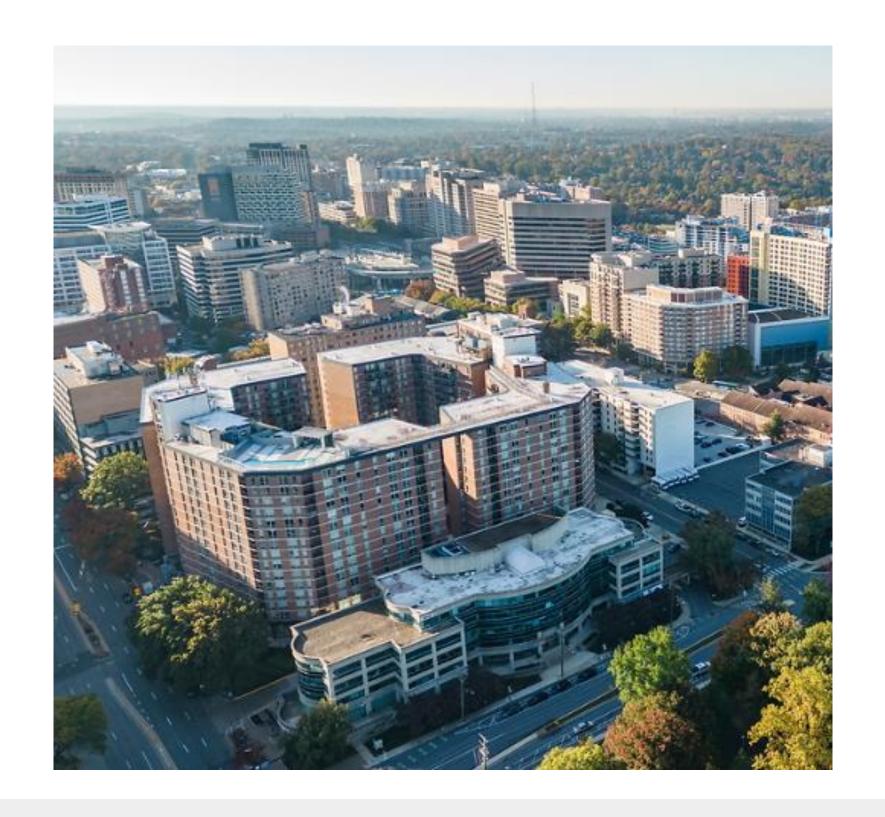


#### C. Proportionality and Mitigation

### **Mitigation Payments**

**Recommendation 3.9:** Allow all fee-in-lieu funds to be spent in both the subject policy area and adjacent policy areas.

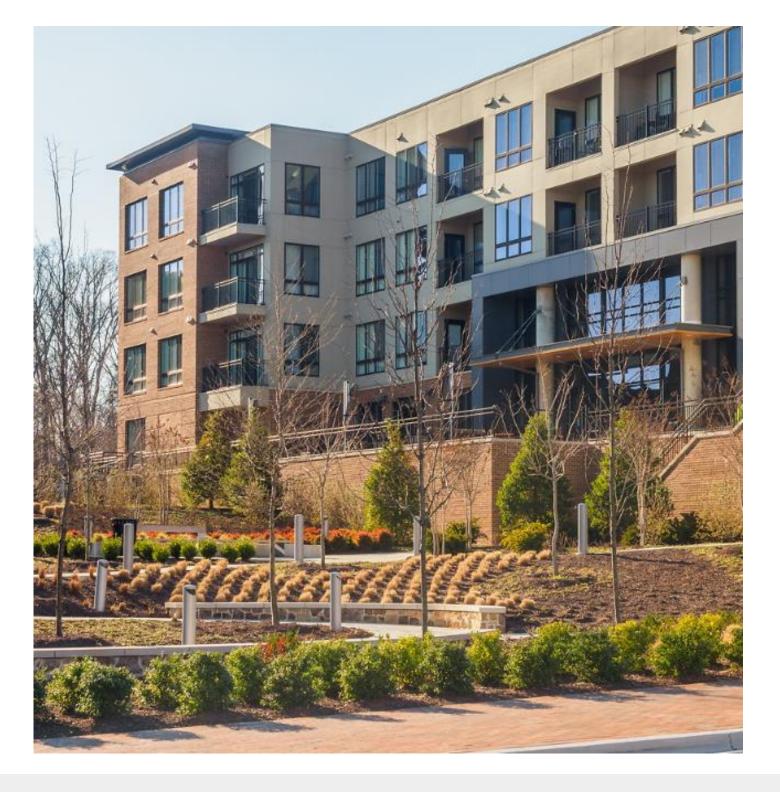
Recommendation 3.10: Rather than limiting the use of funds to specific modes, allow fee-in-lieu funds collected for non-motor vehicle deficiencies to be used for any non-motor vehicle improvement within the subject policy area or an adjacent policy area.



### D. LATR Exemptions

Recommendation 3.11: Expand the current off-site mitigation exemption for affordable housing units, which currently only includes mitigation payments, to include constructed improvements.

**Recommendation 3.12:** Exempt multifamily units with three or more bedrooms from off-site mitigation construction and payment.



#### D. LATR Exemptions

**Recommendation 3.13:** Exempt daycares from the requirement to complete an LATR study.

**Recommendation 3.14:** Extend the Bioscience LATR exemption for another four years, so it applies to applications filed before January 1, 2029.



#### E. Non-Auto Driver Mode Share (NADMS) Goals

Recommendation 3.15: Establish

NADMS goals for new policy areas and
other areas without goals. Update the

NADMS goals to reflect recently adopted
master plans.

#### NADMS Goals for New Policy Areas

Policy Area	2020–2024 GIP	2024–2028 GIP	
Clarksburg East	25% (Clarksburg)	26%	
Clarksburg West	25% (Clarksburg)	18%	
Colesville	27% (Fairland/ Colesville)	27%	
Fairland/Briggs Chaney	27% (Fairland/ Colesville)	27%	
Olney Town Center	22% (Olney)	23%	

#### E. Non-Auto Driver Mode Share (NADMS) Goals

Recommendation 3.15: Establish

NADMS goals for new policy areas and
other areas without goals. Update the

NADMS goals to reflect recently adopted
master plans.

#### NADMS Goals for Areas without Goals

Policy Area	2020–2024 GIP	2024–2028	
		GIP	
Damascus	_	19%	
Montgomery		30%	
Village/Airpark	_		
North			
Bethesda	_	42%	
(Elsewhere)			
R&D Village		28%	
(Elsewhere)	_	20%	
Rural East	-	26%	
Rural West	_	27%	

### E. Non-Auto Driver Mode Share (NADMS) Goals

Recommendation 3.15: Establish

NADMS goals for new policy areas and
other areas without goals. Update the

NADMS goals to reflect recently adopted
master plans.

#### Master Plan Updates to NADMS Goals

Policy Area	2020-2024 GIP	2024–2028	
		GIP	
Fairland/ Briggs Chaney	27% (Fairland/ Colesville)	27%	
Silver Spring CBD	50% for employees in TMD	65%	
Shady Grove	<ul> <li>35% transit         ridership for         residents in TMD</li> <li>25% transit         ridership for         residents elsewhere</li> <li>12.5% transit         ridership for         employees</li> </ul>	<ul> <li>50% for residents and 20% for employees in TMD</li> <li>39% blended elsewhere</li> </ul>	

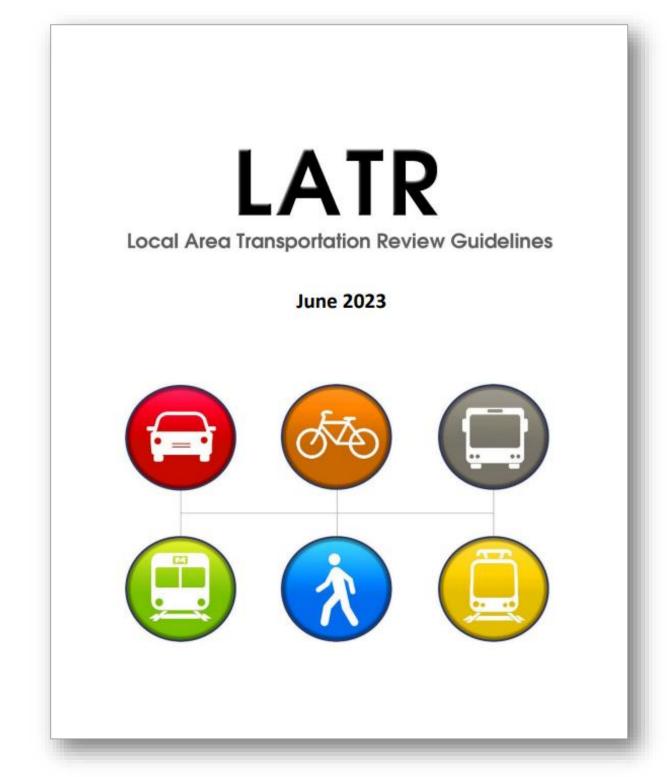
### F. Policy Revisions

**Recommendation 3.16:** Revise the GIP resolution text to reflect updated county plans, policies, laws, regulations, and guidance.



### G. Reorganize and Update the LATR Guidelines

Recommendation 3.17: Reorganize and update the LATR Guidelines. The revised version will reduce duplicative and contradictory language, address frequently asked questions, and include example documents and directions for common challenges.



#### H. Stakeholder Coordination

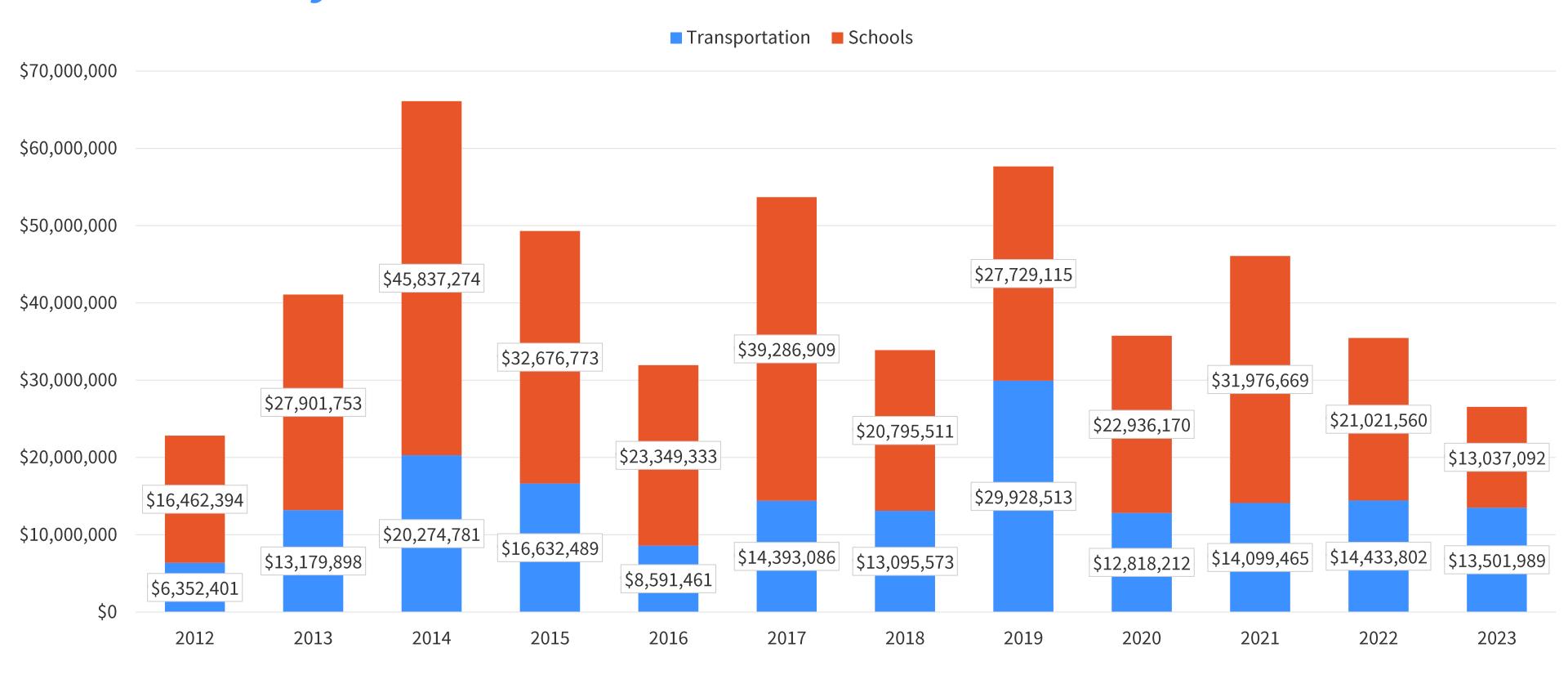
Recommendation 3.18: Continue to work with SHA and State Delegates to codify SHA review times. Clarify mutual expectations in the development review process, particularly for projects in Red policy areas, where motor vehicle analysis and mitigation are not a county priority.



# Impact Tax Working Draft Recommendations

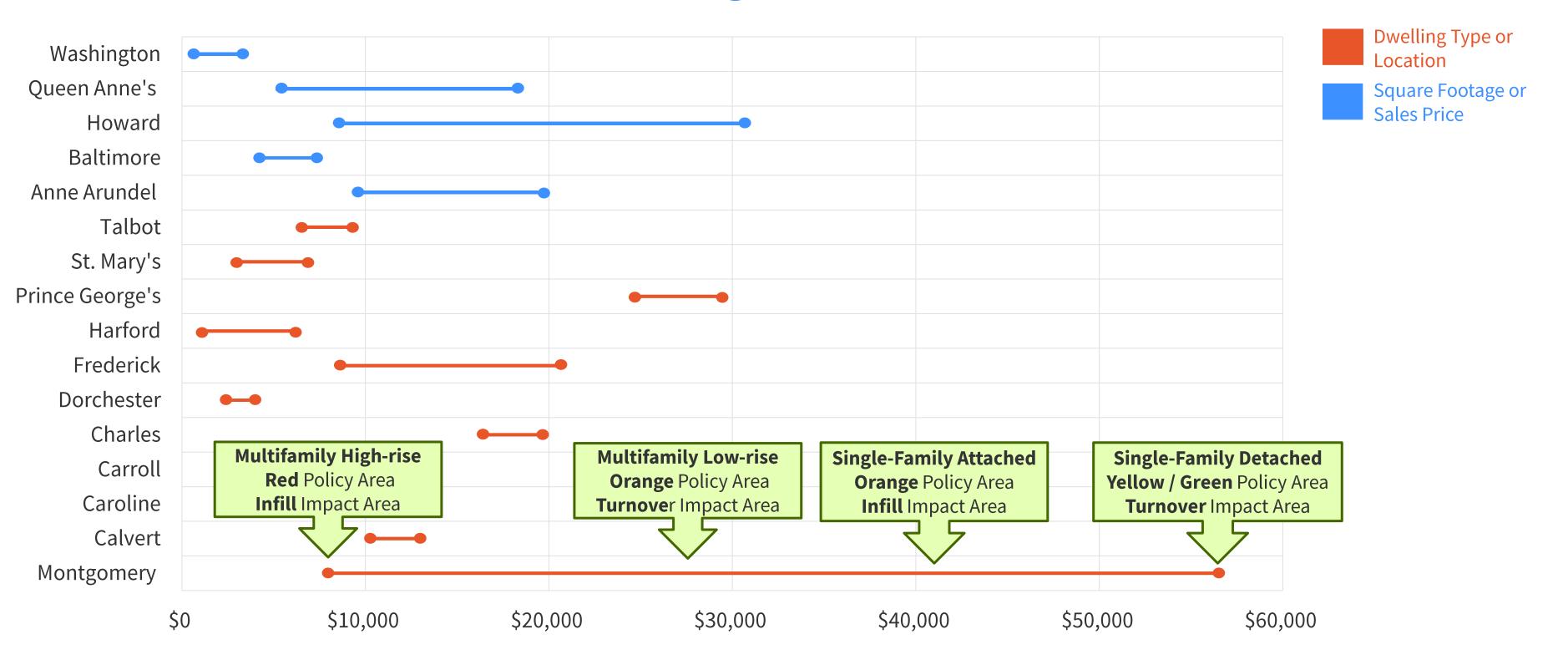


# Total Impact Tax Revenues in Montgomery County





### Total Development Fee Range by County (Per Unit)



<sup>\*</sup>The graphs do not show any waivers and/or discounts related to affordable housing, Senior housing, Enterprise Zones, Opportunity Zones, or Desired Growth and Investment Areas.



## A. Calculation of School Impact Taxes

- Before 2016, schools impact taxes were calculated at 90% of the cost of a student seat – given that there were school facility payments at the time.
- In 2016, with the removal of school facility payments, impact taxes were calculated at 120% of the cost of a seat.
- In 2020, with the creation of Utilization Premium Payments, the 120% cost of a student seat calculation was lowered to 100%.

# A. Calculation of School Impact Taxes

• Recommendation: With a recommendation of continued use of Utilization Premium Payments for schools identified as overcrowded, the calculation should remain at a 100% cost of a seat.

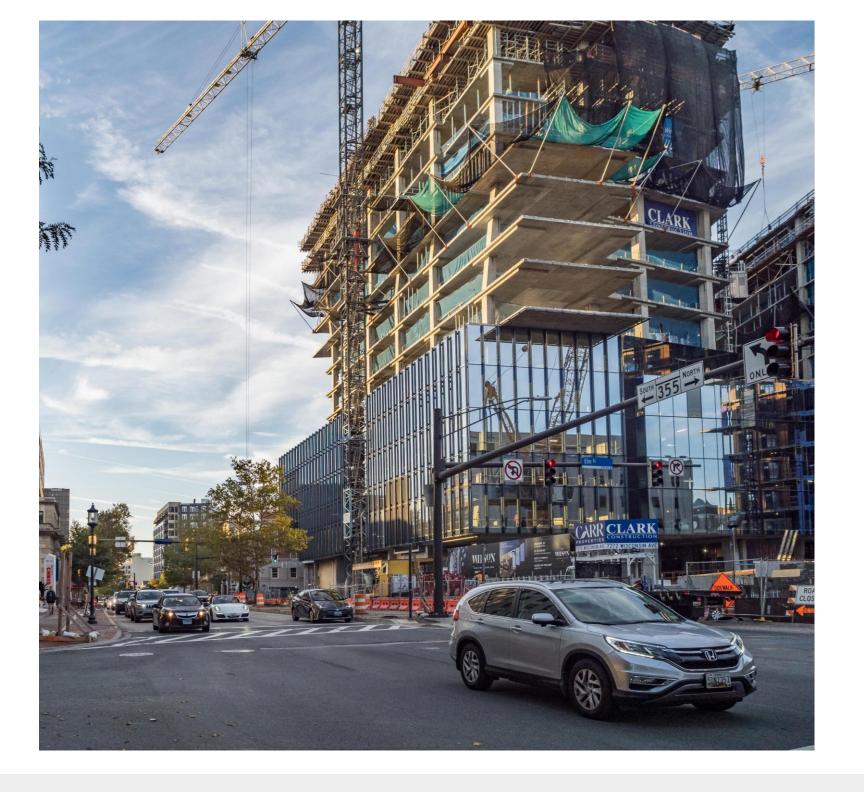


# B. Cap and Carryover System

- In 2023, Bill 25-23E was passed in response to anticipated higher than usual biennial impact tax adjustments.
  - For both transportation and schools, the biennial tax rate adjustment cannot exceed 20%.
  - If it does exceed 20%, then the excess dollar amount must be carried over and added to the tax rate before calculating the next update.

# B. Cap and Carryover System

• Recommendation: Keep the cap and carryover system, as its implementation is relatively new and will help soften any anticipated upward adjustments.



### C. Discount for Smaller Homes

- Recently, the county has prioritized the production of smaller homes as a way to provide more entry-level homes.
- **Recommendation**: Offer a 50% transportation and school impact tax discount to single-family attached and detached units that are 1,500 square feet or smaller.

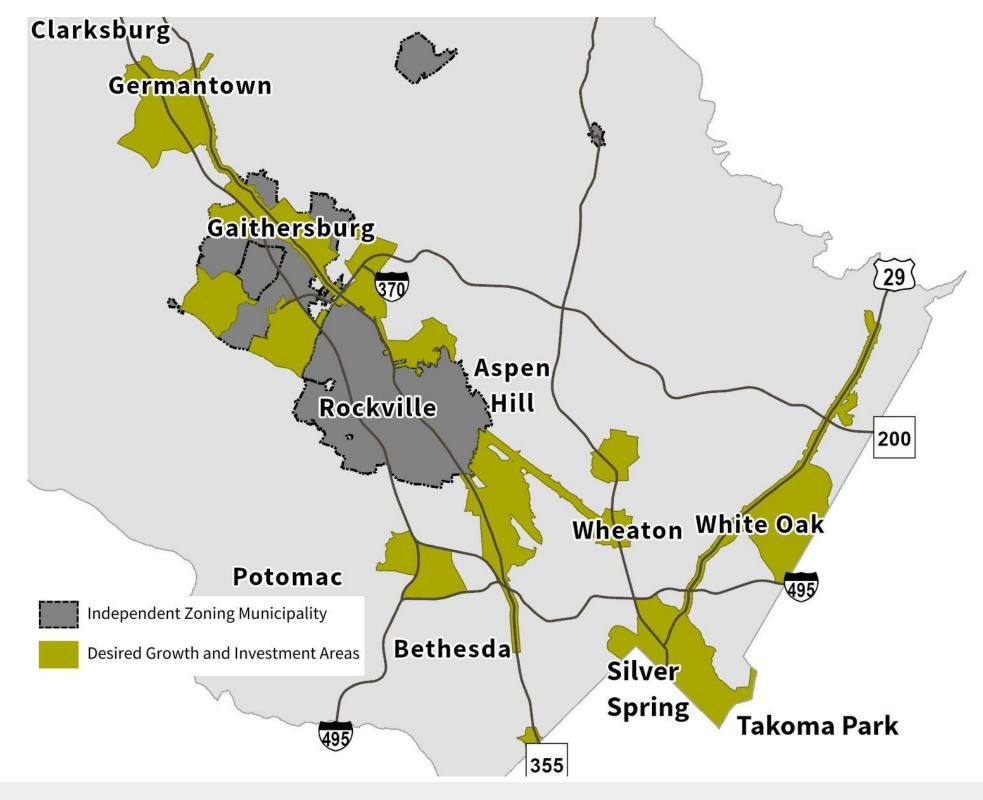


### D. Desired Growth and Investment Areas

- Desired Growth and Investment Areas include specific
   Metropolitan Washington Council of Governments (MWCOG)
   designated Activity Centers and a 500-foot buffer around existing
   and specific planned bus rapid transit (BRT) lines.
- DGIAs give a 40% transportation impact tax discount for orange policy areas and 32% discount for yellow policy issues.
- Created in the 2020-2024 GIP update.

### D. Desired Growth and Investment Areas

• Recommendation: Remove this exemption as it is another boundary related to the GIP that complicates the policy.



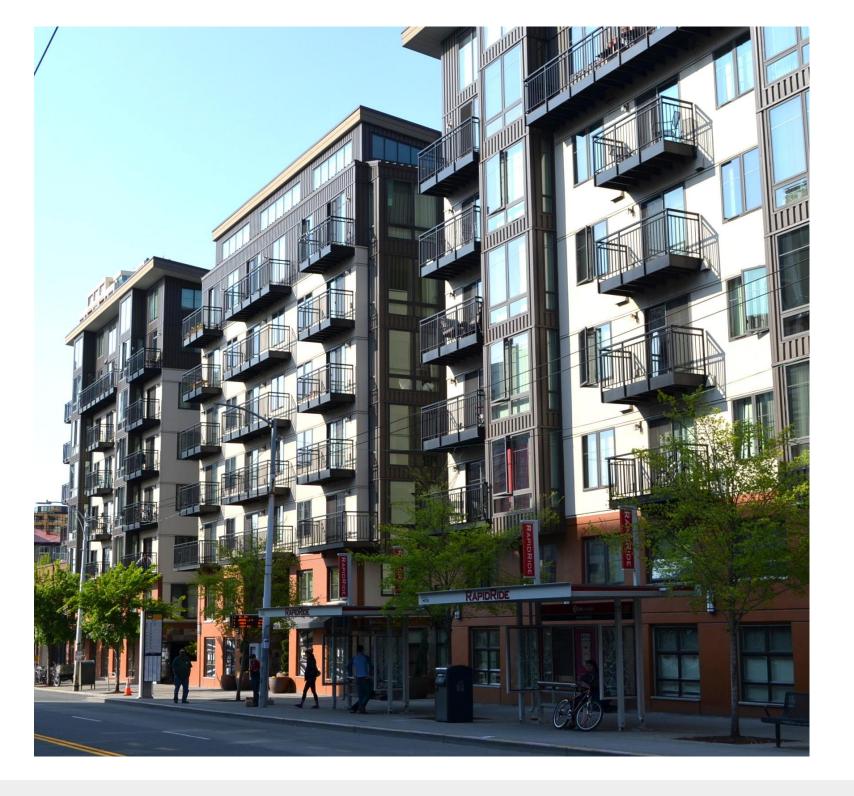
### E. Three Bedrooms or More Exemption

- Currently, a three-bedroom multifamily dwelling in an Infill Impact Area pays impact taxes at 40% of the otherwise applicable rate.
- The county has prioritized building these units in the past, desiring more family-friendly units, especially in high-rise buildings.
- According to CoStar, only around 900 three-bedroom units (roughly 4% of all rental housing units) have been built since 2013 in rental projects.
- Thrive Montgomery 2050 recommends enacting policies that encourage the construction of housing units in multifamily buildings suitable for larger households. This will help increase the amount and variety of housing in the county.



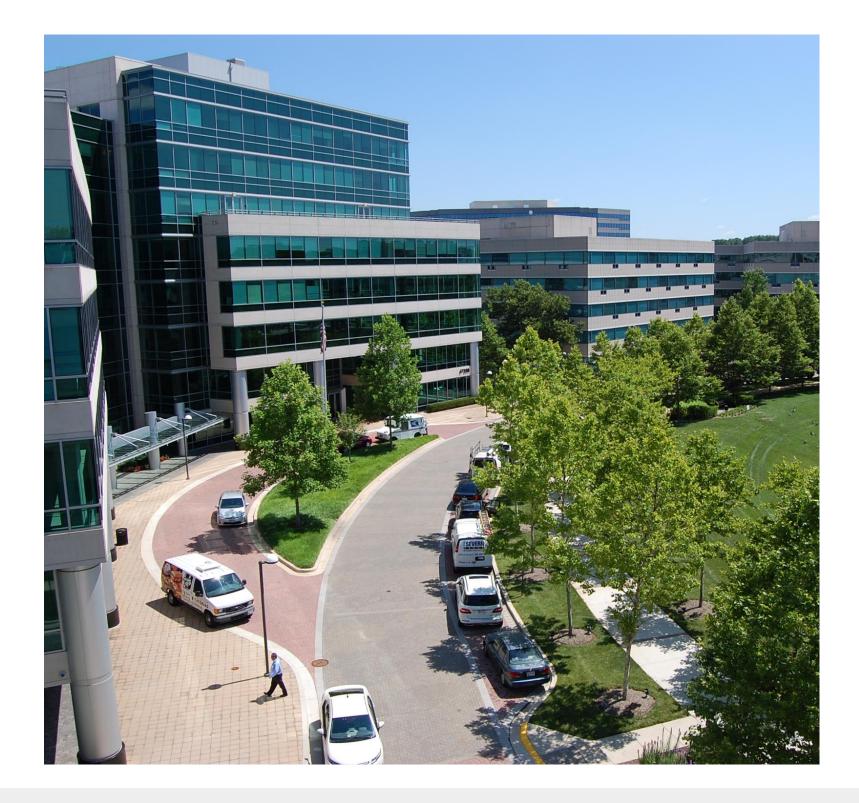
## E. Three Bedrooms Exemption

• Recommendation: Modify the exemption to fully waive impact taxes for three-bedroom units in multifamily structures.



### F. Office-to-Residential Conversions

- Currently, office-to-residential conversions get a credit for the office use against their new residential impact taxes.
- The county has a high office vacancy rate, and converting offices to residential is difficult and expensive.



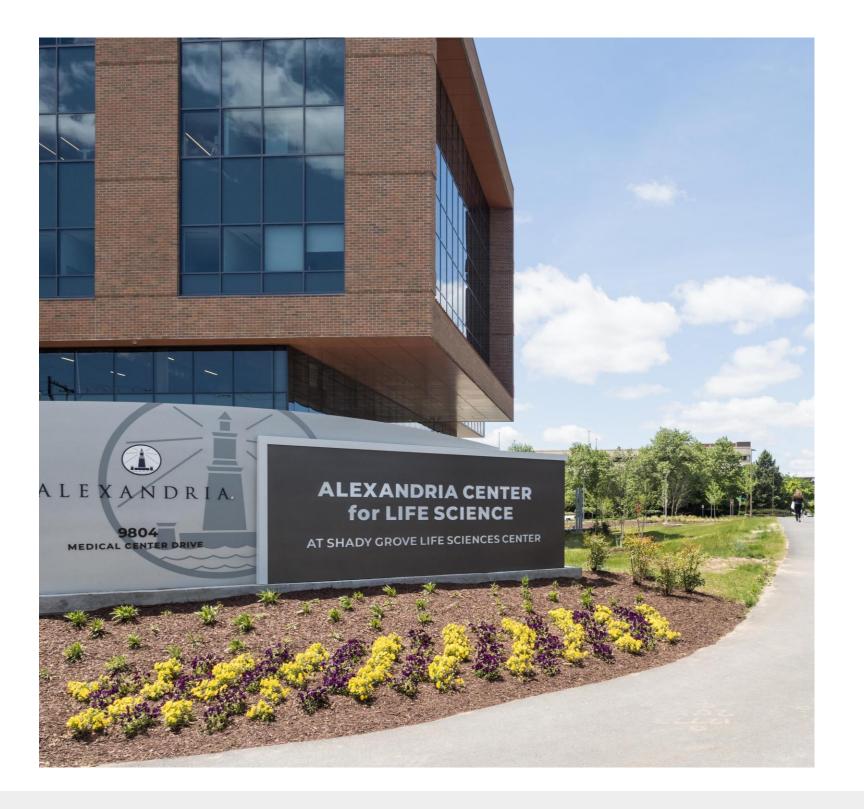
### F. Office-to-Residential Conversions

• Recommendation: Given the high office vacancy rate and how expensive it is to convert, exempt office-to-residential conversions from impact taxes.

Original Office Impact Taxes			
Building GFA	200,000		
Transportation Impact Tax Rate (Orange)	\$22.10		
Total Impact Taxes	\$ 4,420,000		
Office-to-Residential Conversion Impact Taxes			
# of Market Rate Units Converted	175		
Transportation Impact Tax Rate (MFL/Orange)	\$15,366		
Turnover Impact Area (MFL/Turnover)	\$13,625		
Transportation Impact Tax	\$2,689,050		
School Impact Tax	\$2,384,375		
Total Impact Taxes	\$5,073,425		
Waived Office-to-Residential Conversion Impact Taxes			
\$653,425			

# G. Bioscience Exemption

- Bioscience impact taxes are currently set to zero.
- Recommendation: Given the importance of this sector to the economic vitality of the county, continue exempting bioscience projects and add the exemption to the county code



# H. Impact Tax Credit

- The County Code permits developers to receive transportation impact tax credits for constructing transportation improvements that reduce traffic demand or increase transportation capacity.
- However, unclear and conflicting definitions in the code can create confusion during the development process.
- In practice, only improvements enhancing regional transportation capacity receive credit. Improvements along state highways are ineligible for tax credits.





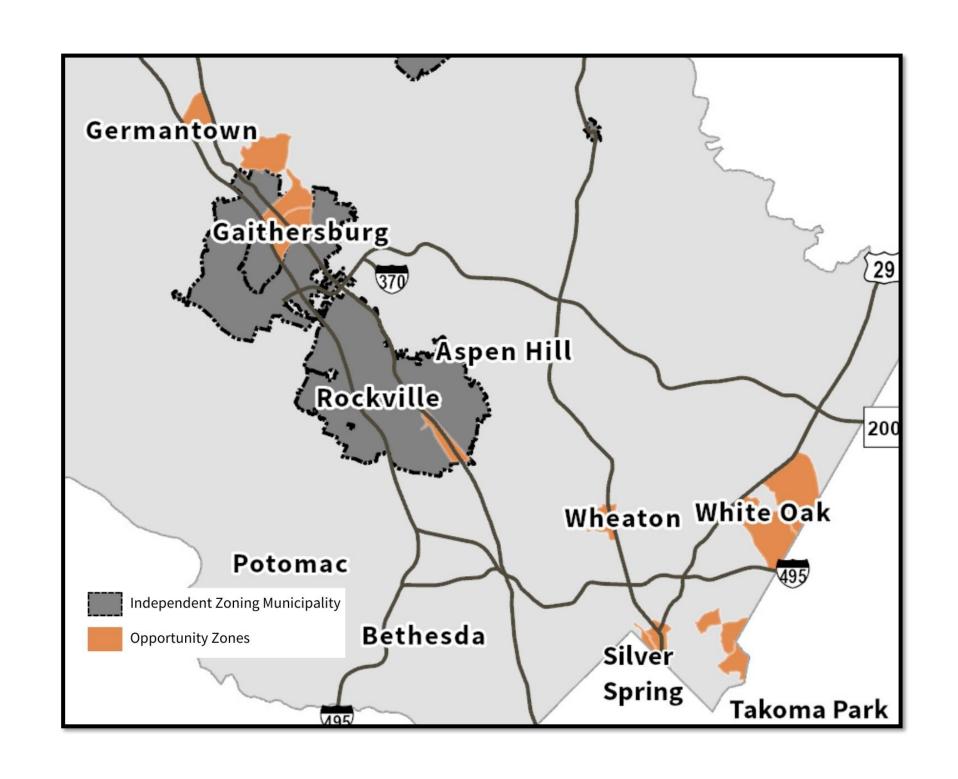
# H. Impact Tax Credit

• Recommendation: Update the County Code to provide more clarity and allow credit for improvements along state roadways.



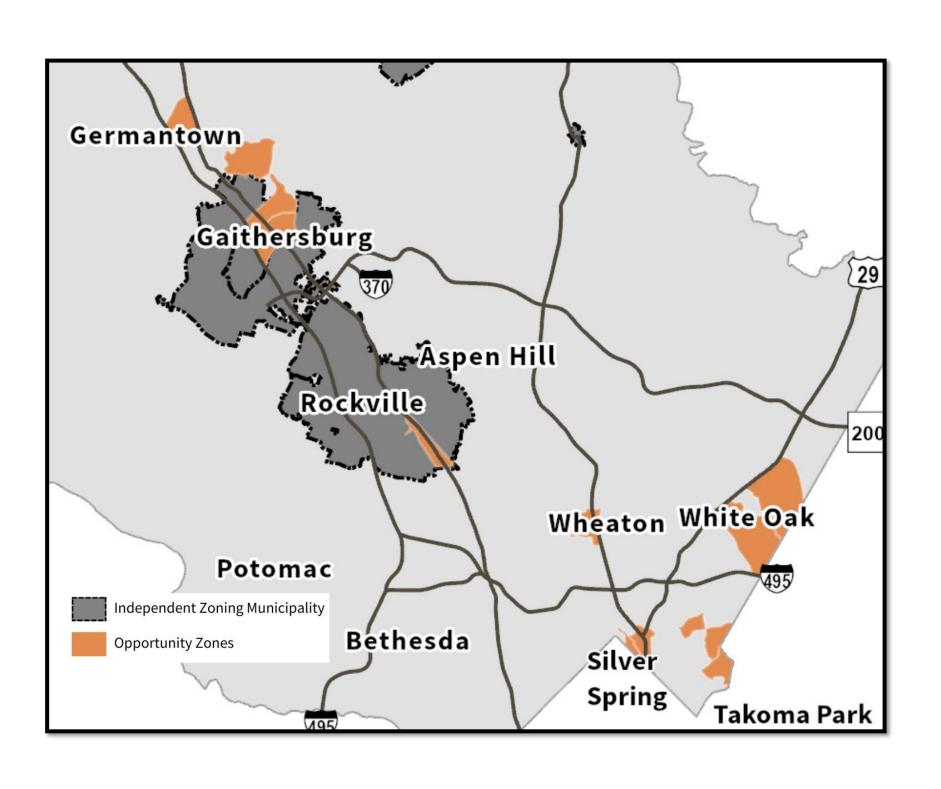
# I. Legacy Language for Opportunity Zones

- Opportunity Zones are economically distressed communities where private investments may be eligible for capital gain tax incentives.
- In the 2020 GIP, an exemption
  was added that allowed projects
  in Opportunity Zones to have
  their school and transportation
  impact taxes fully exempted.



# I. Legacy Language for Opportunity Zones

• Recommendation: Given that the program is expected to expire at the end of 2026, Planning staff recommend adding legacy language to allow Planning Board-approved projects that have not yet received building permits to continue to receive the impact tax exemption.



## Impact Tax Exemptions or Discounts

Current Exemption or Discount	Schools	Transportation	Recommendation
Any Moderately Priced Dwelling Unit (MPDU)	Exempt	Exempt	Maintain
Any dwelling unit for which the price or rent charged is limited for at least 15 years to make the unit affordable to households earning equal to or less than 60% of the area median income, adjusted for family size	Exempt	Exempt	Maintain
Any Personal Living Quarters unit that meets the price or rent eligibility standards for an MPDU	Exempt	Exempt	Maintain
Any dwelling unit in an Opportunity Housing Project that meets the price or rent eligibility standards for an MPDU	Exempt	Exempt	Maintain
Any dwelling unit built by high school students under a program operated by the Board of Education	Exempt	Exempt	Maintain
Any farm tenant dwelling	Not Exempt	Exempt	Maintain
Any dwelling unit in a development that is age-restricted for seniors 55 and older	Technically not exempt, but the rate is set to \$0	Not Exempt	Maintain
Single-Family Attached or Detached Dwelling Unit smaller than 1,500 square feet.	Not Exempt	Not Exempt	Introduce 50% Discount



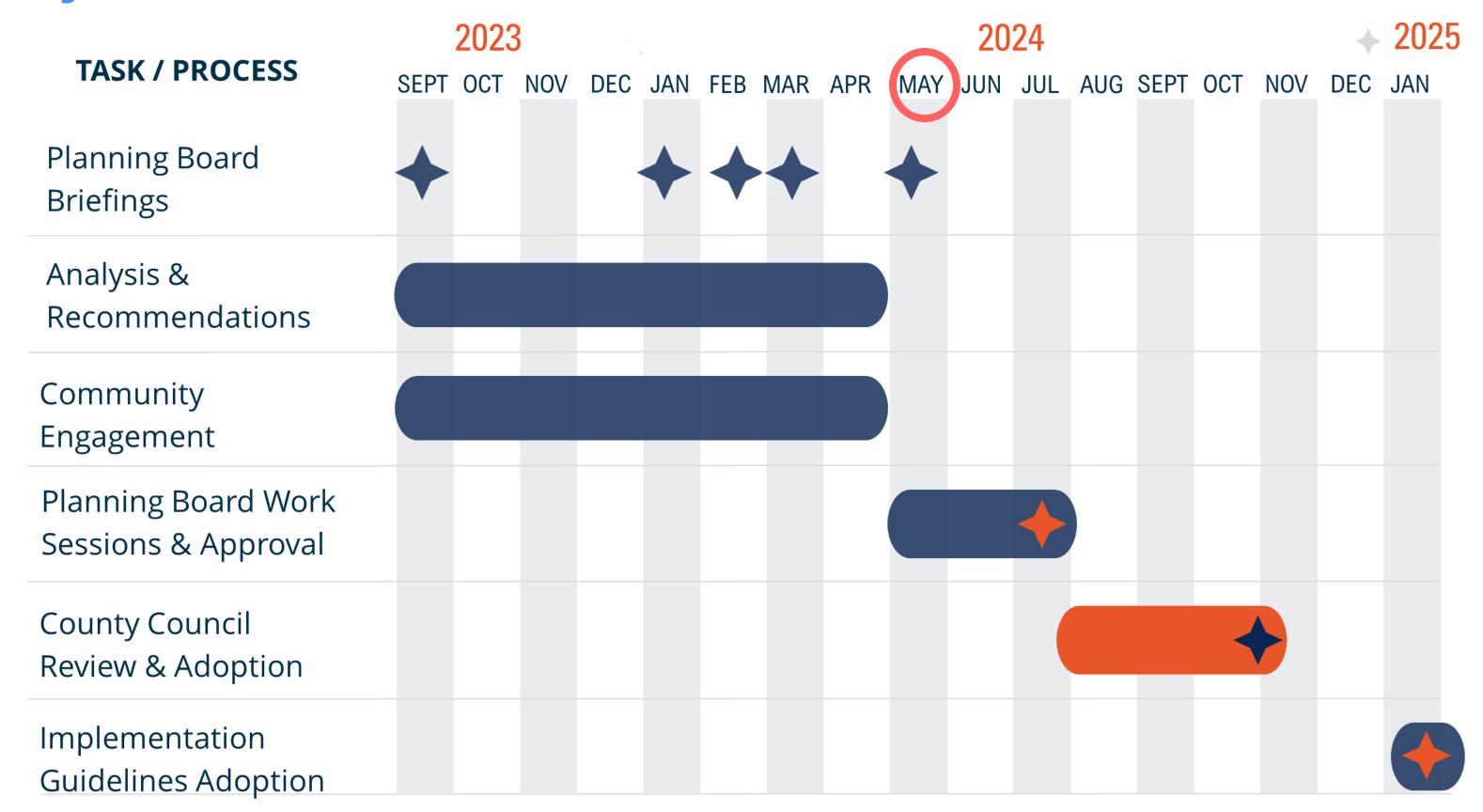
## Impact Tax Exemptions or Discounts

Current Exemption or Discount	Schools	Transportation	Recommendation
Any development located in an Opportunity Zone certified			
by the U.S. Treasury Department (except the city of Rockville)	Exempt	Exempt	Maintain
Any development located in an Enterprise Zone designated		Exempt (including	
by the state	Exempt	commercial uses)	Maintain
		60% of applicable rate if in	
		Orange Policy Area; or 68% of	
Any development located in a Desired Growth and		applicable rate if located in a	
Investment Area (except the city of Rockville)	Not Exempt	Yellow Policy Area	Remove
Any building that would be located within one-half mile of			
the Germantown, Metropolitan Grove, Gaithersburg,			
Washington Grove, Garrett Park, or Kensington MARC			
stations	Not Exempt	Discount	Maintain
Any otherwise non-exempt dwelling unit in a development in			
which at least 25% of the dwelling units are MPDUs	Exempt or Discount	Exempt or Discount	Maintain
	Discount; pay the tax at		
	40% of the otherwise		Expand exemption for
	applicable rate in an		schools and introduce
Multi-family units with three or more bedrooms	Infill Impact Area	Not Exempt	for transportation.
Office-to-Residential Conversions	Not Exempt	Not Exempt	Introduce Exemption
Bioscience		Does not pay; rate set to zero	Maintain; add to code



# Next Steps

# Project Schedule





# Changes from Working Draft

#### Report (Attachment 1)

- Page 27: Revise Table 8 to add standards for Clarksburg East and Fairland-Briggs Chaney
- Page 41: Revise the map for Desired Growth and Investment Areas (Figure 8)
- Page 43: Revise the map for Opportunity Zones (Figure 10)

#### Appendix B: GIP Outcomes

• Replace section header – change "A. Transportation Outcomes" to "B. School Outcomes"

#### Appendix F:

- Replace Table T2. LATR Intersection Congestion Standards to reflect recommendations.
- Maps 1-49, 51: Replace maps to remove transportation policy area classifications (1-48) and modify colors (51).

# Staff Requests a Planning Board Motion

#### Motion to:

- Accept the Working Draft of the Growth and Infrastructure Policy as the Public Hearing Draft of the 2024 Growth and Infrastructure
- To set Thursday, May 23 as the public hearing date
- To transmit the Public Hearing Draft to the County Council as the "staff draft of the Growth and Infrastructure policy" required to be submitted by June 15 per Sec. 33A-15(b) of the County Code