



Montgomery Planning Director's Office

05/08/2024

Incentive Zoning Update

Improving the Public Benefits Point System for CR
and Employment Zones **DRAFT**



Agenda

- Project Overview
- Summary of Analysis
- Draft recommendations
 - Overall approach
 - Recommendations by zone
 - Detailed public benefits
 - Applying the updated system
- Q&A



- **Internal Working Group**

The implementers of the current public benefit policy and related department programs and initiates

- **Technical Working Group**

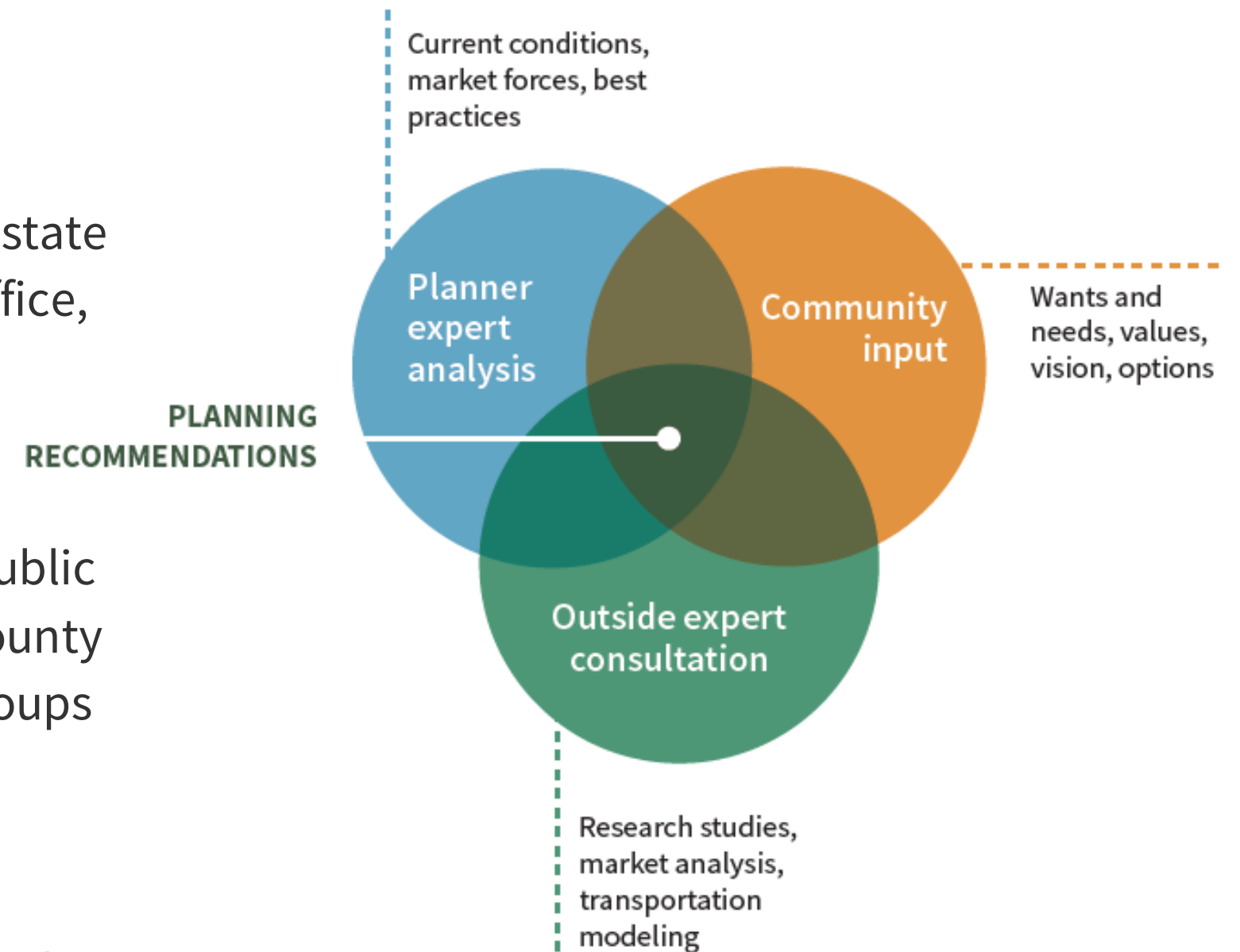
Developers, design professionals, land use attorneys, real estate experts, engineers, DPS, DHCA, DOT, County Executive's Office, Council Staff etc.

- **Interest Groups Roadshow Discussions**

Organizations and small groups that are impacted by the public benefits system such as regional service centers, various County commissions, minority group representatives, advocacy groups and more.

- **Greater Public Participation**

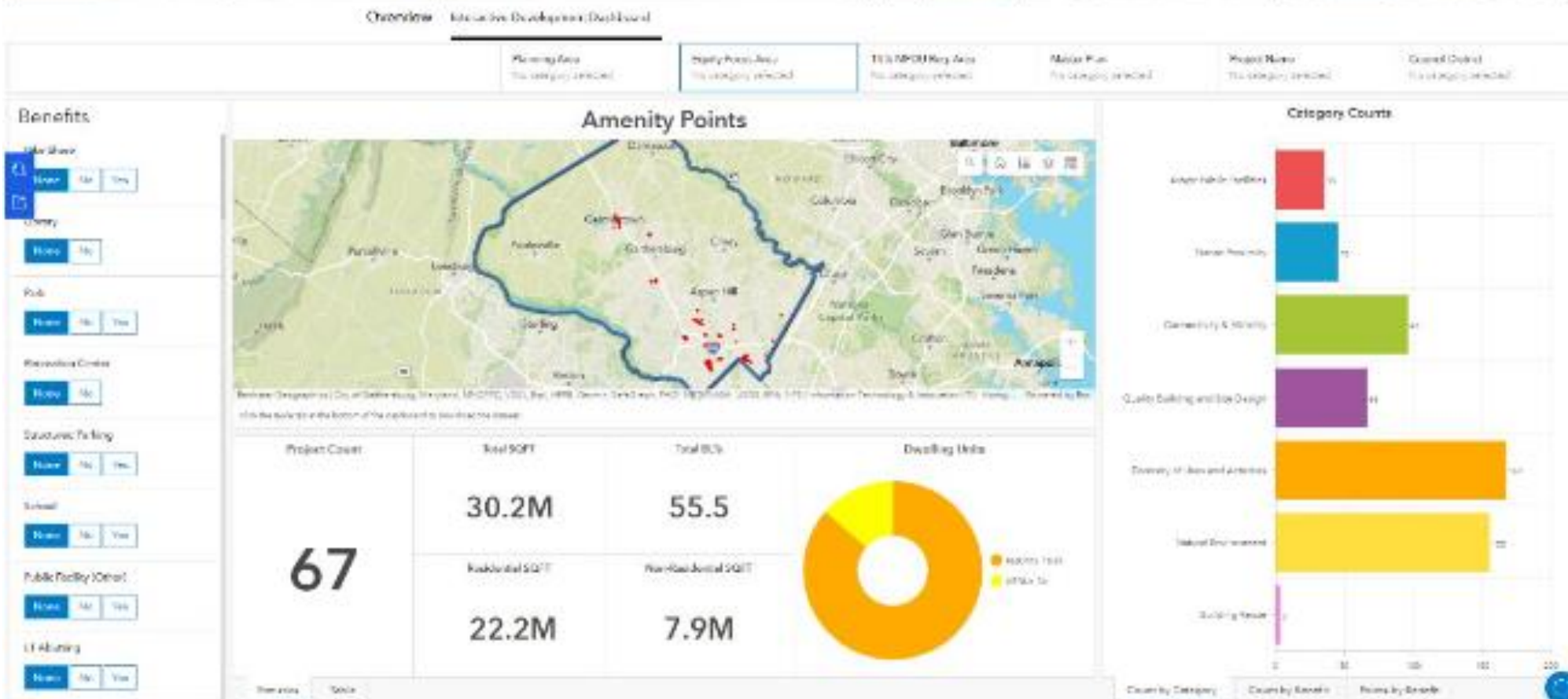
Open houses to provide the community and stakeholders with an opportunity to learn about the project and give feedback.



Outreach Efforts

DRAFT

<https://montgomeryplanning.org/development/zoning/incentive-zoning-update/>



Opening Small Group Conversations

County Agencies

- Montgomery County Department of Transportation
- Montgomery County Department of Environmental Protection
- Montgomery County Department of Housing and Community Affairs
- Arts and Humanities Council
- Office of Agriculture

Regional Service Centers

- Bethesda Urban Partnership

African Affairs Advisory Group

- African American Advisory Group

Asian Pacific Advisory Group

- Caribbean American Advisory Group

CASA de Maryland

- Latin American Advisory Group

Middle Eastern American Advisory Group

- Montgomery County Chamber of Commerce

Maryland Building Industry Association

- Coalition for Smarter Growth

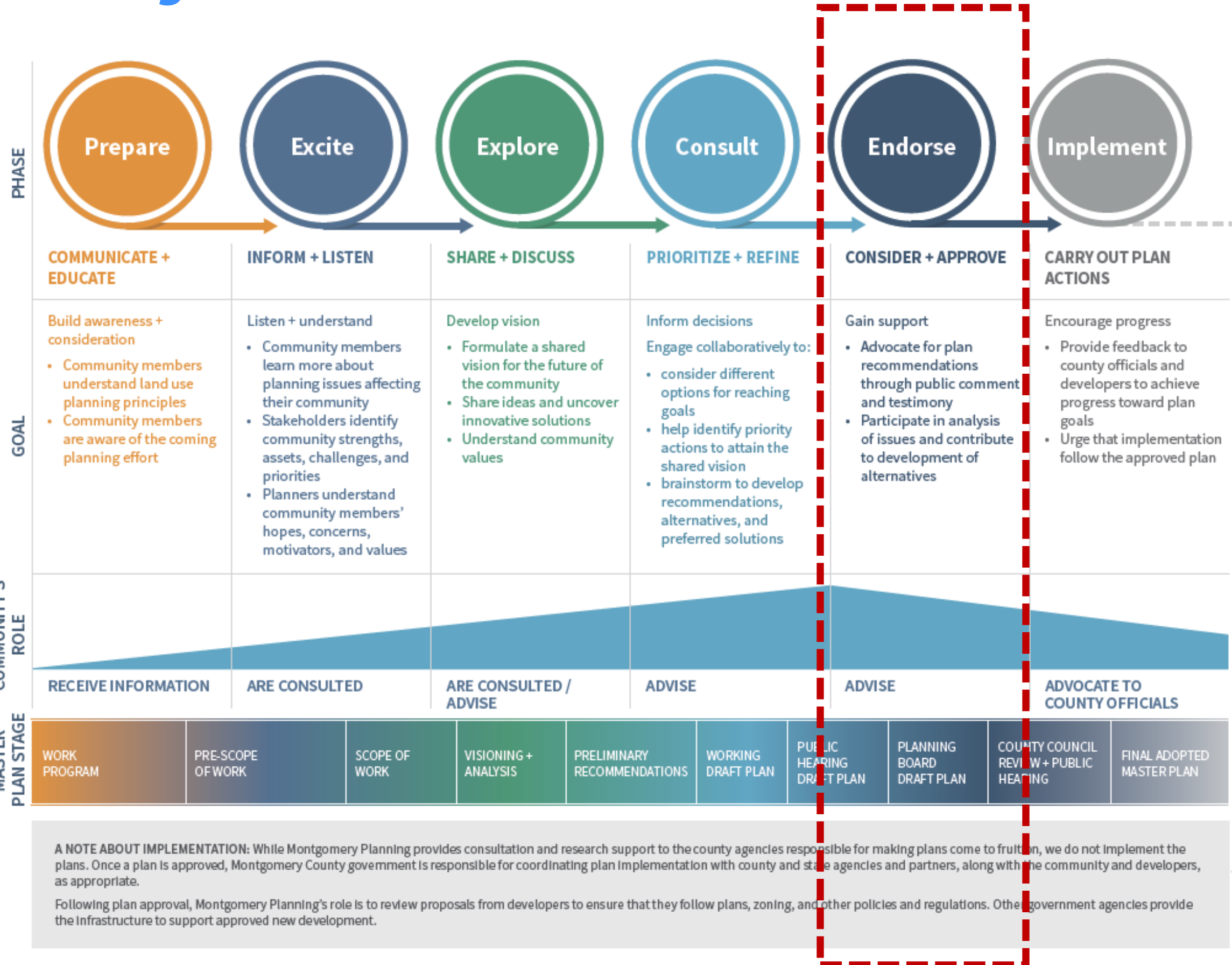
Greater Greater Washington

- Washington Area Bicyclist Association

Staff Lunch & Learn

Project Timeline

DRAFT

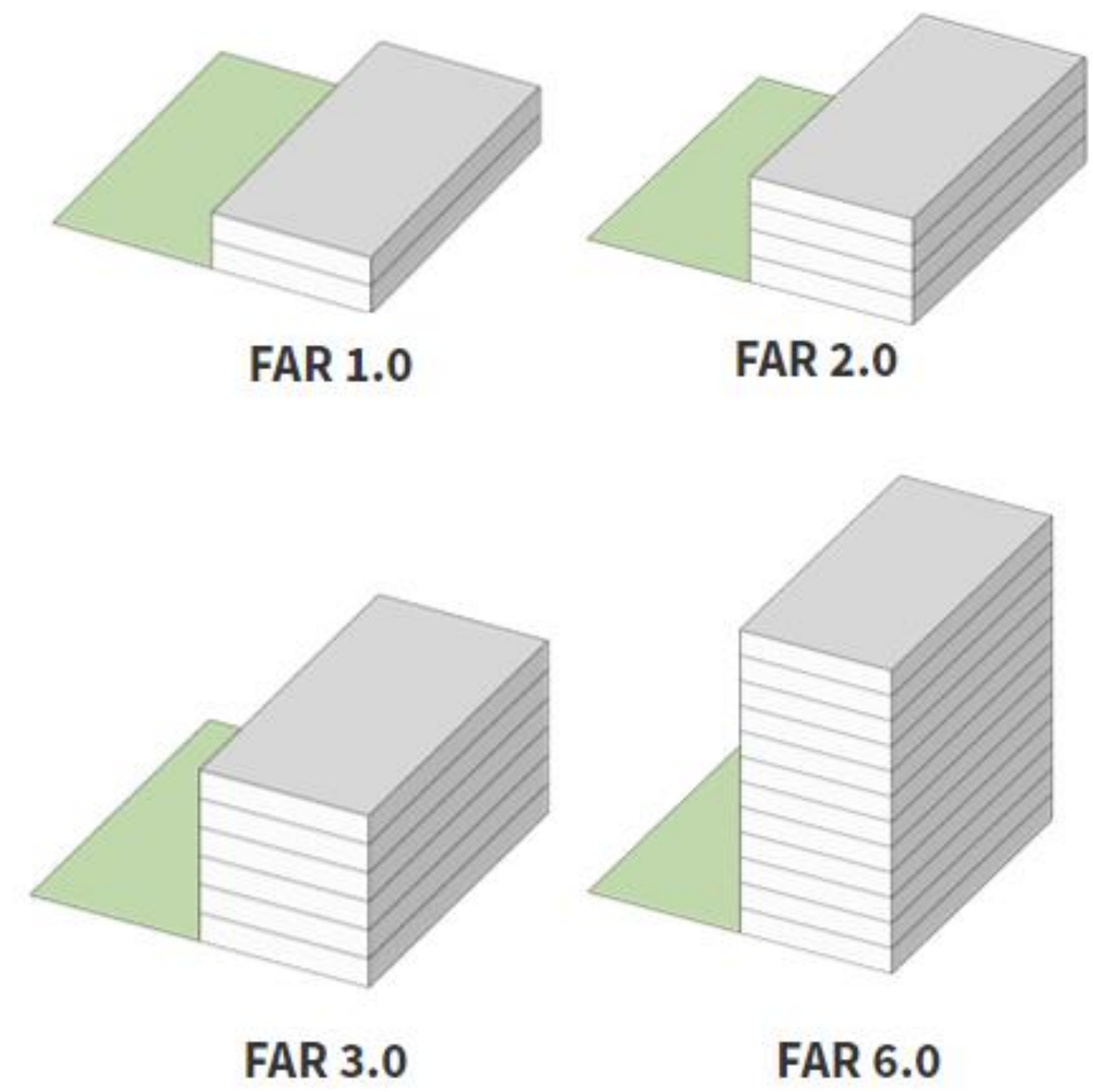
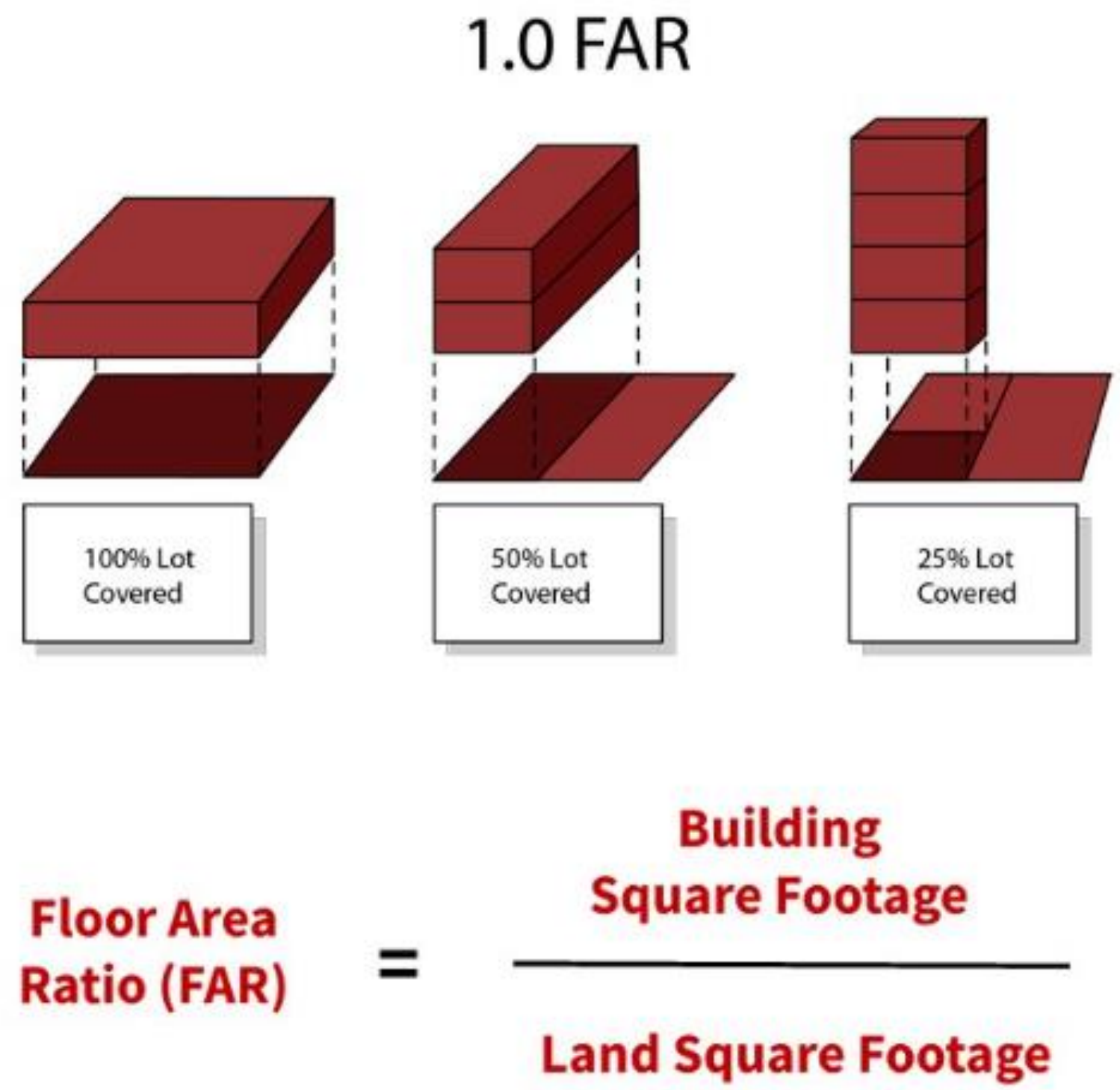


- Virtual Open Houses: May 8 & May 15, 2024
- Planning Board Working Sessions: June 06, 13, 20 & July 25, 2024
- County Council Review of Recommendations: Fall 2024
- Drafting and Review of ZTA: Winter 2024
- Updating the Implementation Guidelines: Early 2025
- Applying & transitioning to the new system: 2025 onwards

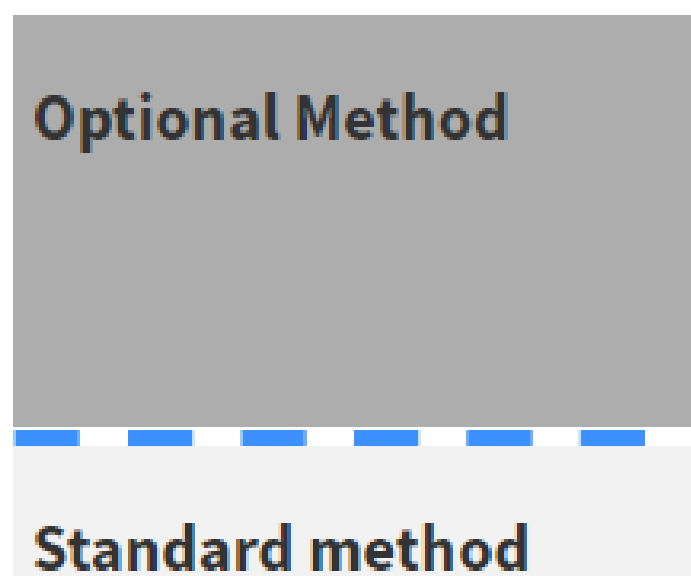
DRAFT

Policy Overview

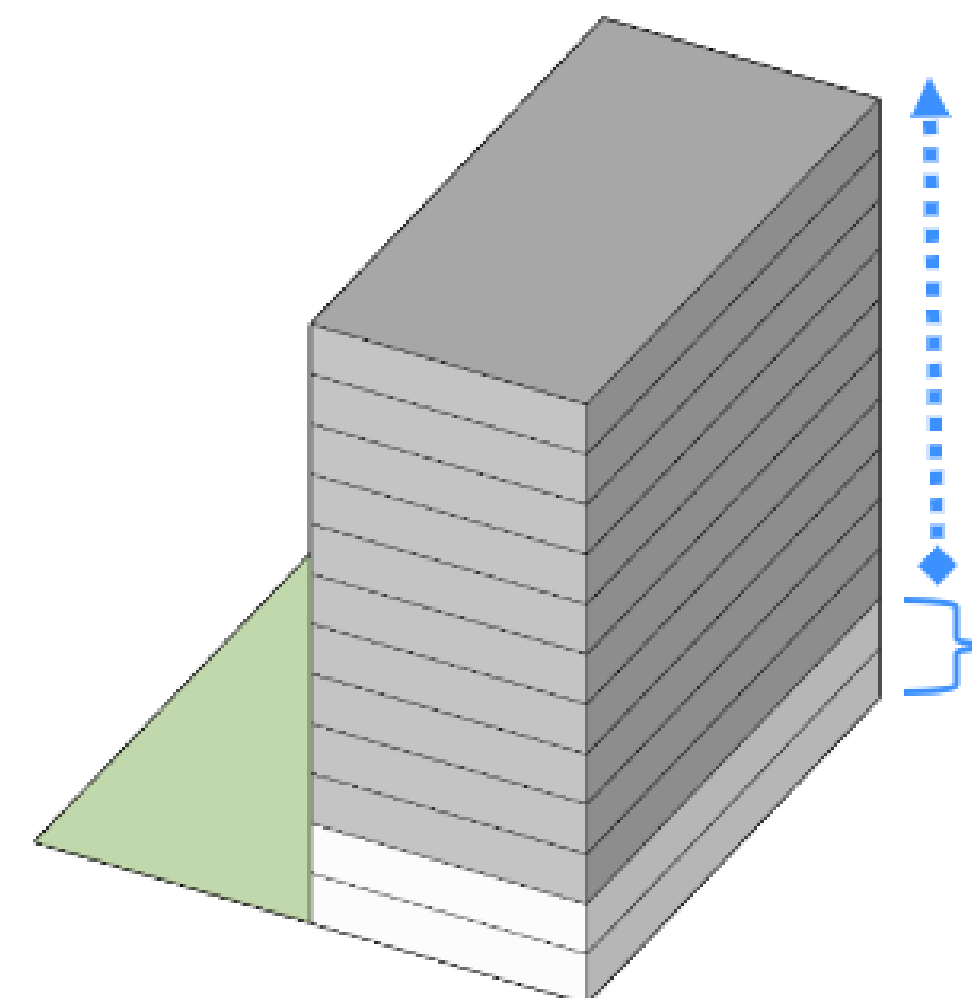
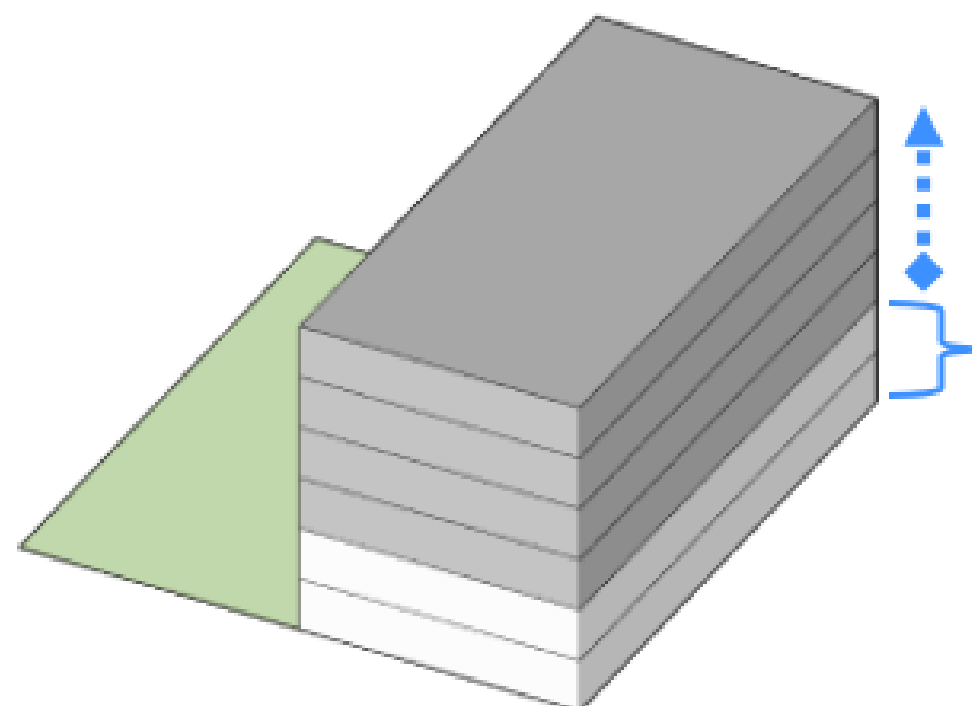
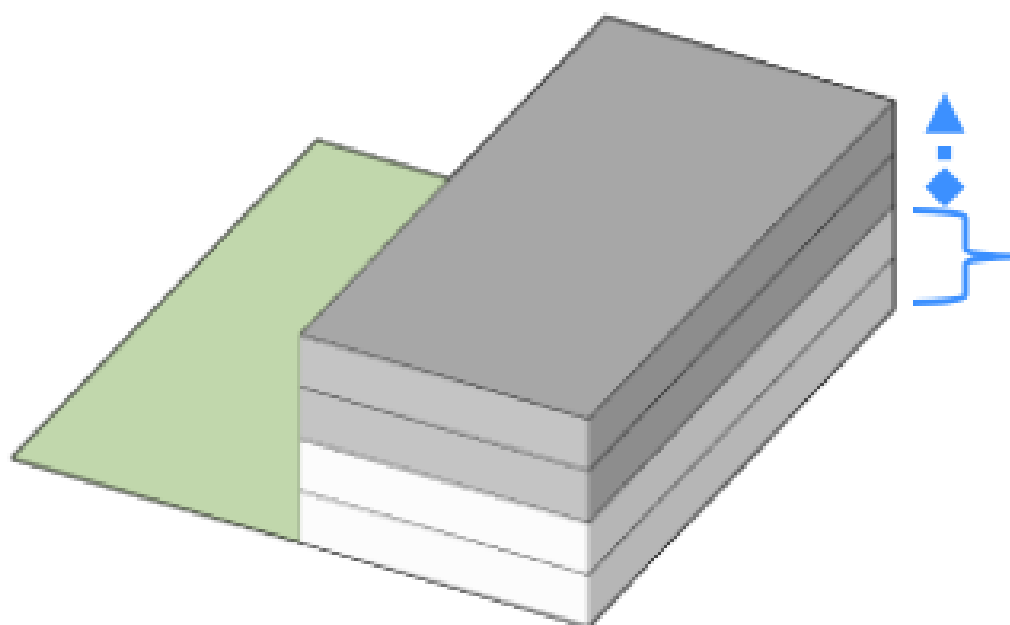
Floor Area Ratio



Optional method of development



- Awarded additional density & height to exchange public amenities
- Code Requisites



How does the Point System work for incentive zones?

CR and Employment Zone Designation

CRT 2.0 C 1.0 R 1.5 H 60

CRT sets the uses and some requirements.

2.0 means the building floor ratio (FAR) is a maximum of two times the size of the lot.

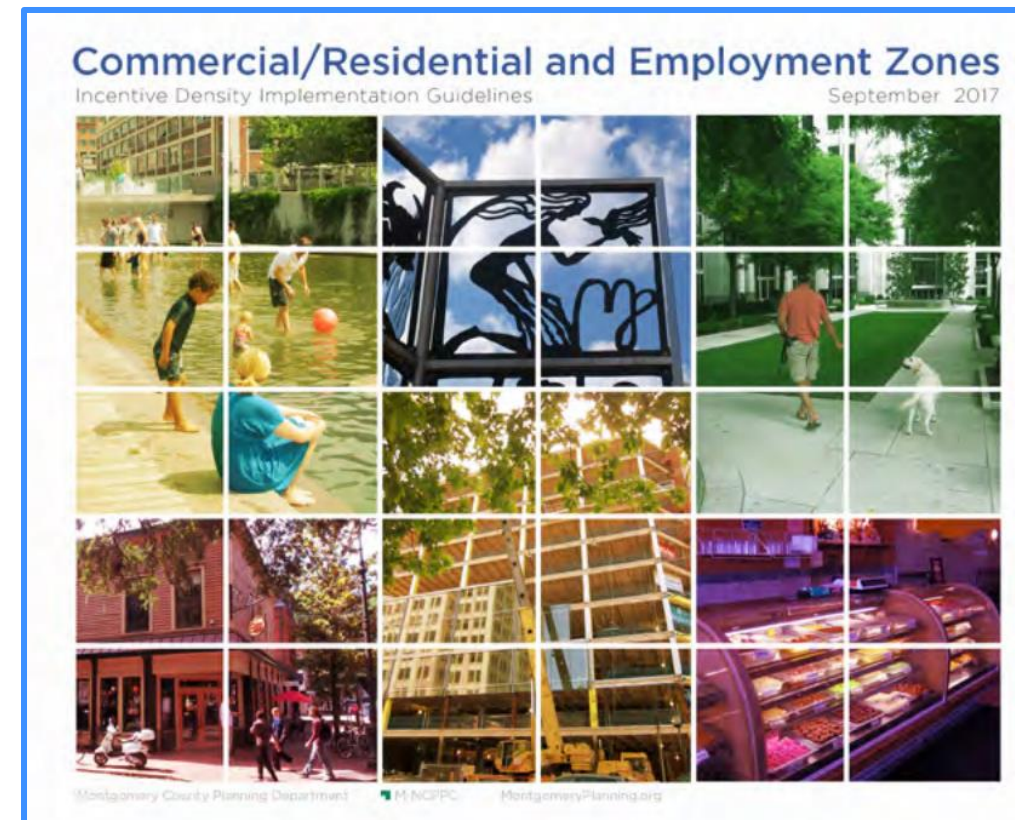
C 1.0 is the maximum commercial FAR within the total 2.0 FAR.

R 1.5 is the maximum residential floor area within the total 2.0 FAR.

H 60 is the maximum building height—60 feet.

Optional Method (2 FAR)

Standard method (1 FAR)

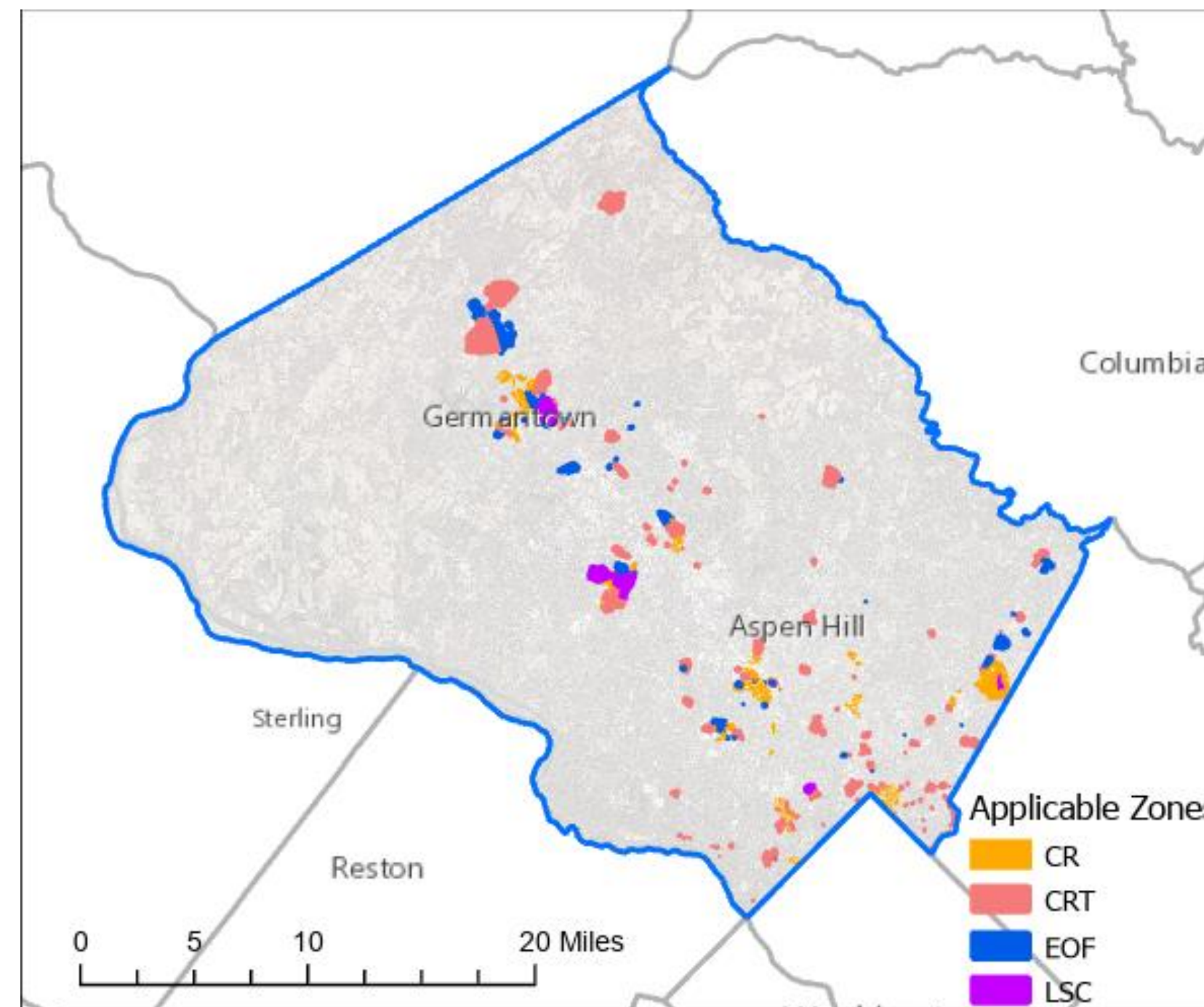


CODE REQUISITES

Zone	Tract Size or Max Total FAR	Public Benefit Points (minimum)	Number of Benefit Categories
CRT	< 10,000 SF OR <1.5 max FAR	25	2
	≥10,000 SF OR ≥1.5 max FAR	50	3
CR	< 10,000 SF OR <1.5 max FAR	50	3
	≥10,000 SF OR ≥1.5 max FAR	100	4
LSC	< 10,000 SF OR <1.5 max FAR	15	1
	≥10,000 SF OR ≥1.5 max FAR	30	2
EOF	< 10,000 SF OR <1.5 max FAR	30	2
	≥10,000 SF OR ≥1.5 max FAR	60	3

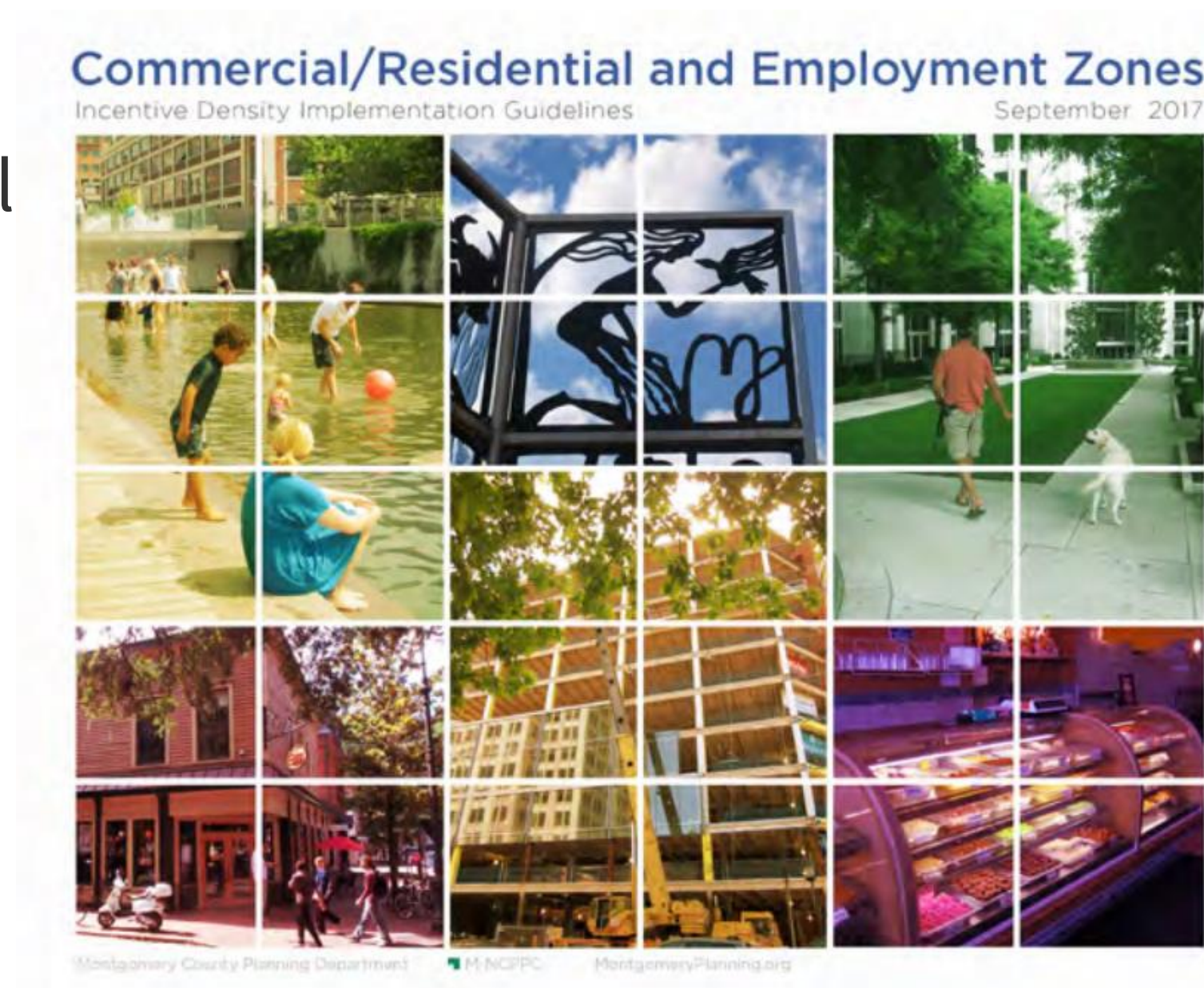
Purpose of the Incentive Zones

- Provide a flexible zone for infill development near transit
- Encourage a mix of uses and deliver public benefits commensurate with an appropriate range of densities
- CR zoning classifications for neighborhood, town, and metro settings offer ways to soften the transition between mixed-use and residential areas.
- LSC and EOF zones encourage life science and office development in compact clusters

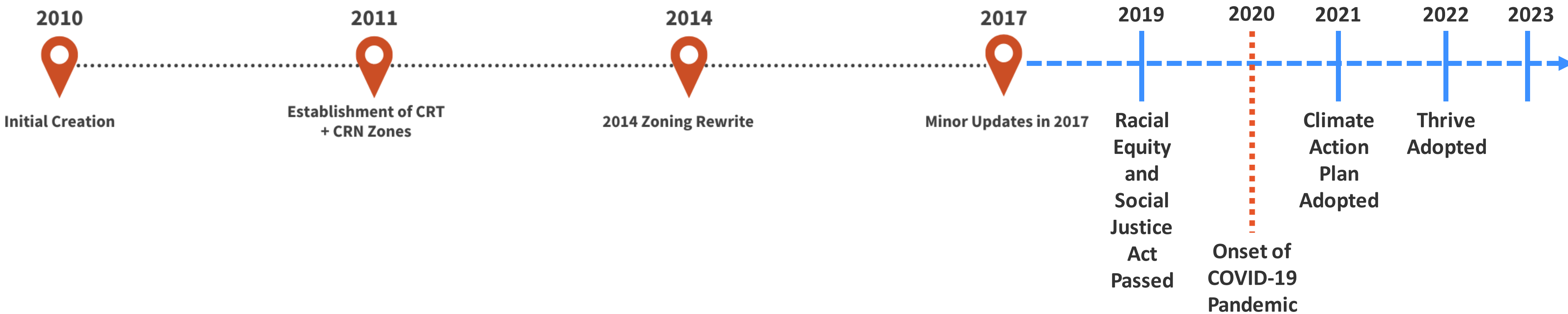


Purpose of the Current Point System

- Provide criteria to evaluate the adequacy of public benefits proposed in an optional method application
- Ensure predictability and transparency in the development review process
- Streamline regulatory review for optional method development in Incentive Zones

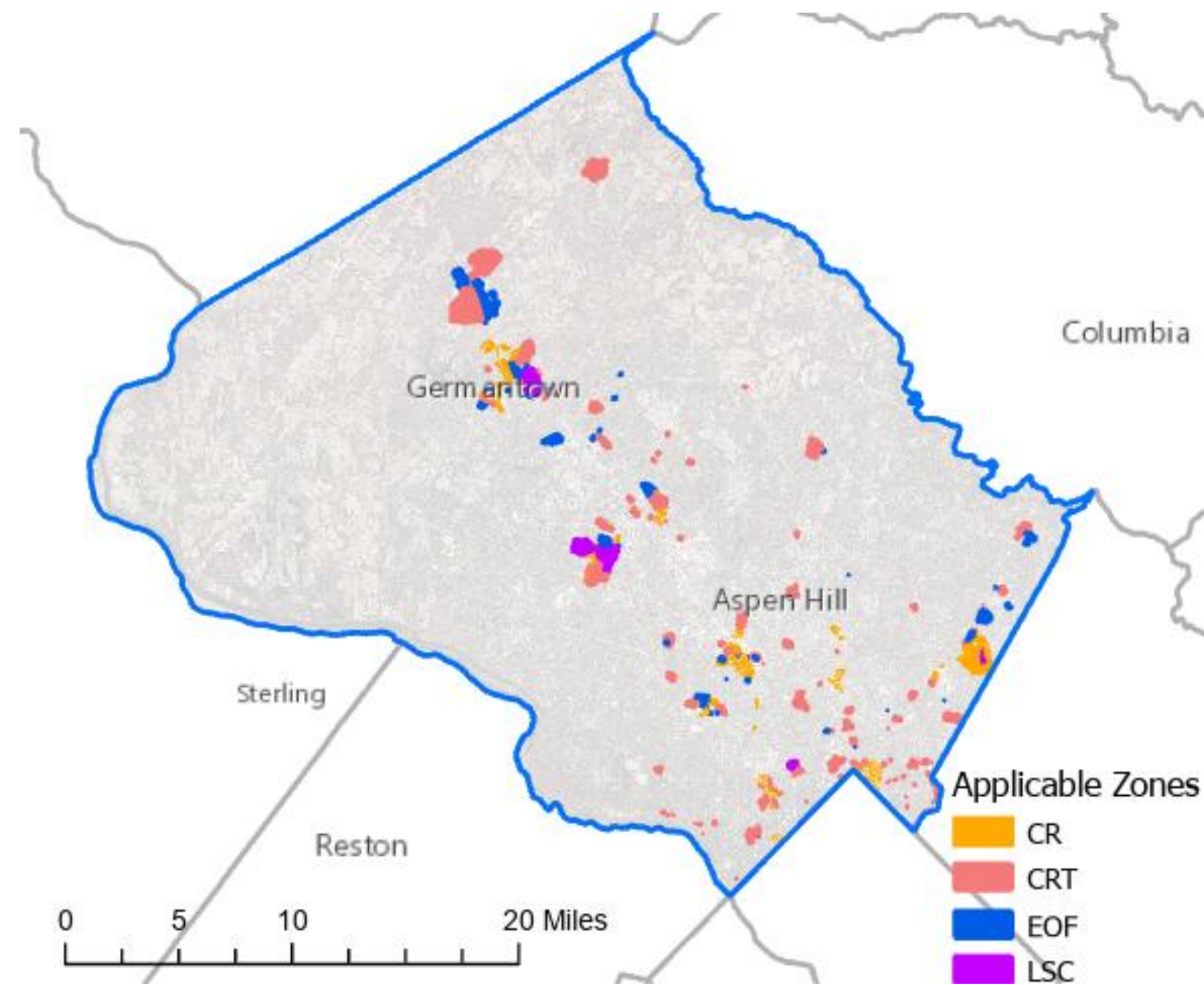


Evolution of the Point System



Project Goals

- Identify best practices and recommend actionable changes to the policy while ensuring **a balance between the public benefits required, the costs of development, and county goals by:**
 - Reviewing the performance of the Points System
 - Modernizing the Points System
 - Developing clear standards to effectively maximize the positive impact of public benefits
 - Aligning the Points System with updated county priorities.



Overview of Analysis

What we did during the Analysis Phase?

- Most comprehensive review to date of a nationally recognized incentive zoning policy.
- Evaluated all aspects of the policy, from theoretical underpinnings and financial assumptions to the implementation process.
- Undertook a range of quantitative and qualitative analyses and compared the policy to regional and national peers.
- Synthesized objective, data-driven takeaways to guide future recommendations.

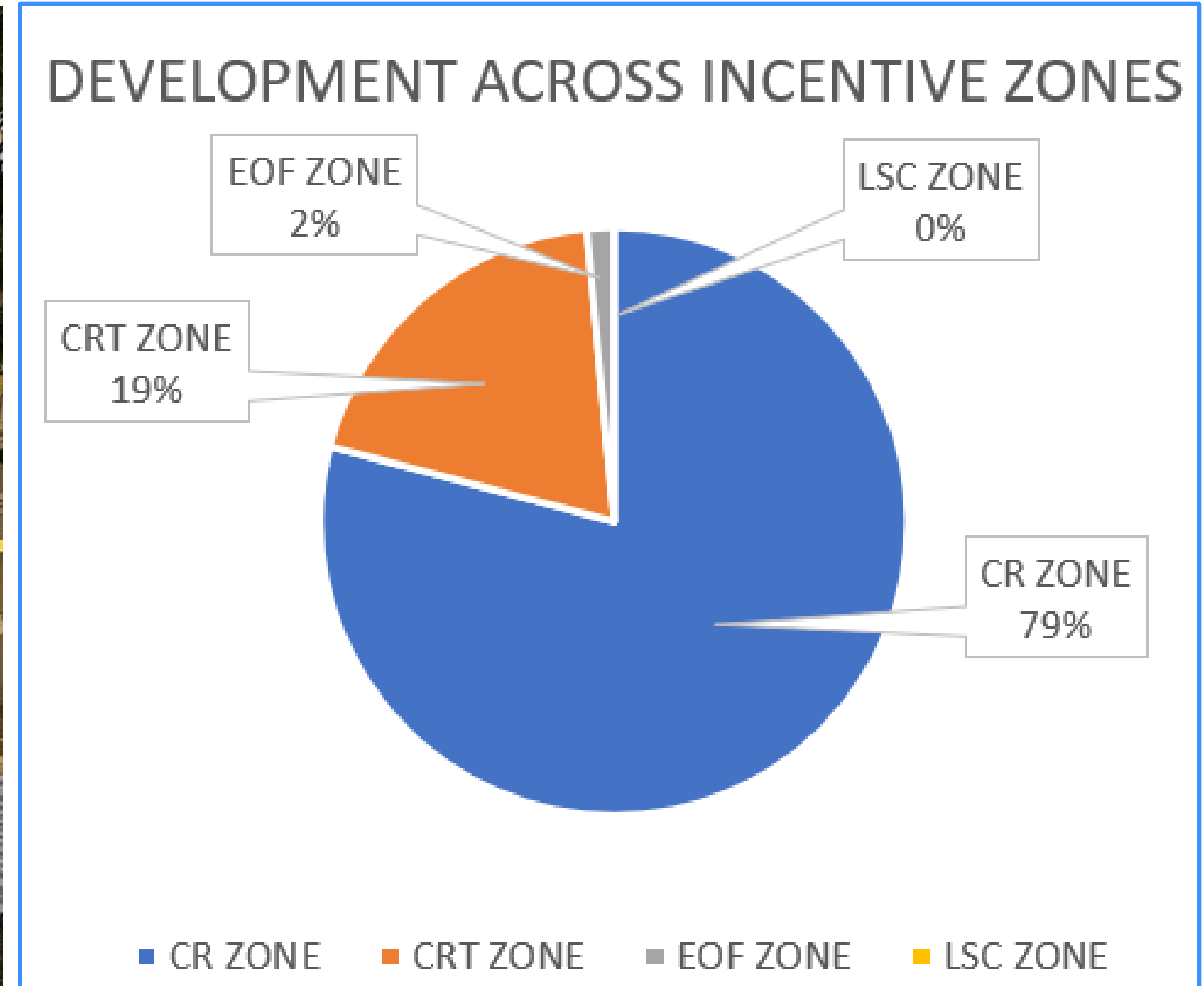
Types of Analysis

- Development Activity to Date & Public Benefits Approved
- Qualitative Assessment of Implementation Guidelines
- Financial Feasibility Impacts of Public Benefits
- Benchmarking Case Studies
- Regional Regulatory Peer Review

What did we learn?

- Uneven development activity across the four incentive zones.
- The Point System is an expansive menu.
- A subset of public benefits is repeatedly delivered in optional method projects.
- Considerations of cost and feasibility were considered but not become an important feature in the current system.
- The Point System facilitates exchange and negotiation indirectly.
- A stronger alignment with updated county goals is required.

Uneven development activity across the four incentive zones. **DRAFT**



Benchmarking Case Studies: Highlights **DRAFT**

Austin, TX

- Downtown Density Bonus Program
- Promotes a vibrant dense downtown
- Provides height and density bonus
- Includes gatekeeper requirements

Detroit, MI

- Community Benefits Ordinance
- Project specific benefits and bonuses
- Minimum project size requirements
- Includes significant community input

Seattle, WA

- Incentive Zoning Program
- A short menu of five amenities
- Includes off-site payment options
- Includes gatekeeper requirements

Arlington County, VA

- Green Building Incentive Policy
- Requires min. LEED Gold standard
- Offers bonus FAR bonuses tied to thresholds of energy performance

Fairfax County, VA

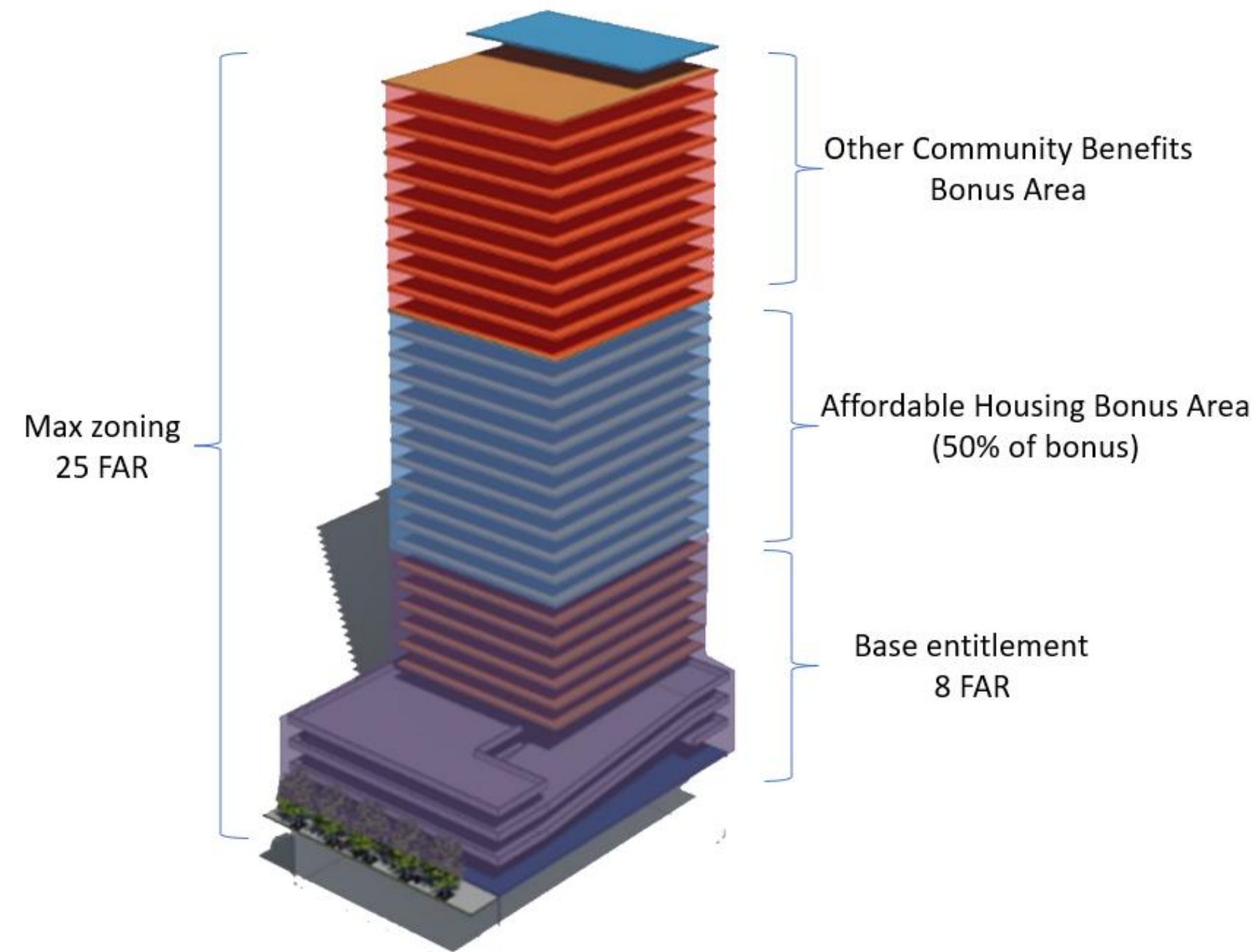
- Utilizes the proffer system
- Project based negotiations
- Offers regulatory and financial incentives to entice development in specific areas

Washington, DC

- Green Area Ratio program
- Sets min. lot coverage for green features
- Utilizes a checklist for compliance
- Offers FAR bonus

Benchmarking Case Studies: Highlights **DRAFT**

- Montgomery County's menu of public benefits is larger and more complex as compared to other jurisdictions researched in this study.
- Successful incentive zoning programs directly align and prioritize specific public benefits to achieve key policy goals.



Austin's Downtown Density Bonus Program Requirements

An expansive menu in need of updates.

Overlapping Benefits:

- Architectural Elevations
- Exceptional Design
- Tower Step-Back

- Transit Access Improvement
- Way Finding
- Public Art

- Historic Resource Protection
- Retained Buildings

- Major Public Facility
- Streetscape

- Transit Proximity
- Trip Mitigation

Conflicting Benefits:

- Minimum Parking
- Public Parking

Competing Benefits:

- Building Lot Termination
- Transfer Development Rights

- Cool Roof
- Vegetated Roof

- Neighborhood Services
- Car/ Centers
- Live Work Units
- Small Business Opportunities

Regional Peer Review

DRAFT

Alexandria, VA

- Multi-Phase Review
- DSUP Process
- Citywide programs + Project Based Negotiations
- Recommendations from:
 - Small Area Plans (**SAPs**)
 - Coordinated Development District Plans (**CDDs**)

Tide Lock (Transpotomac Plaza)



Development Summary	
Lot size	1.38 acres
Floor Area Ratio	4.0 F.A.R.
Building height	102 ft
Multifamily units	234 units
On-site affordable units	15 units
Gross floor area	240,000 sf
Retail square footage	6,500 sf
Arts anchor square footage	5,000 sf

Arlington County, VA

- Multi-Phase Review
- 4.1 Application Process
- Project Based Negotiations
- Fiscal evaluation of incentive density and public benefits
- Recommendations from:
 - Sector Plans
 - Coordinated Development District Plans (**CDDs**)

Holiday Inn - 1900 Fort Meyer Dr



Development Summary	
Lot size	1.68 acres
Floor Area Ratio	9.62 F.A.R.
Building height	327 ft
Multifamily units	502 units
Hotel rooms	327 rooms
Gross floor area	759,748 sf
Retail square footage	13,456 sf

Washington, DC

- PUD Process
- Citywide menu of benefits
- PUDs Approved by Zoning Commission; ANCs advisory
- A more flexible menu

Gateway Market Center (The Edison at Union Market)



Development Summary	
Lot size	0.88 acres
Floor Area Ratio	5.0 F.A.R.
Building height	79 ft
Multifamily units	188 units
Gross floor area	189,036 sf
Retail square footage	27,410 sf

Fairfax County, VA

- Proffer Review Process
- Countywide programs+ Project Based Negotiations
- Fiscal evaluation of benefits
- Recommendations from:
 - Comprehensive Plan
 - District Plans

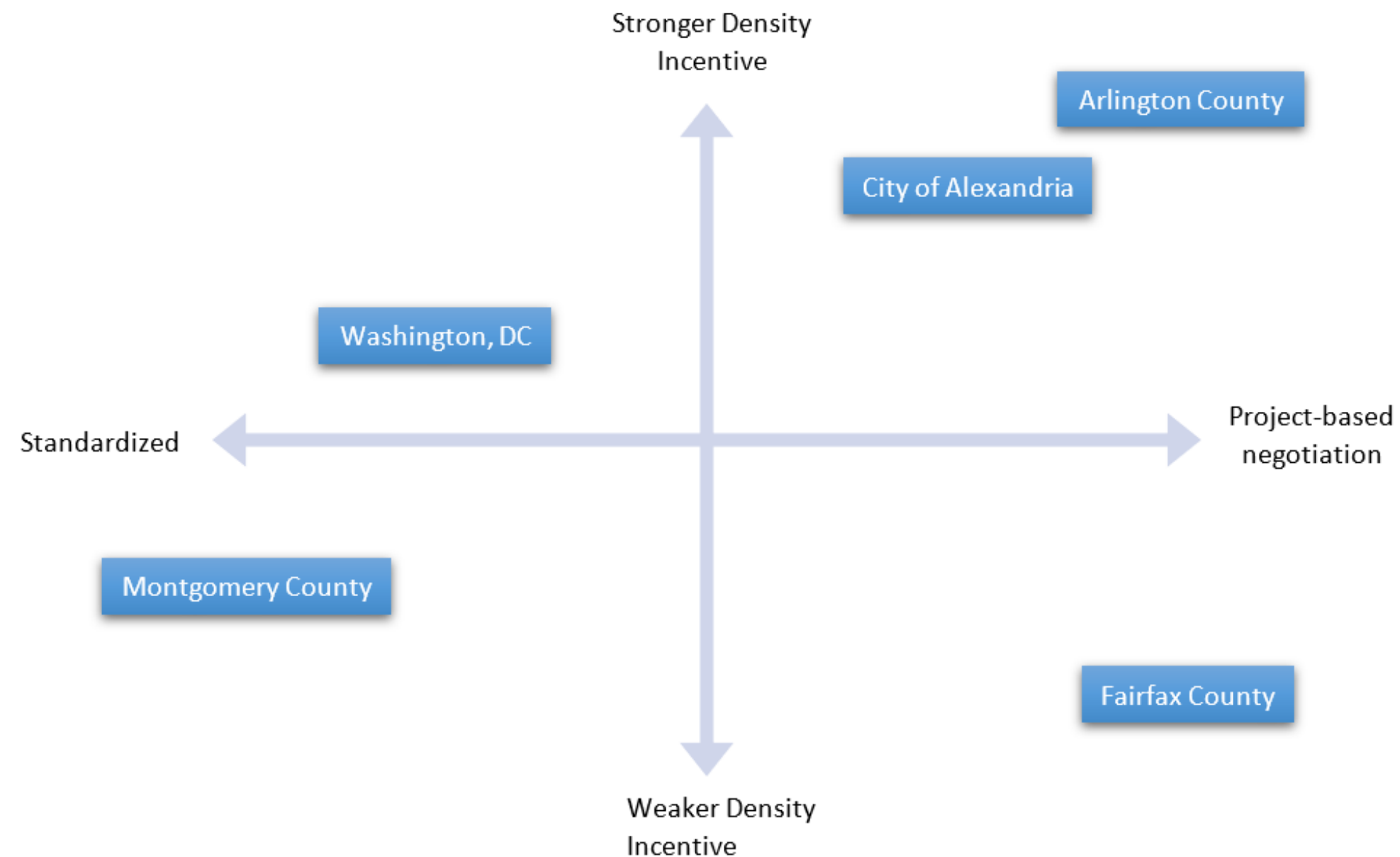
South Alex



Development Summary	
Lot size	10.45 acres
Floor Area Ratio	1.34 F.A.R.
Building height	65 ft
Multifamily units	400 units
Townhouses	41 units
Gross floor area	610,581
Retail square footage total (Grocery store anchor)	45,000 sf (20,000 sf)

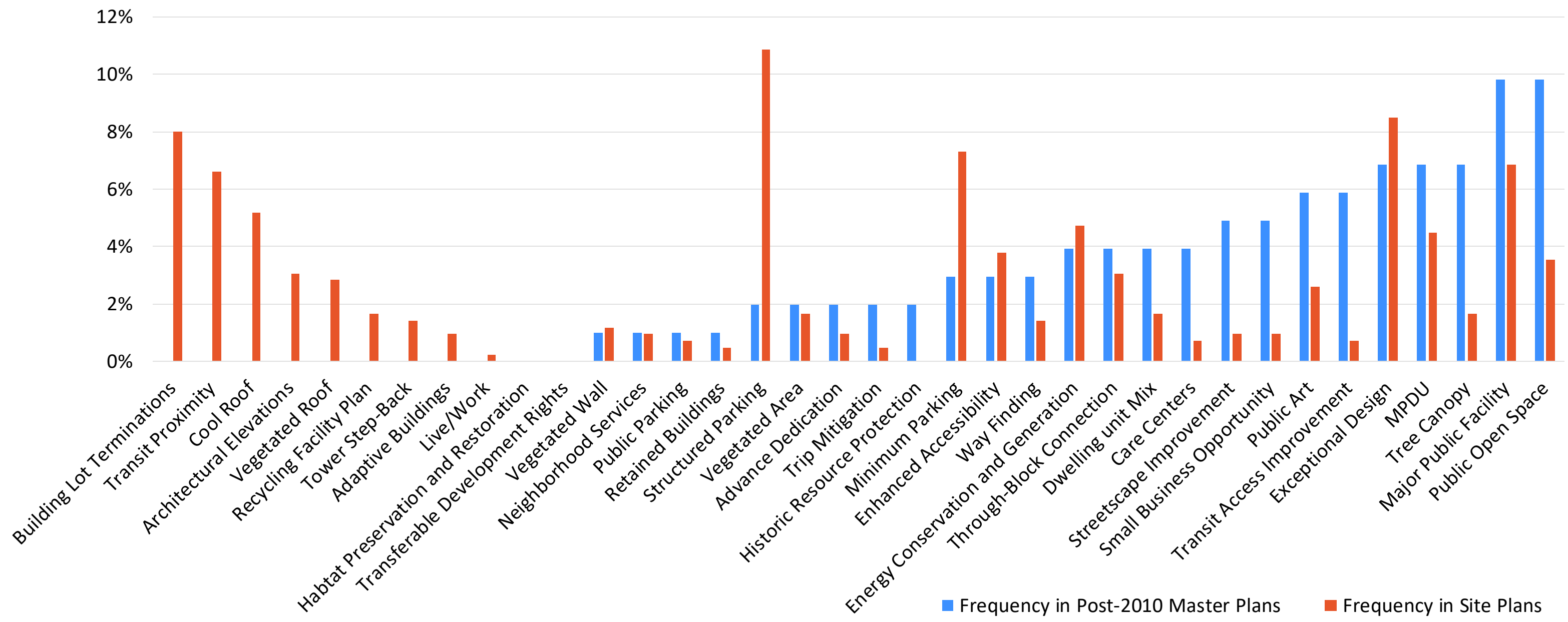
Regional Peer Review

- Montgomery County is unique in applying zoning with incentive density to parcels in advance of negotiations about public benefits.
- Regional peer jurisdictions tie the scope of public benefits more directly to the size of the proposed development as measured in terms of FAR.



A stronger alignment with updated county goals is required.

- Master plans have not always been effective at ensuring the selection of prioritized public benefits.

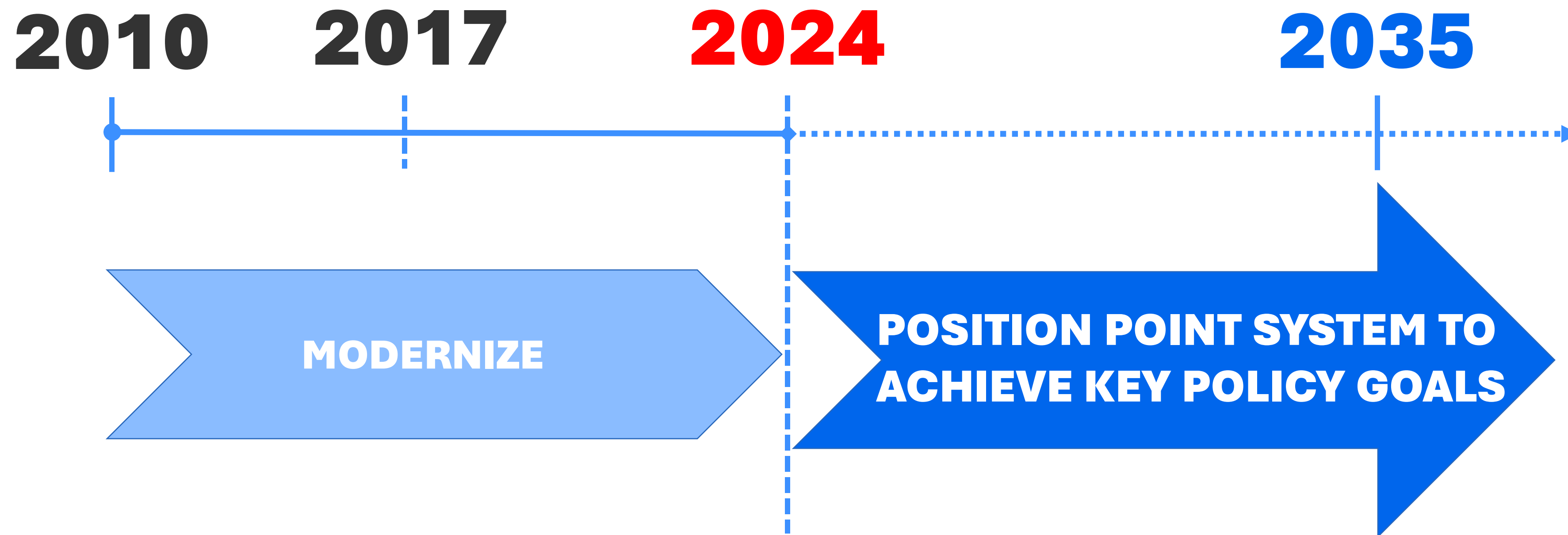


Guidance from Planning Board

- Simplify the system.
- Housing For All and Environmental Resilience are key policy goals.
- Provide flexibility to master planners, regulatory reviewers, and applicants to implement the policy.
- Streamline and make development as close to “by-right” as possible where it makes sense.

Overall Approach

Catching Up & Looking Ahead



Key Points

- Recommendations based on project data, peer jurisdiction research and financial feasibility analysis
- Interagency coordination to ensure streamlined delivery of desired benefits
- Maintaining a menu-based approach, albeit a more focused set of categories that align with countywide priorities
- Tailoring recommendations for the update for each of the four zones
- Recognizing transit-oriented development as a desired outcome, with projects providing meaningful benefits to the greater community
- Incentivize needed benefits, even if they are regulatory requirements and allow “double dipping” where it makes practical sense

Proposed Overall Approach

SIMPLE

- Align with county priorities
- Tailor public benefits by zone
- Remove unnecessary requirements
- Simplify regulatory review process, aiming for “By-Right” where feasible.

PROPORTIONAL

- Implement FAR-based method
- Ensure public benefits scale with development intensity

CLEAR

- Clarify Code Requisites
- Eliminate complex formulas or complicated review & compliance procedures

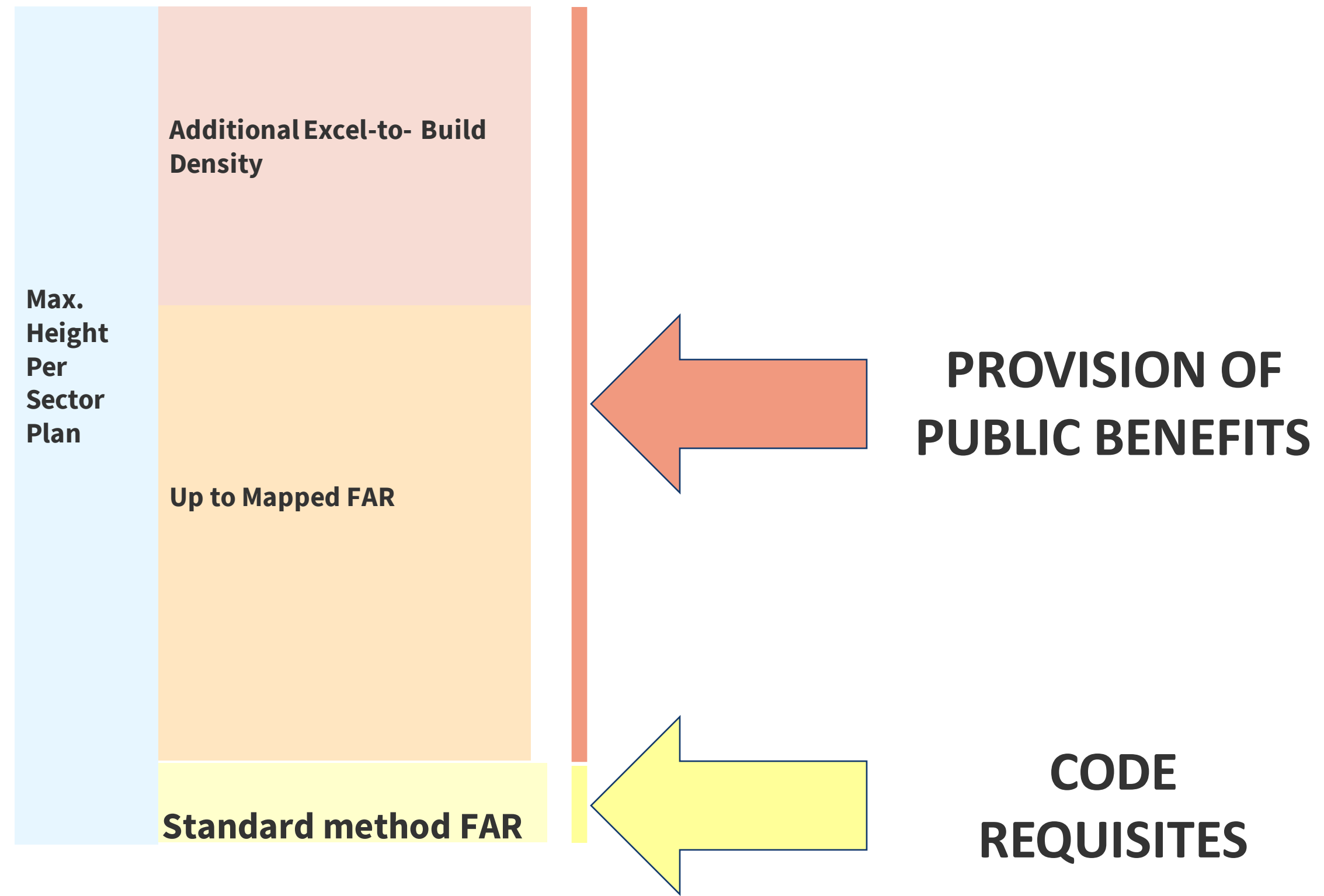
FLEXIBLE

- Enhance flexibility in master planning
- Incentivize important public benefits, even if required per code

Proposed Project



Standard vs. Optional Method



CODE REQUISITES FOR SITE PLANS AND STANDARD METHOD FAR

DRAFT

- Forest Conservation
- Growth and Infrastructure Policy (LATR)
- Master Plan conformance
 - frontage improvements/streetscape standards
 - through block connections
 - open space/parks
 - design guidelines and/or DAP
 - Green cover/tree canopy/environmental enhancement
 - Others
- Complete Streets Guide/ROW dedication
- Historic Preservation
- Chapter 25A (MPDU LAW)
- Agency Approval (SWM/FDA/DOT/DPS/DHCA)



Policy Priorities & Public Benefits Categories

DRAFT

**HOUSING
FOR ALL**

**ENVIRONMENTAL
RESILIENCE**

Thrive
Montgomery
2050



**INFRASTRUCTURE
FOR COMPACT
GROWTH**

**COMPLETE
COMMUNITY
AMENITIES**

Climate
Action Plan



Racial Equity
and Social
Justice Law



A SIMPLER MENU OF PUBLIC BENEFITS

**HOUSING
FOR ALL**

**ENVIRONMENTAL
RESILIENCE**

**INFRASTRUCTURE
FOR COMPACT
GROWTH**

**COMPLETE
COMMUNITY
AMENITIES**

MPDUs

Family sized units

Deeper levels of
affordability

Energy

Green Buildings

Sustainable Site

Offsite
Improvements

Public Facility

Street Grid and Trail
Extensions

Art and Placemaking

Neighborhood
Services & Mixed Use

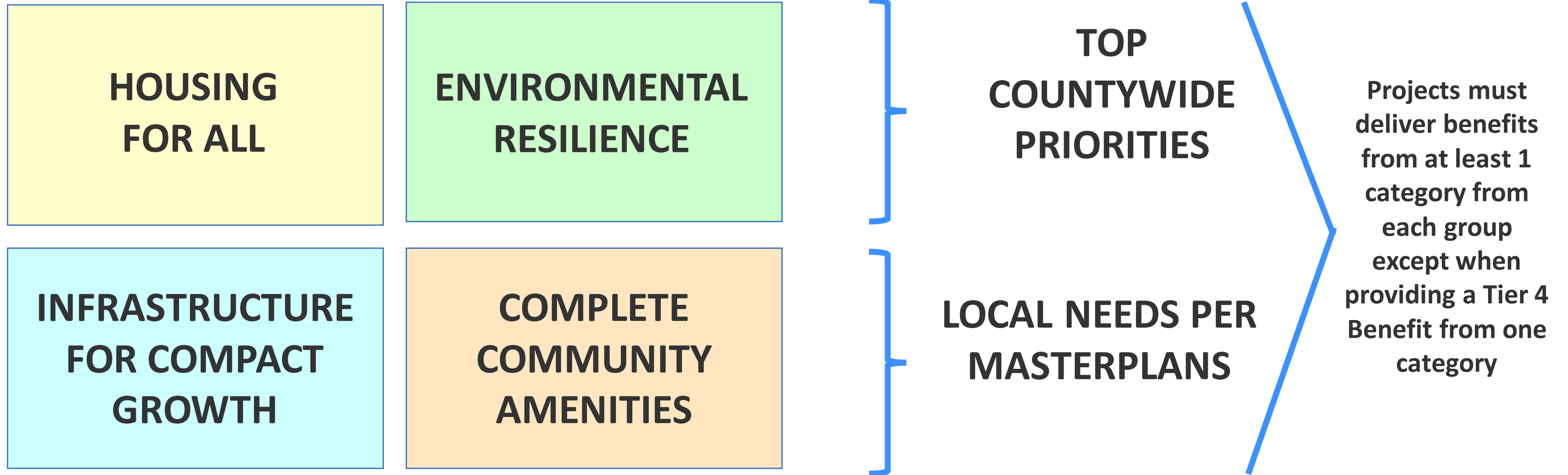
Great Public Realm

Design Excellence

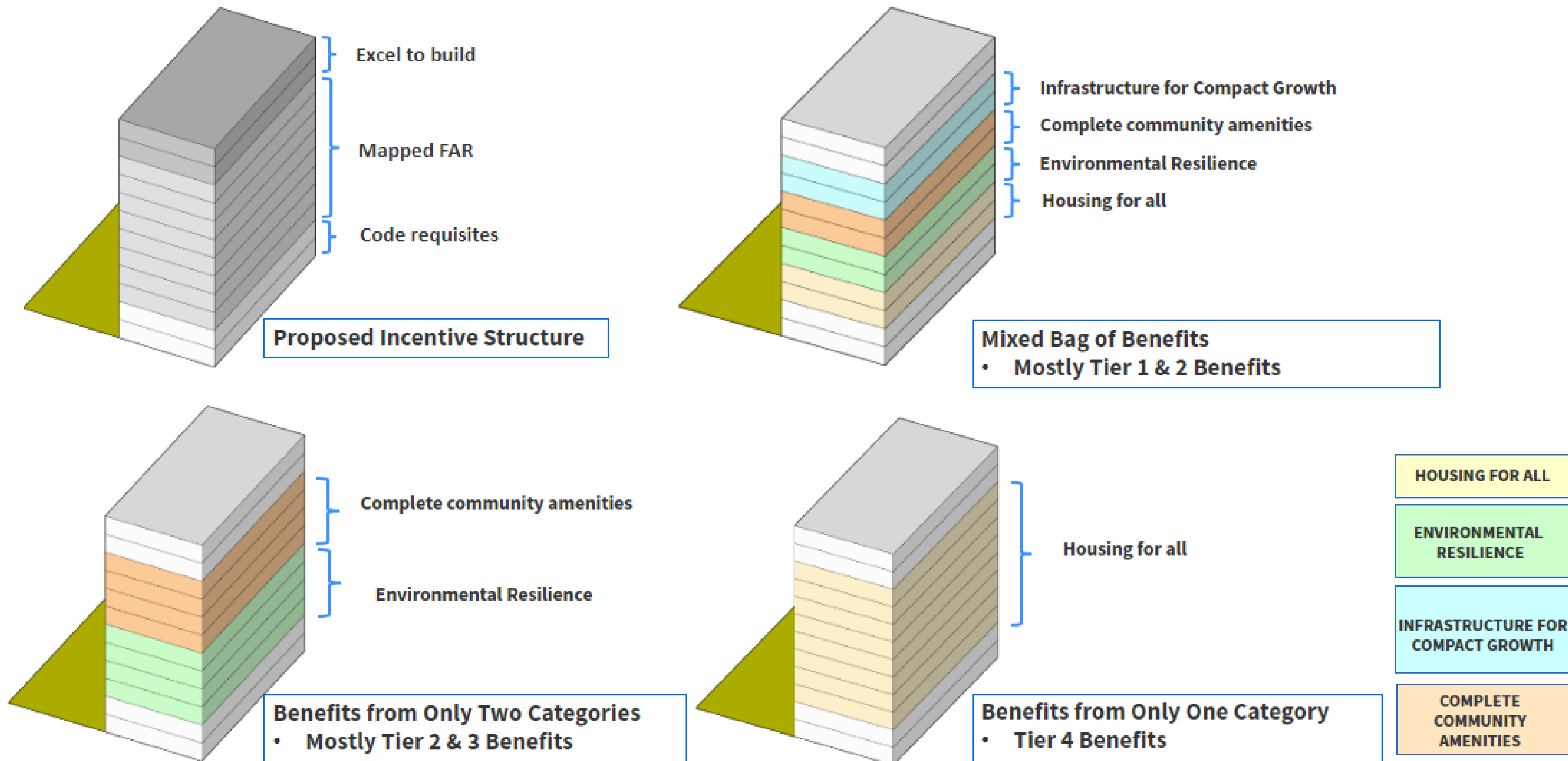
TIERED BENEFITS FOR FLEXIBILITY

TIER	RENEWABLE ENERGY
TIER1 0.25 FAR	Utilize or generate 1/3 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER2 1.0 FAR	Utilize or generate 2/3 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER3 1.5 FAR	Utilize or generate 3/4 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER4 2.0 FAR or up to mapped FAR	Generate 100% renewable energy onsite.

Optional Method Projects



PUBLIC BENEFITS FOR INCENTIVE DENSITY



Financial Impacts of Approach

- Estimated costs of providing public benefits
 - Developed cost of public benefits under existing menu (old method)
 - Developed cost estimates across each tier of benefit (revised method)
- Evaluated feasibility impacts of new approach on prototypical projects under multiple scenarios
 - Prototypes were representative of development across the County
 - Scenarios contemplated multiple options to achieve incentive density

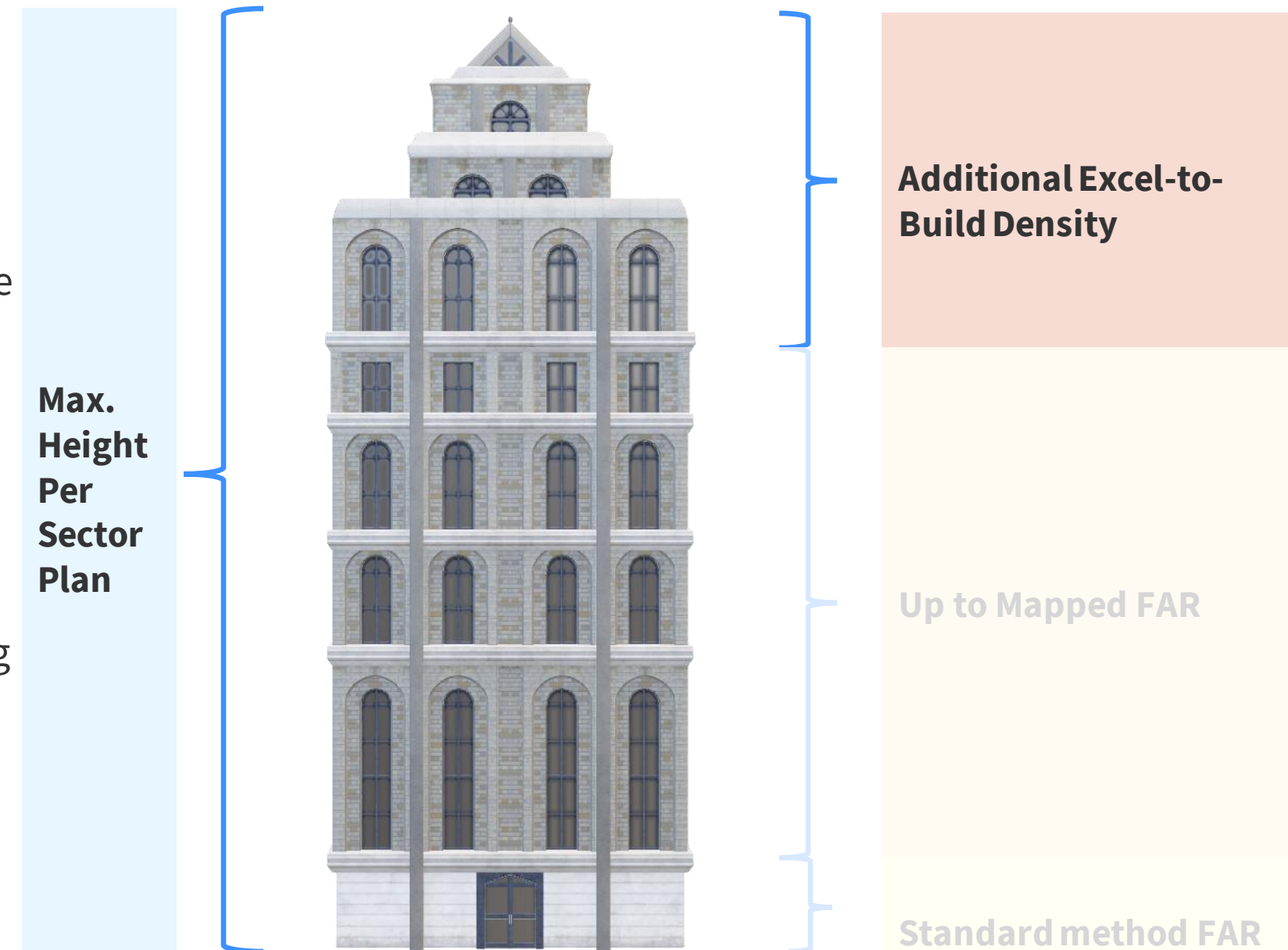
Payment in Lieu Options

- It is preferred that public benefits are constructed by developers.
- Payment in lieu is most suitable in areas where:
 - A suitable fund or other vehicle exists to utilize payments
 - Public benefit is located off-site
 - The sector plan contemplates the creation of larger-scale facilities or amenities and creates a mechanism to receive payments in lieu
 - Payments should be adjusted annually based on Engineering News Record's Baltimore Construction Cost Index
 - Payments should be based on the cost of a specific benefit and calculated based on the project size
- Creates scale – larger projects would be required to make larger contributions
- Payments may be pooled to create larger amenities

Excel to Build

DRAFT

- When to consider Excel-to-build density:
 - Consideration is warranted when a project has maxed out allowable Floor-Area Ratio (FAR) under incentive density program.
 - Developers must still provide full complement of public benefits to max out zoned FAR.
 - Benefits provided under Excel-to-build should be additional to those under incentive density program.
- Expectations of the developer:
 - Submit formal request with comprehensive Development Plan specifying additional density.
 - Clearly articulate proposed public benefit not covered in incentive program, aligning with master plan priorities.
 - Estimate cost of proposed benefit for transparency.
- Excel-to-build Evaluation Criteria:
 - Assess overall suitability of development program.
 - Consider relative value of proposed public benefit.
 - Evaluate whether benefit is unique and adds value beyond alternatives.



Existing vs. Proposed

Existing Benefits

- Major Public Facilities
- Transit Proximity
- Advanced Dedication
- Minimum Parking
- Neighborhood Services
- Public Parking
- Through-Block Connections
- Transit Access Improvement
- Streetscape
- Trip Mitigation
- Way Finding
- Adaptive Buildings
- Care Centers
- Dwelling Unit Mix
- Enhanced Accessibility for the Disabled
- Live/Work Units
- Affordable Housing
- Small Business Opportunities
- Architectural Elevations
- Exceptional Design
- Historic Resource Protection
- Public Open Space
- Public Art
- Structured Parking
- Tower Step-Back
- Building Lot Termination
- Cool Roof
- Energy Conservation and Generation
- Habitat Preservation and Restoration
- Recycling Facility Plan
- Transferable Development Rights
- Tree Canopy
- Vegetated Area
- Vegetated Roof
- Vegetated Wall
- Retained Buildings

Proposed Benefits **DRAFT**

HOUSING FOR ALL

MPDUs

Family sized units

Deeper levels of affordability

INFRASTRUCTURE FOR COMPACT GROWTH

Offsite Improvements

Public Facility

Grid and Trail Extensions

ENVIRONMENTAL RESILIENCE

Energy

Green Buildings

Sustainable Sites

COMPLETE COMMUNITY AMENITIES

Art and Placemaking

Neighborhood Services & Mixed Use

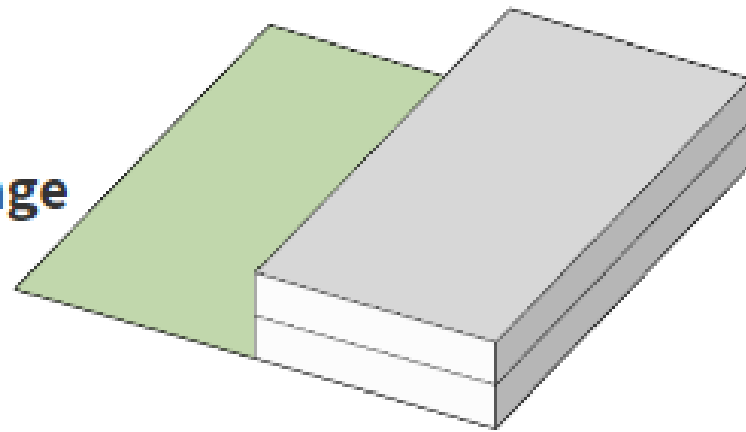
Great Public Realm

Design Excellence

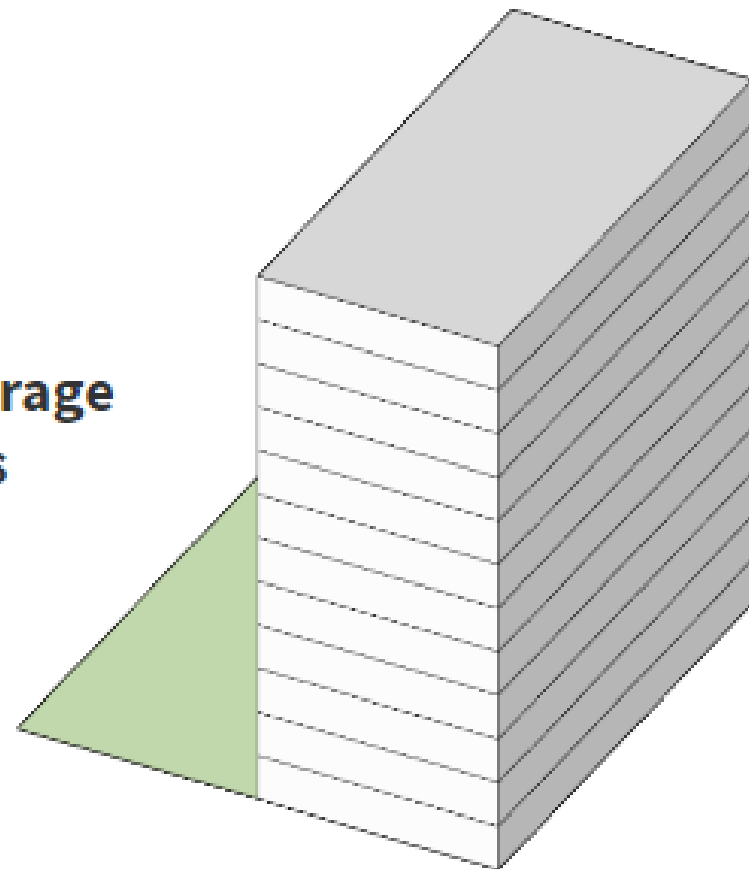
Existing system

- Points Based Evaluation

FAR 1.0
50% Coverage
2-Stories



FAR 6.0
50% Coverage
12-Stories

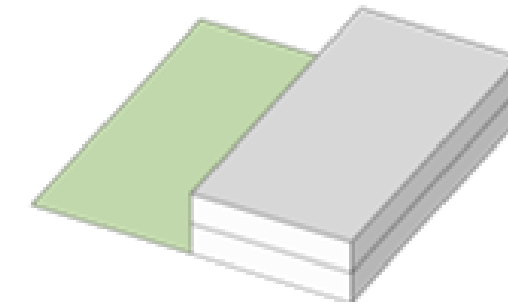


Points based evaluation :100pts

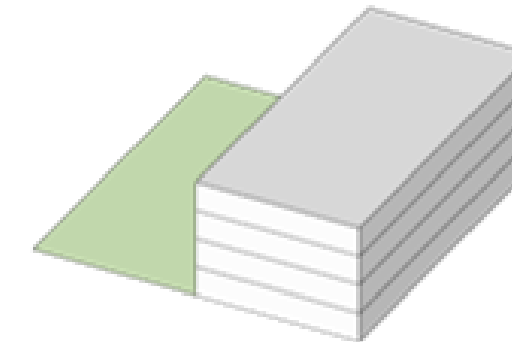
Proposed system

- FAR Based Evaluation

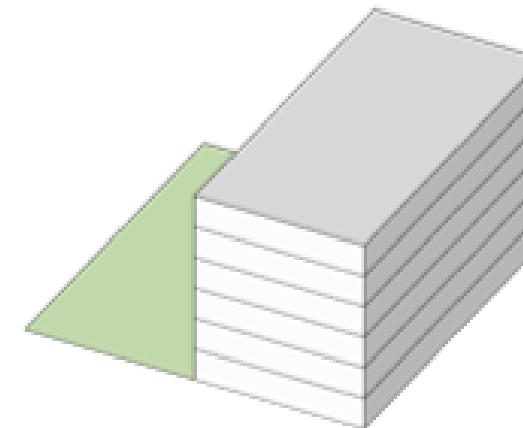
FAR 1.0



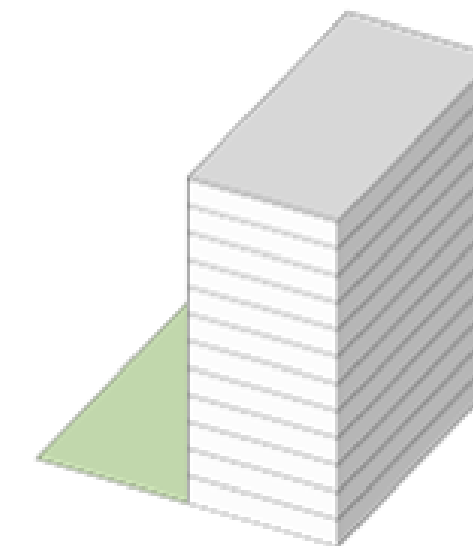
FAR 2.0



FAR 3.0



FAR 6.0



FAR based evaluation: scales with intensity

BLTs & TDRs Existing Criteria

- TDRs and BLTs are both public benefits.
- BLTs are required to be purchased for Optional Method Development in the CR and LSC Zones.
- BLT payment directly to Agricultural Land Preservation Fund (ALPF).
- TDRs negotiated between developer and farmland owners.

BLTs & TDRs Proposed Criteria

- Remove BLTs and TDRs from the public benefit menu and make a code requisite for CR Optional Method of Development in CR and LSC Overlay Zone.
- Expand requirement from purchase of BLTs to include TDRs.
- Maintain BLT payment directly to ALPF
- Expand ALPF's ability to accept payments for purchase of TDRs
- Allowing CR and LSC Zones to become receiving areas for TDRs

Recommendations Tailored by Zone

EOF

LSC

CR & CRT

EOF – EMPLOYMENT OFFICE

DRAFT

- Typically, Class B/C Office, Light Industrial or Small Business
- Building Heights: 35'-150'



MoCo HIGHWAY SERVICES FACILITIES



VERIZON FAIRLAND DATA CENTER



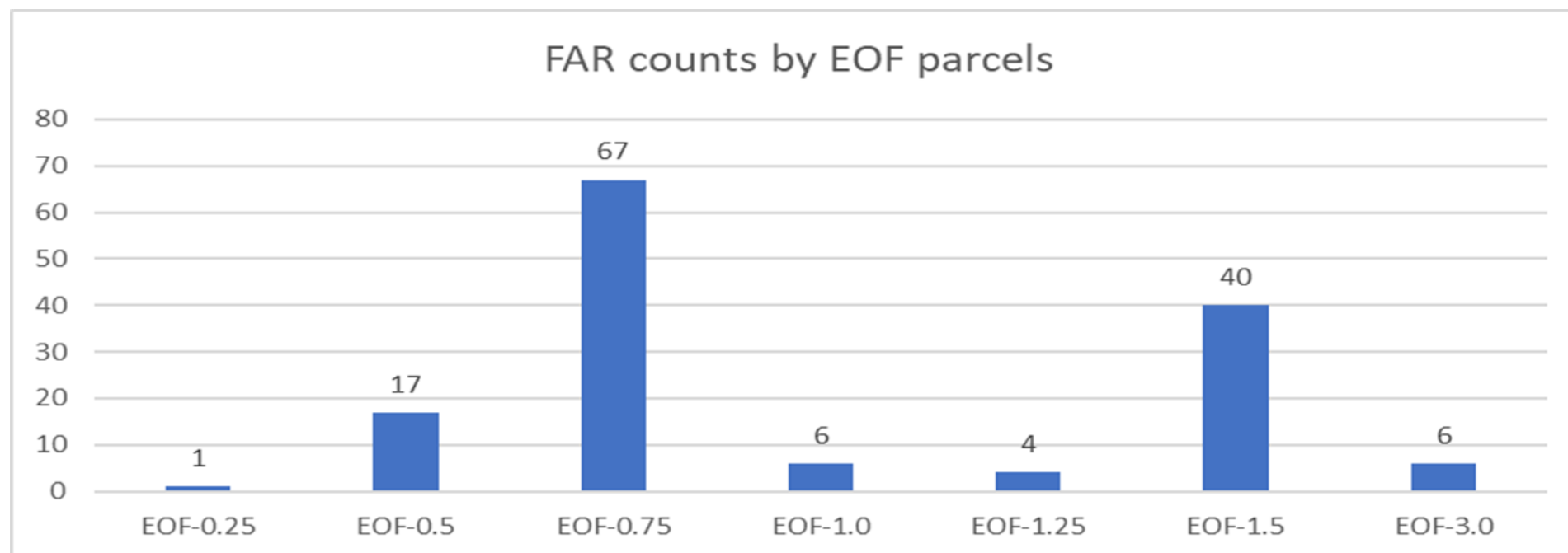
DISCOVERLY CAMPUS



MEDICAL OFFICES – ROCKVILLE PIKE

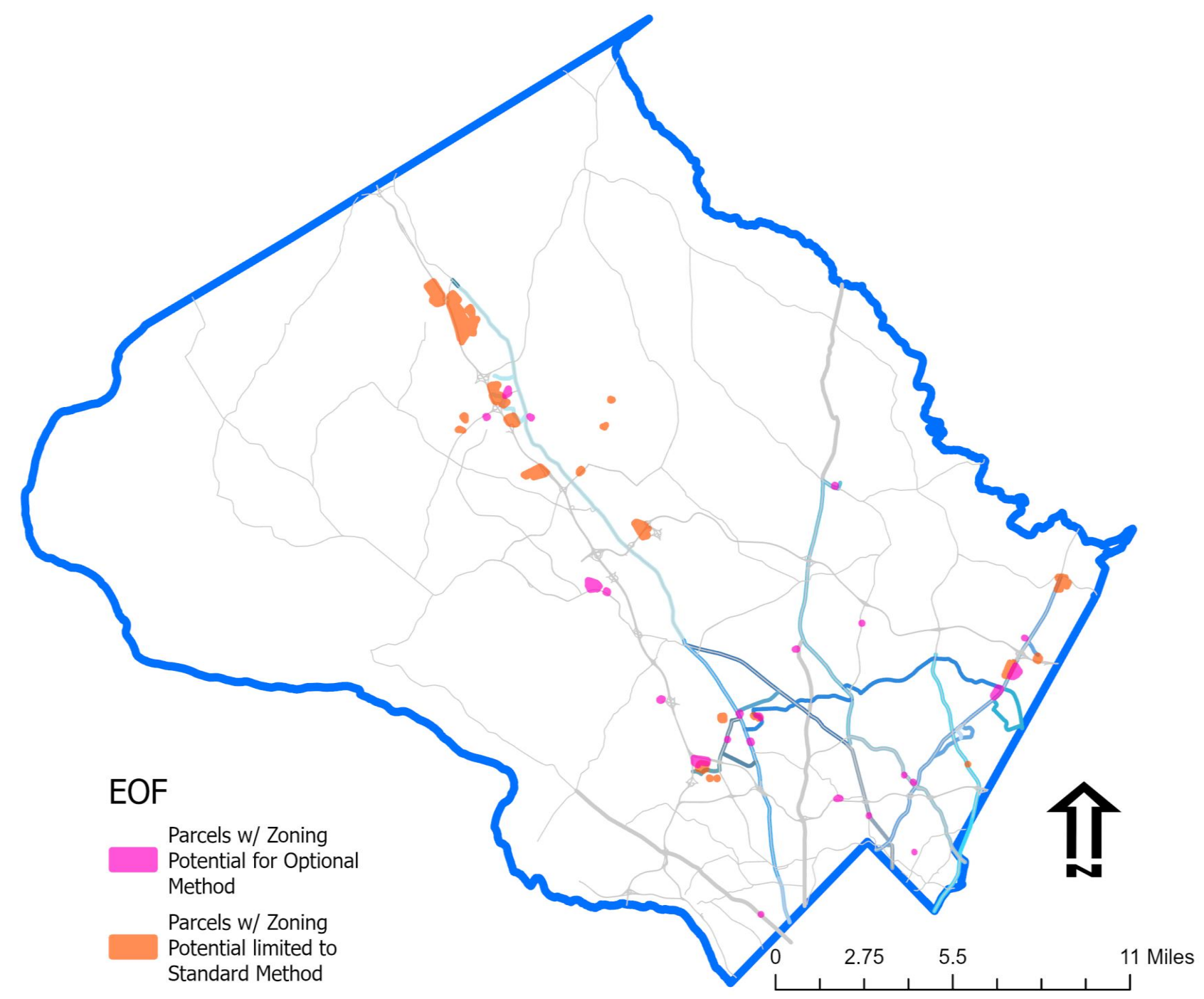
EOF Data

FAR range: 0.25-3.0 Standard method: ≤ 1.0 FAR	997 acres / 0.31 % of total county land area
Optional method projects approved 1	Typical Parcel Size ≤ 1 acre



Existing zoning across 141 parcels in land area.

82% ≤ 1 FAR vs. 18% > 1 FAR



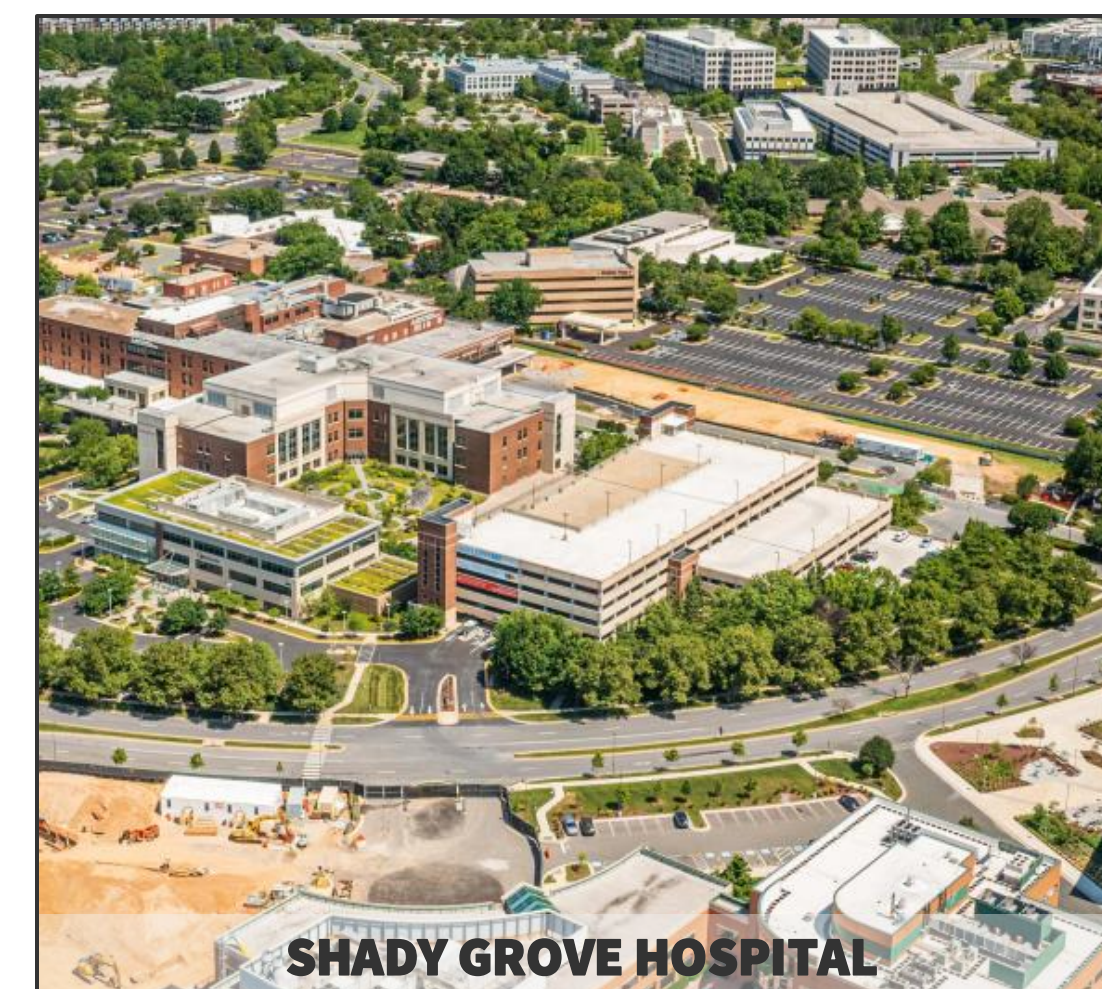
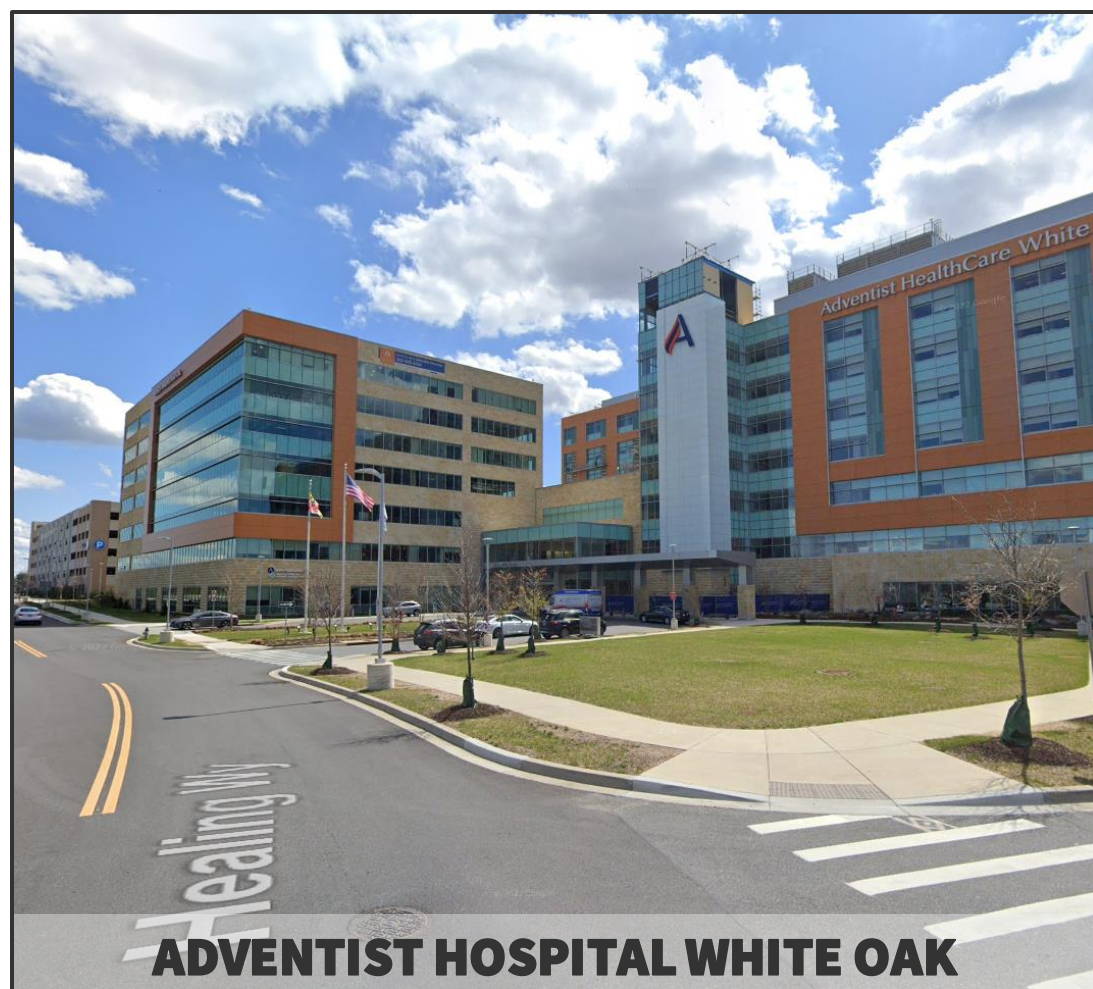
EOF Zone

Recommendations

- Remove EOF from the list of zones that require public benefits.
- Allow properties to develop by-right under standard method up to the mapped FAR.
- Require site plan above 0.5 FAR so Code Requisites are still met.

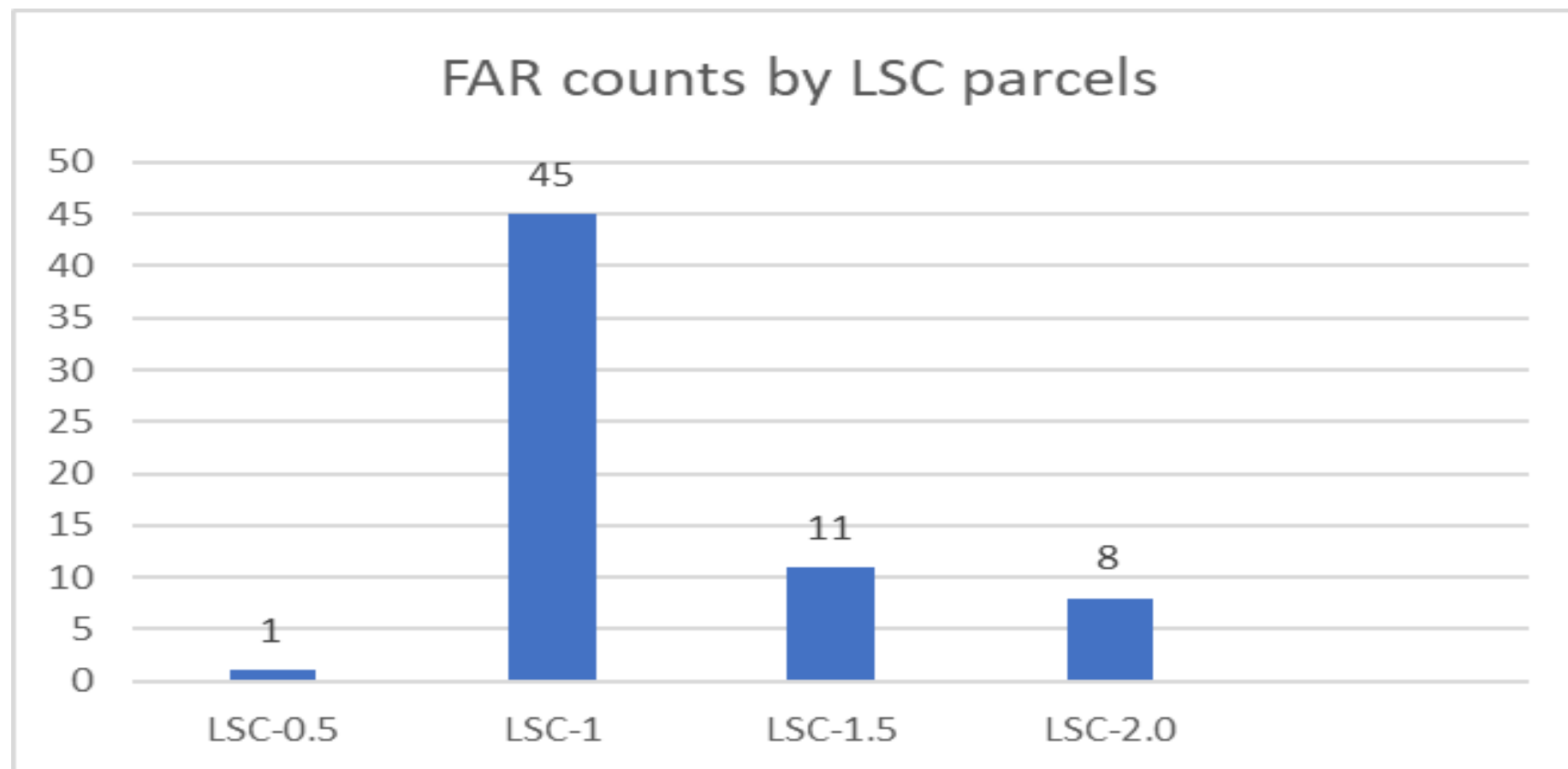
LSC – LIFE SCIENCES CENTER

- Primarily Life Science, Hospital, Medical Offices & Academic Uses
- Building Heights Range: 65’-200’



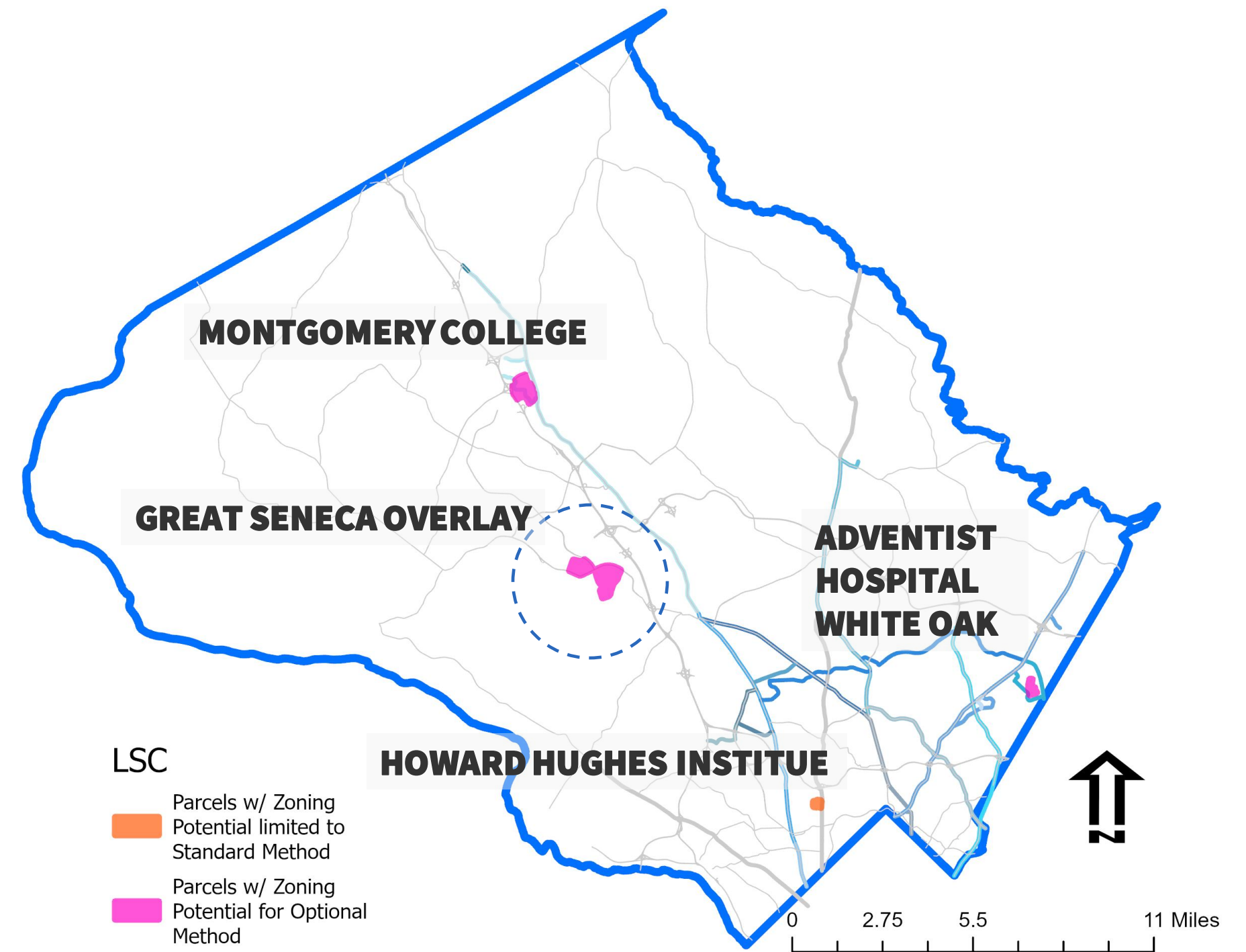
LSC Data

FAR range: 0.5-2.0 Standard method: ≤ 0.5 FAR	732 acres / 0.23 % of total county land area
Optional method projects approved 0	Typical Parcel Size 3-4 acres



Existing zoning across 65 parcels in land area.

5% ≤ 0.5 FAR vs. 95% > 0.5 FAR



Life Science Overlay Zone

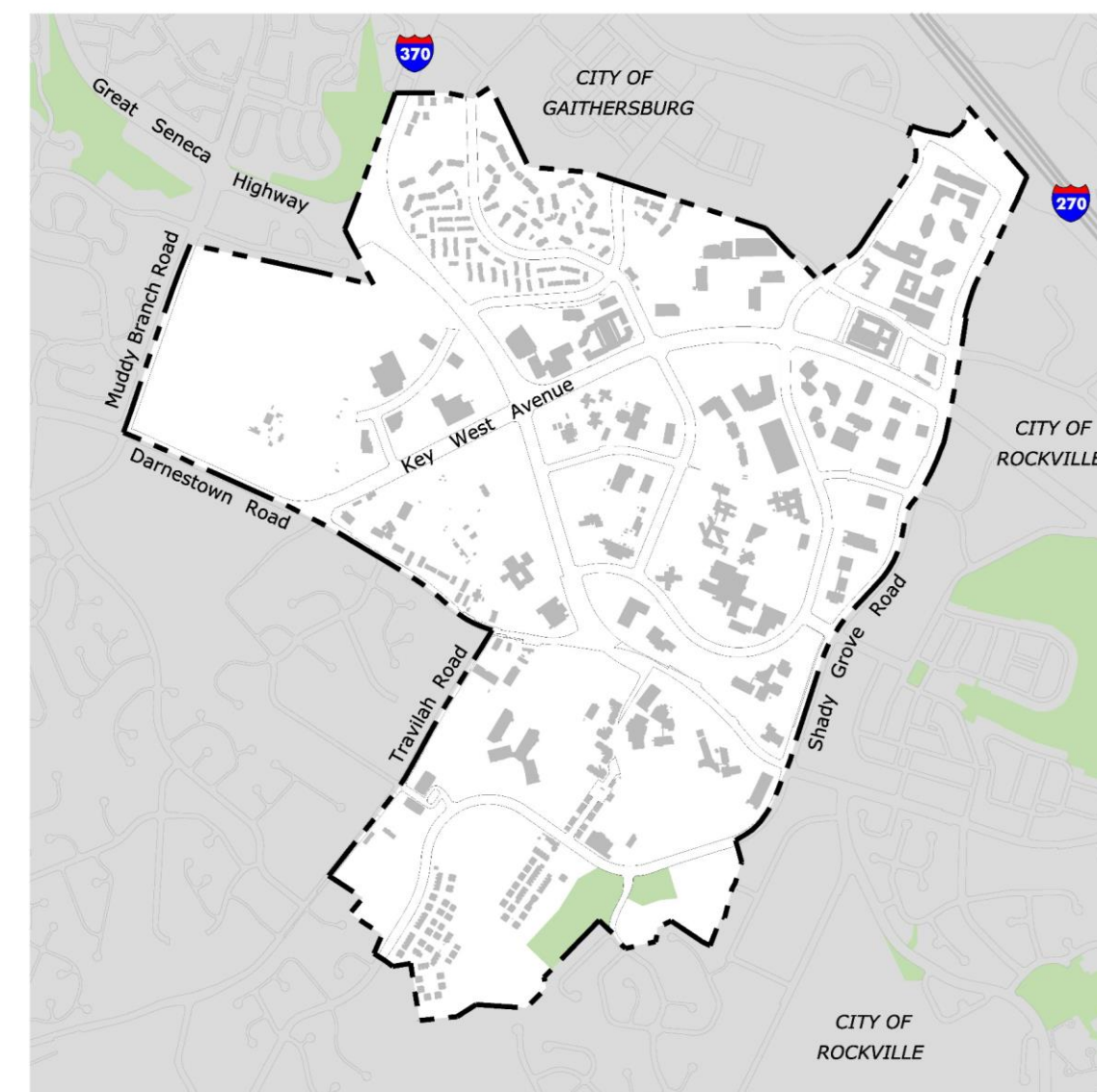
HOUSING FOR ALL

**ENVIRONMENTAL
RESILIENCE**

**INFRASTRUCTURE FOR
COMPACT GROWTH**

**COMPLETE
COMMUNITY
AMENITIES**

- Attract and retain life sciences development, incentivize production of housing, achieve a complete community characterized by an inviting, people-oriented scale of development, and implement the Plan recommendations.



LSC Zone

Recommendations

- Regulate public benefits through the Great Seneca Overlay Zone.
- Exempt remaining properties from providing public benefits under the Optional Method of Development.
- Require site plan for all projects above 0.5 FAR so Code Requisites are met.

CR - Commercial/Residential

- Range of residential and commercial buildings including townhomes, apartments, and commercial offices.
- Building Height Range: 35'-360'



ARROWOOD - WHITE FLINT



CENTURY - GERMANTOWN



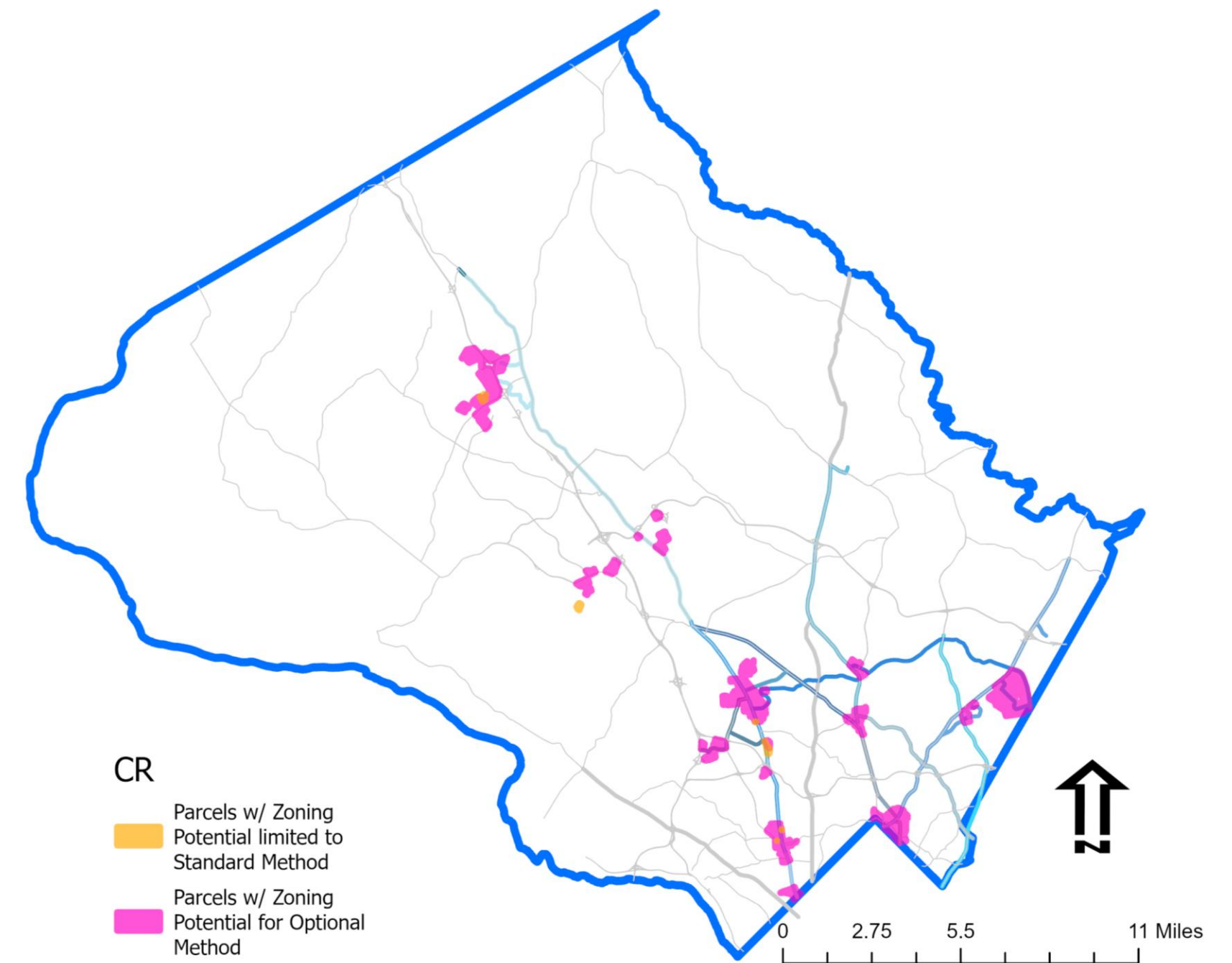
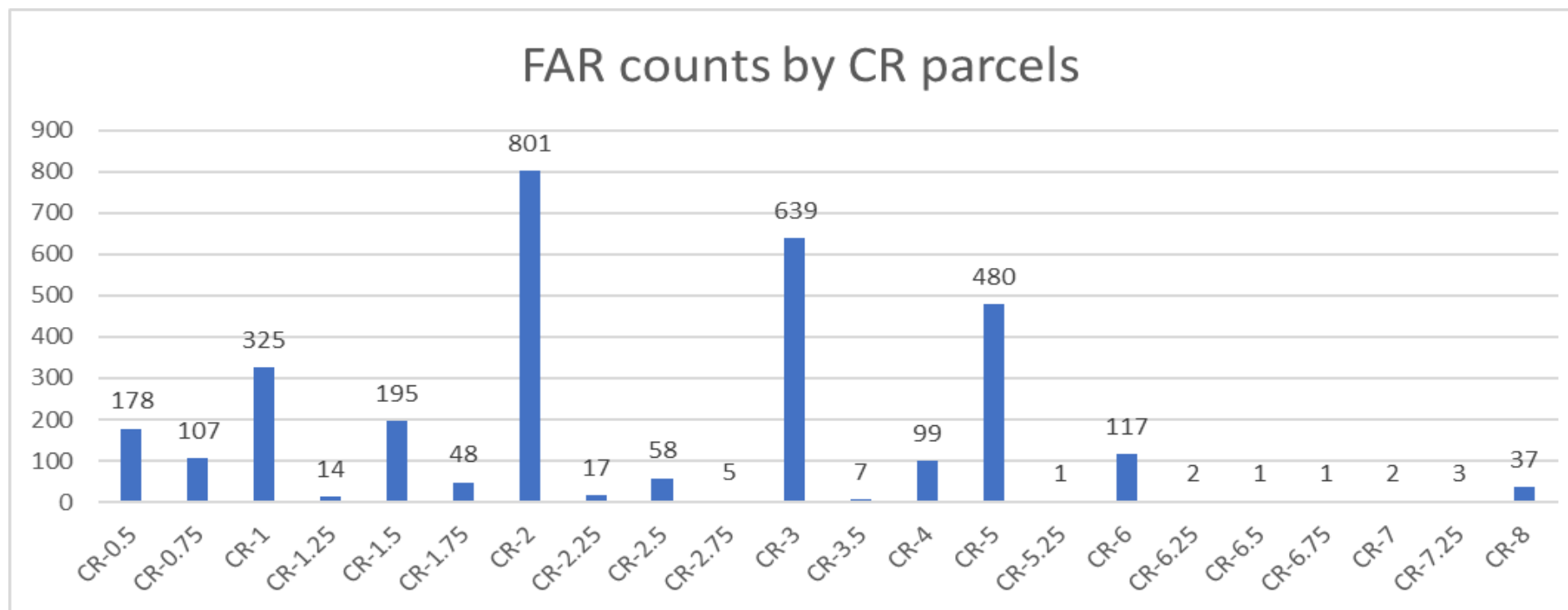
MARRIOTT HEADQUARTERS

CR Zone Data

Existing zoning across 3,137 parcels in land area.

1.6 % ≤ 0.5 FAR vs. 98.4% > 0.5 FAR

<p>FAR range: 0.5-8.0 Standard method: ≤ 0.5 FAR</p>	<p>2,858 acres / 0.95 % of total county land area</p>
<p>Optional method projects approved 53</p>	<p>Typical Parcel Size < 1 acre</p>



CRT - Commercial/Residential/Town

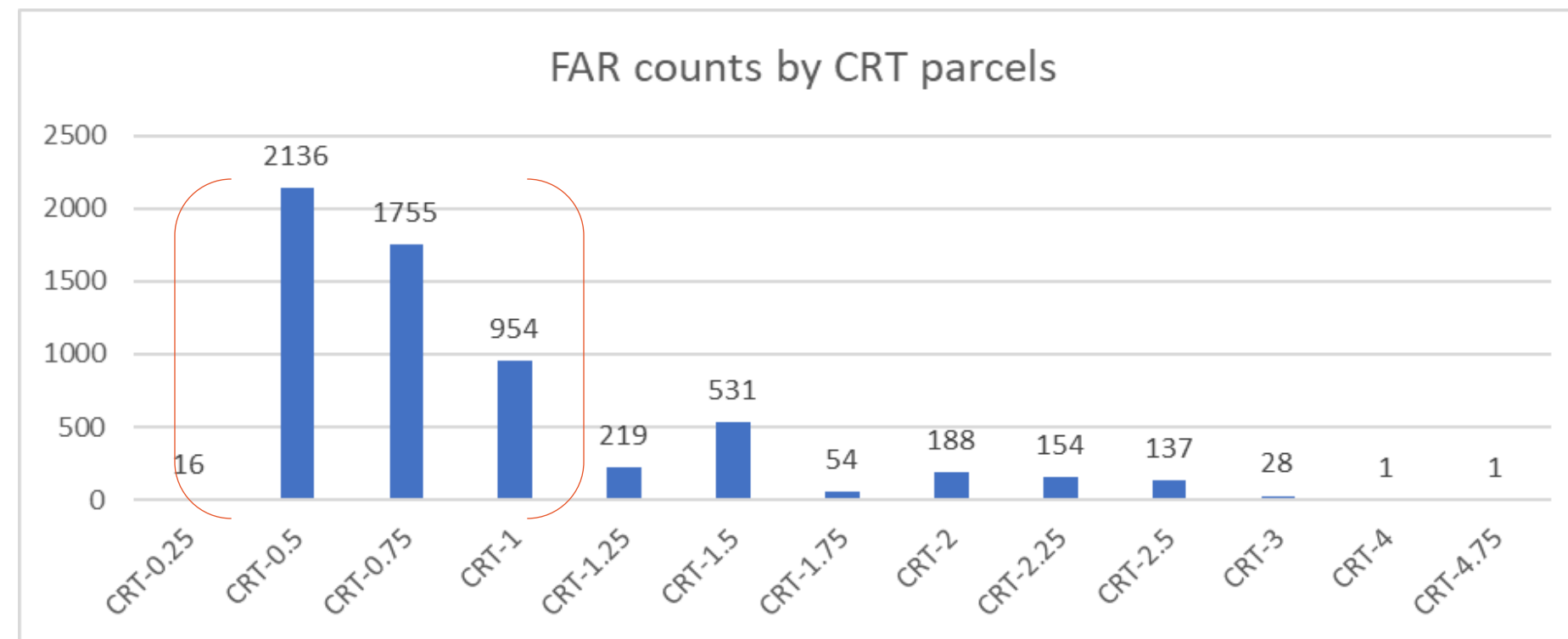
DRAFT

- Range of residential and mixed-use buildings including townhouses, two-over-twos, apartments and some commercial.
- Building Height Range: 35-165
- Current Optional Method Threshold is greater than 1.0 FAR



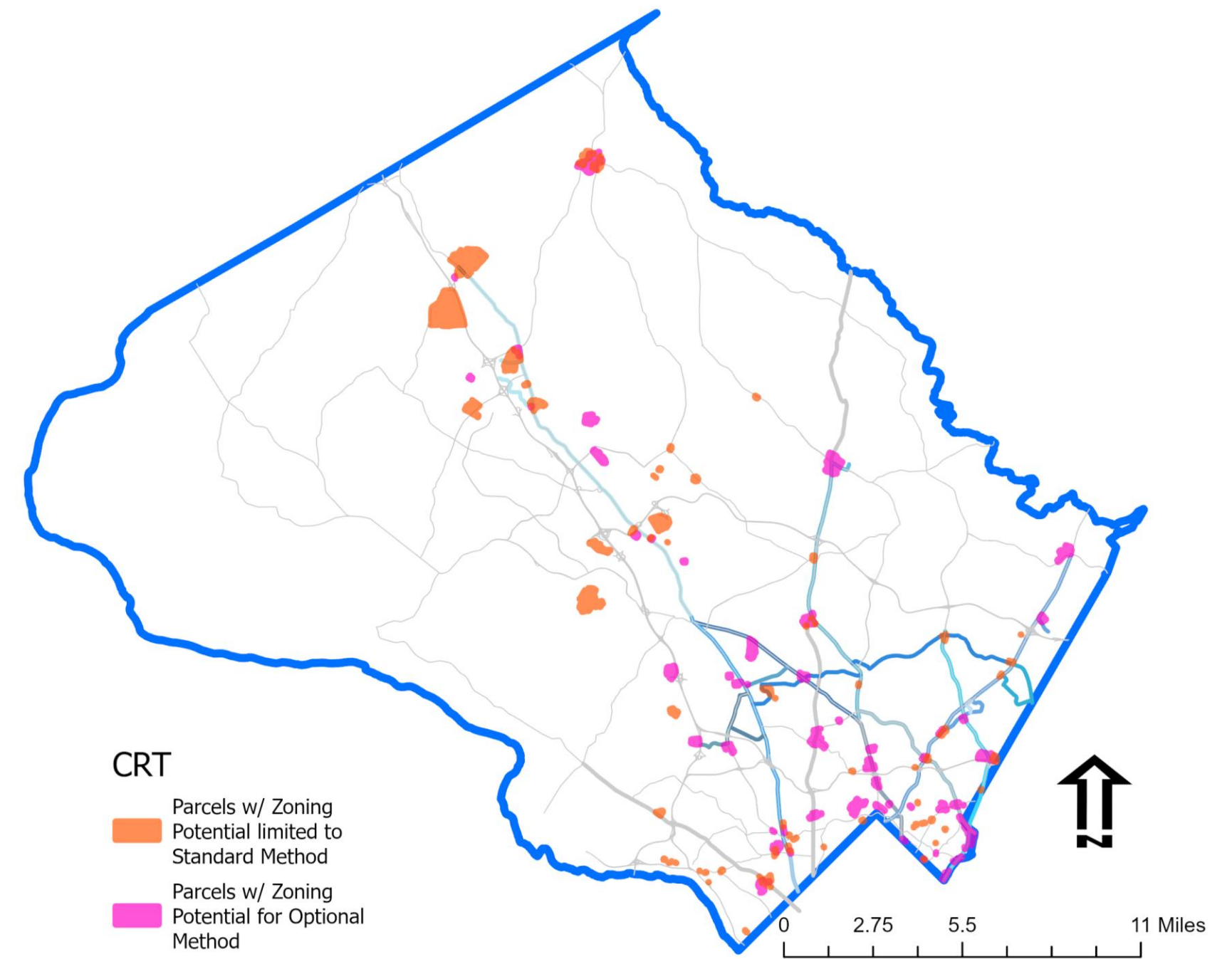
CRT Zone Data

<p>FAR RANGE: 0.25-4.75 STANDARD METHOD: ≤ 1 FAR</p>	<p>2,602 acres / 0.82 % of total county land area</p>
<p>Optional method projects approved 13</p>	<p>Typical Parcel Size < 1 acre</p>



Existing zoning across 6,174 parcels in land area.

58% ≤ 1 FAR vs. 42% > 1 FAR

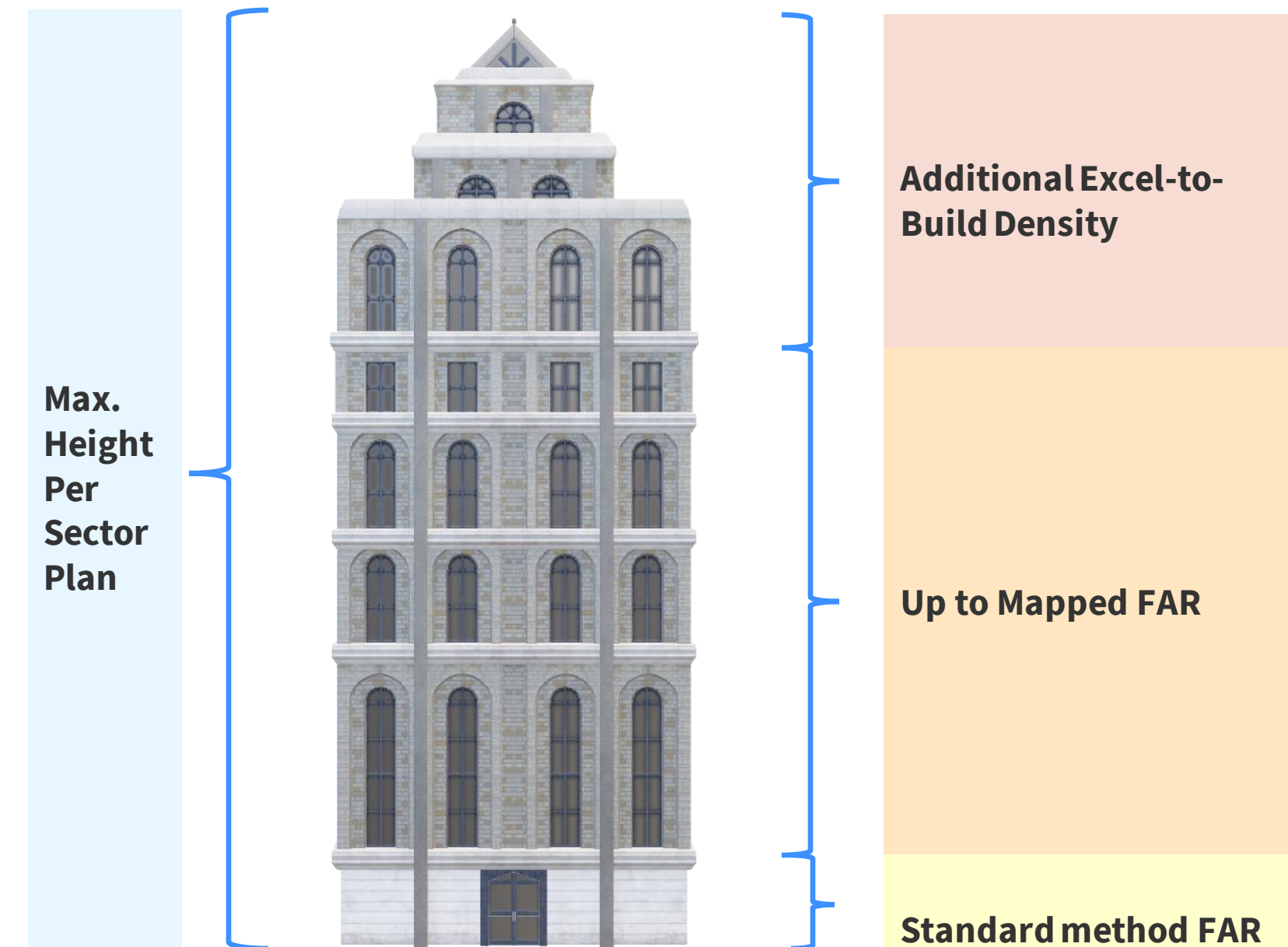


CR & CRT Zone

DRAFT

Recommendations

- Establish a standardized Optional Method threshold set at greater than 0.5 FAR for both CR and CRT zones.
- Introduce a tiered density framework including standard method FAR, incentive density up to the mapped FAR per parcel, and additional Excel-To-Build density, established per sector plans.
- Authorize Incentive Density in FAR increments in exchange for scalable public benefits.
- Grant masterplans the flexibility to modify the menu of public benefits.



CR & CRT Zone Public Benefits Categories **DRAFT**

**HOUSING
FOR ALL**

**ENVIRONMENTAL
RESILIENCE**

**INFRASTRUCTURE
FOR COMPACT
GROWTH**

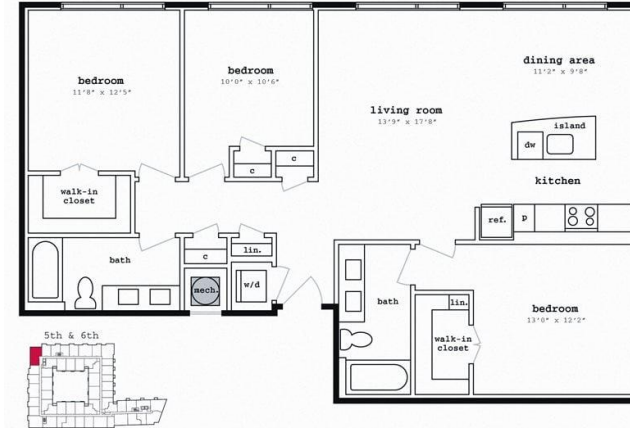
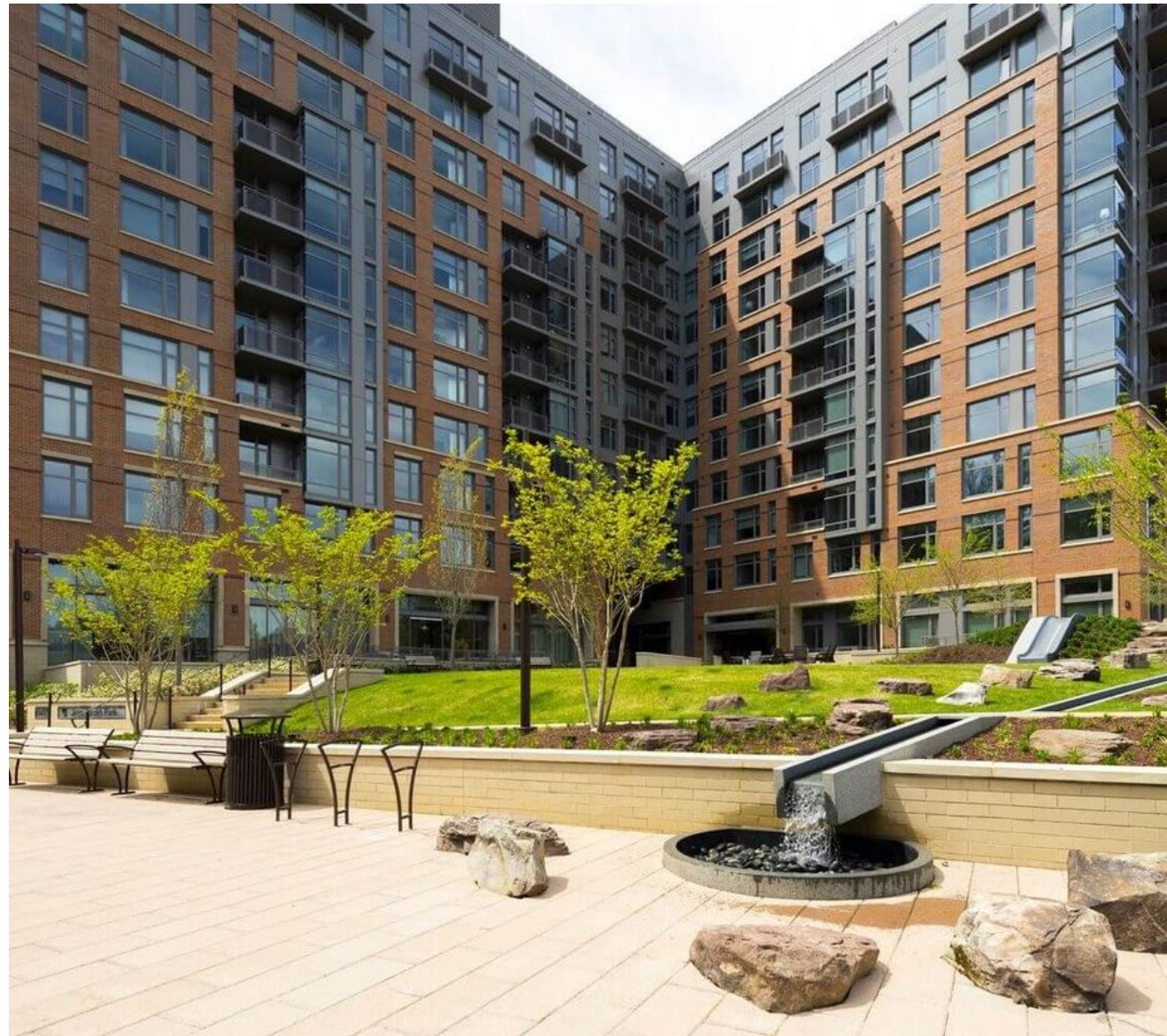
**COMPLETE
COMMUNITY
AMENITIES**

HOUSING FOR ALL

DRAFT

Public Benefit Categories

- Greater percentages of MPDUs than code/sector plan requirements
- Family sized market rate & affordable units for rent & sale
- Deeper levels of affordability as average AMI



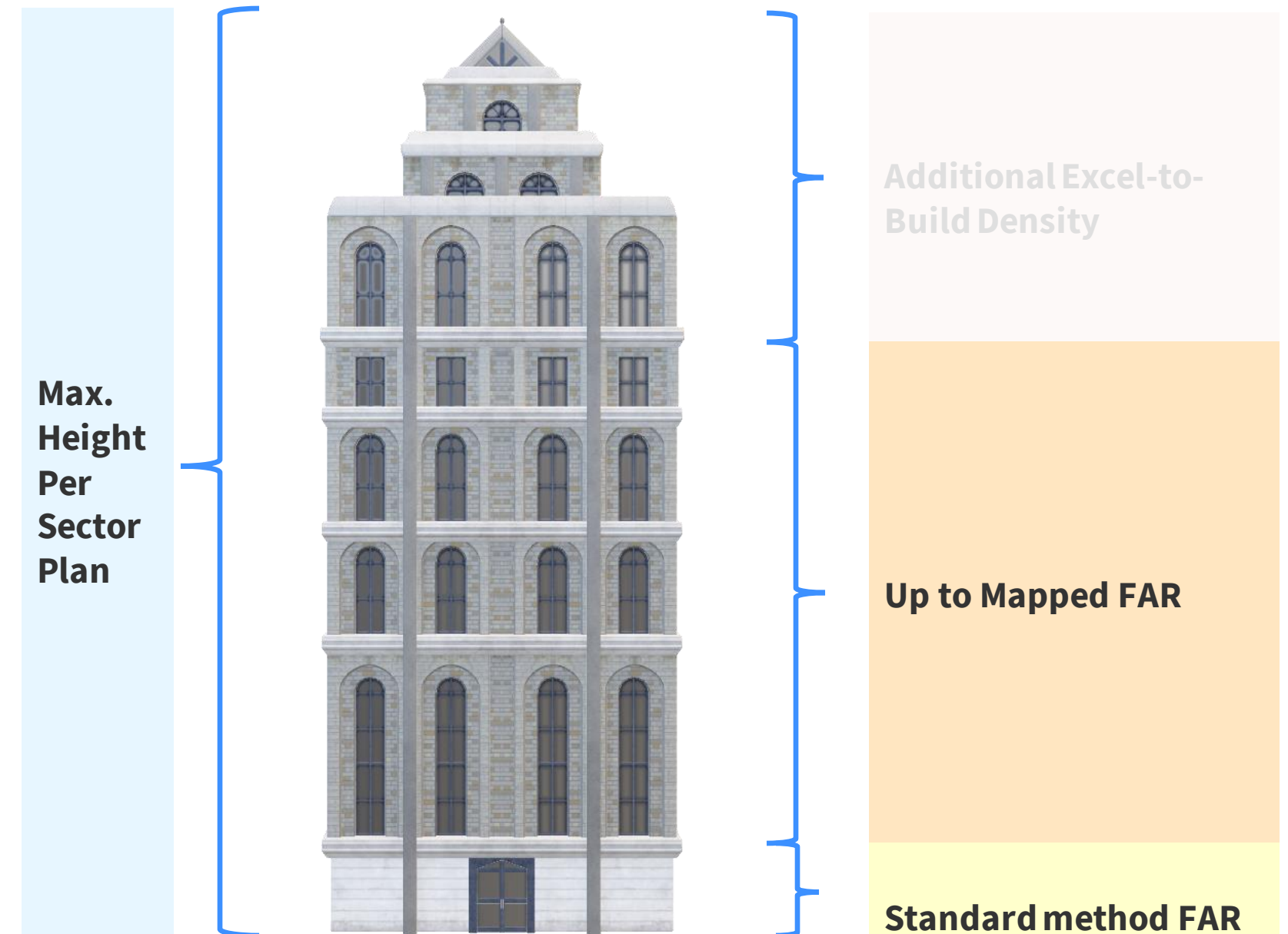
HOUSING FOR ALL

DRAFT

MPDU %	Total "Earned" FAR
Min. Requirement per MPDU Law or Sector Plan	-
Min. Req. +2.5%	1.25
Min. Req. +5.0%	1.5
Min. Req. +7.5%	1.75
Min. Req. +10%	2.0
25% MPDUs at avg. 60% AMI	Up To Mapped FAR

NOTES:

- “Earned” FAR does not include the MPDU density bonus.
- Qualifying projects providing 20% MPDUs receive a 30% additional density bonus per House Bill 538.
- Projects providing 25% MPDUs receive impact tax reductions.
- Projects providing 25% MPDUs at various levels of affordability averaging at 60% of AMI receive impact tax reductions and do not need to provide any additional public benefits.



HOUSING FOR ALL

TIERS	Additional Housing Related Public Benefits
TIER 1 (.25 FAR)	<ul style="list-style-type: none">• In multifamily apartment buildings, provide a minimum of 5% of all units (Market Rate + MPDUs) with 3 bedrooms or greater. Provide a proportional number of units with 3 bedrooms or greater as MPDUs, <i>or</i>• In single family, townhomes and two-over-twos, provide a minimum of 5% of all MPDUs with 4 bedrooms or greater.
TIER 2 (1.0 FAR)	<ul style="list-style-type: none">• In multifamily apartment buildings, provide a minimum of 10% of all units (Market + MPDUs) with 3 bedrooms or greater. Provide a proportional amount of units with 3 bedrooms or greater as MPDUs, <i>or</i>• In single family, townhomes and two-over-two's, provide a minimum of 10% of all MPDUs with 4 bedrooms or greater. <i>or</i>• Enter into an agreement with DHCA to provide at least 15% of the dedicated MPDUs at various levels of affordability averaging at 60%.
TIER 3 (1.5 FAR)	<ul style="list-style-type: none">• Enter into an agreement with DHCA to provide at least 20% of all units as MPDUs at various levels of affordability averaging at 60% of AMI.
TIER 4 (2.0 FAR or Up To Mapped FAR)	<ul style="list-style-type: none">• Provide a minimum of 25% of all units as MPDUs at various levels of affordability averaging at 60% of AMI.

ENVIRONMENTAL RESILIENCE: CR & CRT **DRAFT**

Public Benefit Categories

ENERGY	GREEN BUILDING	SUSTAINABLE SITES
<ul style="list-style-type: none">• Exceed energy efficient standards• Use renewables and/or generate onsite energy to work towards net zero target	<ul style="list-style-type: none">• Meet/Exceed Alternative Compliance Path through LEED Certification	<ul style="list-style-type: none">• Green site design principles such as: biophilic design, enhanced green roof, bird friendly design, pervious pavement of the surfaces, and adaptively reuse.



ENVIRONMENTAL RESILIENCE

ENERGY: Performance Thresholds & “Earned” FAR increments

TIER	ENERGY EFFICIENCY	RENEWABLE ENERGY
TIER 1 0.25 FAR	Exceed current energy efficient standards by 10%	Utilize or generate 1/3 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER 2 1.0 FAR	Exceed current energy efficiency standards by 17.5%	Utilize or generate 2/3 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER 3 1.5 FAR	Exceed current energy efficiency standards above 25%	Utilize or generate 3/4 of renewable energy onsite or within regional catchment area. (PJM or Maryland SREC market)
TIER 4 2.0 FAR or up to mapped FAR	Achieve a net zero energy performance	Generate 100% renewable energy onsite.

Note: Thresholds to be reviewed with code cycle updates.

ENVIRONMENTAL RESILIENCE

DRAFT

Green Buildings: Performance Thresholds & “Earned” FAR increments

TIER	GREEN BUILDING
TIER 1 0.25 FAR	Meet Alternative Compliance Path for Green Code and achieve LEED Silver + 21 points.
TIER 2 1.0 FAR	Meet Alternative Compliance Path for Green Code and achieve LEED Gold
TIER 3 1.5 FAR	Meet Alternative Compliance Path for Green Code and achieve LEED Gold and one of the following: full electrification or mass timber construction
TIER 4 2.0 FAR or up to mapped FAR	Meet Alternative Compliance Path for Green Code and achieve LEED Platinum

ENVIRONMENTAL RESILIENCE

DRAFT

Sustainable Sites: Performance Thresholds & “Earned” FAR increments

TIER	SUSTAINABLE SITES
TIER 1 0.25 FAR	Design a site that includes one of the following sustainable elements: <ul style="list-style-type: none">- 2 principles of Biophilic design- Enhanced green roof with a minimum coverage of 10% of the roof (up to 6 inches in depth)- 2 categories of bird friendly design- Pervious pavement for 10% of the surfaces- OR Adaptively reuse at least 10,000 SF of floor area of an existing building onsite or within the plan area.
TIER 2 1.0 FAR	Design a site that includes two of the following sustainable elements: <ul style="list-style-type: none">- 4 principles of Biophilic design- Enhanced green roof with a minimum coverage of 15% of the roof (7-10 inches in depth)- 3 categories of bird friendly design- Pervious pavement for 25% of the surfaces- OR Adaptively reuse at least 50,000 SF of floor area of an existing building onsite or within the plan area.
TIER 3 1.5 FAR	Design a site that includes three of the following sustainable elements: <ul style="list-style-type: none">- 6 principles of Biophilic design- Enhanced green roof with a minimum coverage of 25% of the roof (11-15 inches in depth)- 4 categories of bird friendly design- Pervious pavement for 40% of the surfaces- OR Adaptively reuse at least 75,000 SF of floor area of an existing building onsite or within the plan area
TIER 4 2.0 FAR or up to mapped FAR	Design a site that includes all of the following sustainable elements: <ul style="list-style-type: none">- 6 principles of Biophilic design- enhanced green roof with a minimum coverage of 35% of the roof (16 inches and above in depth)- 5 categories of bird friendly design- Pervious pavement for 50% of the surfaces- OR Adaptively reuse at least 100,000 SF of floor area of an existing building onsite or within the plan area.

INFRASTRUCTURE FOR COMPACT GROWTH

DRAFT

Public Benefit Categories

Offsite Improvements

- Provide offsite streetscape improvements along a public street.
- Construct offsite bicycle improvements.
- Upgrade offsite stormwater facilities.
- Daylight a piped stream as recommended in a Sector Plan.

Public Facility

- Dedicate land and/or financially contribute to a major public facility per the Sector Plan or a Functional Plan.
- Underground utilities along site frontage of Subject Property and/or offsite.

Grid and trail extensions

- Reduce curb cuts or construct a portion of trail or contribute to an existing CIP to MCDOT.
- Dedicate right-of-way for new public street that provides through block connectivity with preferred intersection spacing per the Complete Streets Design Guide.
- Provide a major connection over an environmentally sensitive area or major arterial highway that will highly contribute to the network.



INFRASTRUCTURE FOR COMPACT GROWTH

DRAFT

TIERS	Offsite Improvements
TIER 1 0.25 FAR	Provide offsite streetscape improvements at least 2,000 square feet <i>or</i> Contribute a minimum of \$0.33 per developable square foot to a CIP project within the plan area
TIER 2 1.0 FAR	Provide offsite streetscape improvements for at least 4,000 square feet <i>or</i> Construct offsite bicycle infrastructure improvements for at least 1,000 linear feet <i>or</i> Provide offsite stormwater management upgrades with an estimated cost of at least \$300,000 <i>or</i> Contribute a minimum of \$1.00 per developable square foot
TIER 3 1.5 FAR	Provide offsite streetscape improvements for at least 5,000 square feet <i>or</i> Construct offsite bicycle infrastructure improvements for at least 1,800 linear feet <i>or</i> Provide offsite stormwater management upgrades with an estimated cost of at least \$500,000 <i>or</i> Contribute a minimum of \$2.00 per developable square foot
TIER 4 2.0 FAR	Provide a major stormwater infrastructure facility upgrade like daylighting a piped stream as recommended in a Sector Plan as applicable.

INFRASTRUCTURE FOR COMPACT GROWTH

DRAFT

TIERS	Public Facility
TIER 1 0.25 FAR	Dedicate land and/or construct a public facility like a bus stop/BRT station, bike parking, etc. with an estimated cost of at least \$100,000 <i>or</i> Contribute a min. of \$0.33 per developable s.f. to a CIP project within the plan area
TIER 2 1.0 FAR	Dedicate land and/or construct a public facility like a bus stop/BRT station, bike parking, etc. with an estimated cost of at least \$300,000 <i>or</i> Underground all transformers and utility boxes located along site frontages <i>or</i> Contribute a min. of \$1.00 per developable s.f. to a CIP project within the plan area
TIER 3 1.5 FAR	Dedicate land and/or construct a public facility like a new BRT station or enhancing a light rail or metro station etc. with an estimated cost of at least \$500,000 <i>or</i> Provide undergrounding of utilities along site frontage of Subject Property and/or offsite, with an estimated cost of at least \$500,000 <i>or</i> Contribute a min. of \$2.00 per developable s.f. to a CIP project within the plan area
TIER 4 2.0 FAR	Dedicate and fully construct a major public facility like a police station or a structured public parking garage with an estimated cost of at least \$1,000,000 <i>or</i> Provide undergrounding of utilities along site frontage of Subject Property and/or offsite, with an estimated cost of at least \$1,000,000.

TIERS	Grid and trail extensions
TIER 1 0.25 FAR	Construct a trail extension on private property with a cost of at least \$100,000 or Construct a public trail extension for a minimum 2,500 linear feet or Contribute a minimum of \$0.33 per developable s.f. to a CIP project within the plan area or Within a project design, reduce existing curb cuts by 50%.
TIER 2 1.0 FAR	Construct a public trail extension for a minimum 3,500 feet linear feet or Contribute a minimum of \$1.00 per developable s.f. or Build one new public street that provides through block connectivity as recommended by the Complete Streets Design Guide.
TIER 3 1.5 FAR	Construct a public trail extension for a minimum 6,000 linear feet or Within a proposed subdivision design, provide a grid of public streets as recommended by the Complete Streets Design Guide.
TIER 4 2.0 FAR	Provide a major connection over an environmentally sensitive area or major arterial highway that will highly contribute enhancing the bike, pedestrian and/or transit network.

AMENITIES FOR COMPLETE COMMUNITIES

DRAFT

Public Benefit Categories

Art and Placemaking	Nbhd Services & Mixed Use	Great Public Realm	Design Excellence
<ul style="list-style-type: none">• Provide artistic elements in projects, install public art , or organize publicly accessible programming.• Affordable housing for artists.• Arts or cultural public facilities like theater, art gallery, performance venue etc.	<ul style="list-style-type: none">• Provide retail uses, space for community meeting rooms and events, or a major public facility like a library or a recreation center.	<ul style="list-style-type: none">• Improve an existing park or provide a new park or privately owned public open space with high quality features and amenities.	<ul style="list-style-type: none">• Substantially conform to Design Guidelines and implement design excellence strategies related to building footprint, massing, architecture, parking, wellness etc.



AMENITIES FOR COMPLETE COMMUNITIES **DRAFT**

TIERS	Art and Placemaking
TIER 1 0.25 FAR	<p>Provide artistic elements on buildings, garages or within streetscapes facing the public realm. <i>or</i> Provide (at least) monthly recurring publicly accessible programming such as Farmers' Market, Concerts etc. for min. 1year. <i>or</i> Contribute a min. of \$0.33 per developable square foot for art or placemaking to the PATSC, an urban district, a local arts nonprofit, or a regional service center</p>
TIER 2 1.0 FAR	<p>Install public art reviewed by the Art Review Panel or partner with an urban district, an arts nonprofit, or a regional service center to install art facing the public realm. <i>or</i> Provide (at least) monthly recurring publicly accessible programming such as Farmers' Market, Concert Series etc. for min. 3 years. <i>or</i> Contribute a min. of \$1.00 per developable square foot for art or placemaking to the PATSC, an urban district, a local arts nonprofit, or a regional service center.</p>
TIER 3 1.5 FAR	<p>Provide at least 5% of units as artist housing or live/work units for artists earning up to 70% AMI in addition to the MPDUs provided <i>or</i> Contribute a min. of \$2.00 per developable square foot for art or placemaking to the PATSC, an urban district, a local arts nonprofit, or a regional service center.</p>
TIER 4 2.0 FAR or Mapped FAR	<p>Provide a major Public Facility like a theater, art gallery, or a performance venue at least 20,000 s.f. in size onsite or within the plan area.</p>

AMENITIES FOR COMPLETE COMMUNITIES **DRAFT**

TIERS	Neighborhood Services & Mixed Use
TIER 1 0.25 FAR	Provide at least one bay of min. 2,000 s.f. within project for retail use, directly accessible by the public from a street/open space.
TIER 2 1.0 FAR	Provide at least three bays for a total of 10,000 s.f. within project for retail uses, directly accessible by the public from a street or open space.
TIER 3 1.5 FAR	Provide at least 15,000 SF within project for public use (Conference space, meeting rooms, event space etc.) onsite or within the plan area.
TIER 4 2.0 FAR or Mapped FAR	Provide a major public facility like a recreation center, library, educational facility etc. at least 20,000 s.f. in size onsite or within the plan area.

AMENITIES FOR COMPLETE COMMUNITIES

DRAFT

TIERS	Great Public Realm
TIER 1 0.25 FAR	Provide intergenerational amenities and inclusive design features within the public open space provided onsite. Min 0.25 acres. <i>or</i> Improve an existing park or public open space with intergenerational amenities and inclusive design features. Min 0.25 acres. <i>or</i> Contribute a min. of \$0.33 per developable s.f. for creating or improving public space.
TIER 2 1.0 FAR	Exceed the minimum required % of public open space on site by at least 50% as a min. 0.25 Acre Neighborhood Green per Energized Public Spaces Design Guidelines. <i>or</i> Contribute a minimum of \$1.00 per developable square foot.
TIER 3 1.5 FAR	Provide a POPS or dedicate land, construct and convey a park facility as a min. 1.5-acre Civic Green/Plaza per Energized Public Spaces Design Guidelines. <i>or</i> Contribute a min. of \$2.00 per developable s.f. for creating or improving public space.
TIER 4 2.0 FAR or Mapped FAR	Provide a POPS or dedicate land, construct and convey a park facility as an “Urban Recreational Park” (minimum 3 acres), with approval on location and design from planning and parks staff.

AMENITIES FOR COMPLETE COMMUNITIES **DRAFT**

TIERS	Design Excellence
TIER 1 0.25 FAR	Substantially conform to design guidelines and implement at least 3 strategies from the list.
TIER 2 1.0 FAR	Substantially conform to design guidelines and implement at least 5 strategies from the list.
TIER 3 1.5 FAR	Substantially conform to design guidelines and implement at least 7 strategies from the list.
TIER 4 2.0 FAR or Mapped FAR	Substantially conform to the applicable design guidelines and implement 8 strategies from the list. <i>or</i> Achieve WELL or Living Building Challenge certification for the project.

List of Implementation Strategies

- Designing a building with a clear base, middle and top.
- Providing human scaled architectural elements along the ground floor facing all streets and public open spaces.
- Providing direct entry to all ground floor residential units lining a street or public open space.
- Adjusting the building massing and facade design to respond to the context of surrounding buildings.
- Lining at least 75% of the ground floor with active uses along all streets and major public spaces and providing ground floor entrances into the building every 100 feet.
- Placing all onsite parking below ground or lining all sides facing a street or open space with active uses like residential or commercial floor spaces.
- Designing the footprint, massing and building facades to respond to solar orientation and local climate.
- Reducing the floor plate for the top two floors by at least 20% to create terraces and an interesting skyline.
- Designing all structured parking to be adaptable for alternative uses in the future.

Applying The New System to CR & CRT Projects

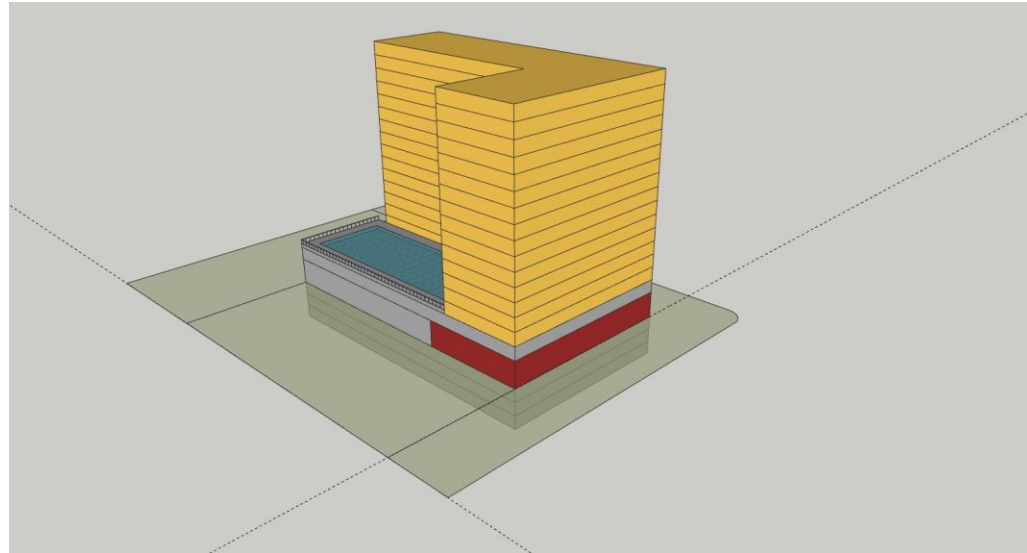
Feasibility Analysis

- Crafted multiple pro forma scenarios on prototypical projects
 - Projects represented a variety of asset types, locations, and densities within the county
- Applied various public benefit package scenarios to each prototype
 - Scenarios contemplated multiple options for earning incentive density
- Compared project feasibility across scenarios
 - Included comparison to public benefit packages calculated under the legacy program

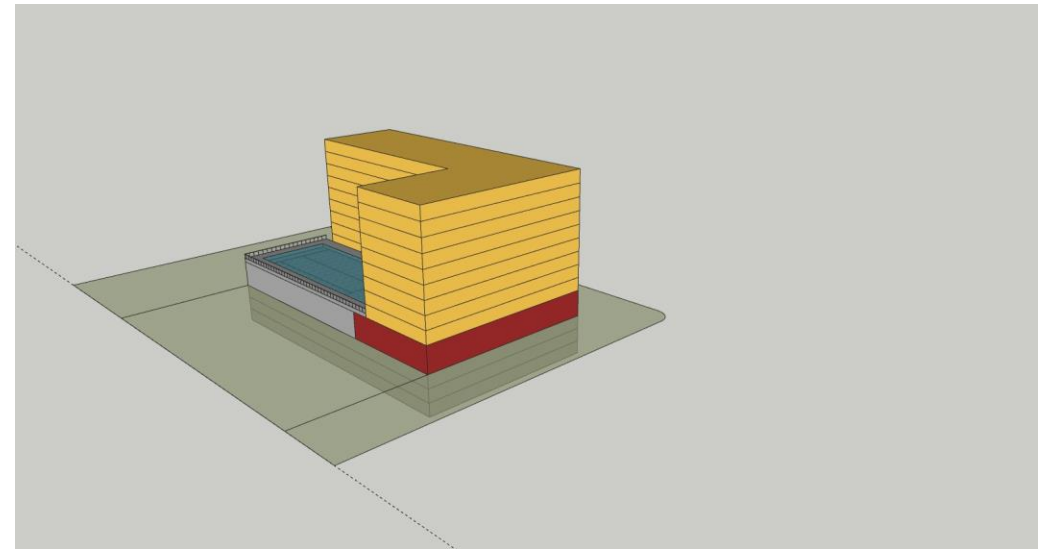
Prototypes

DRAFT

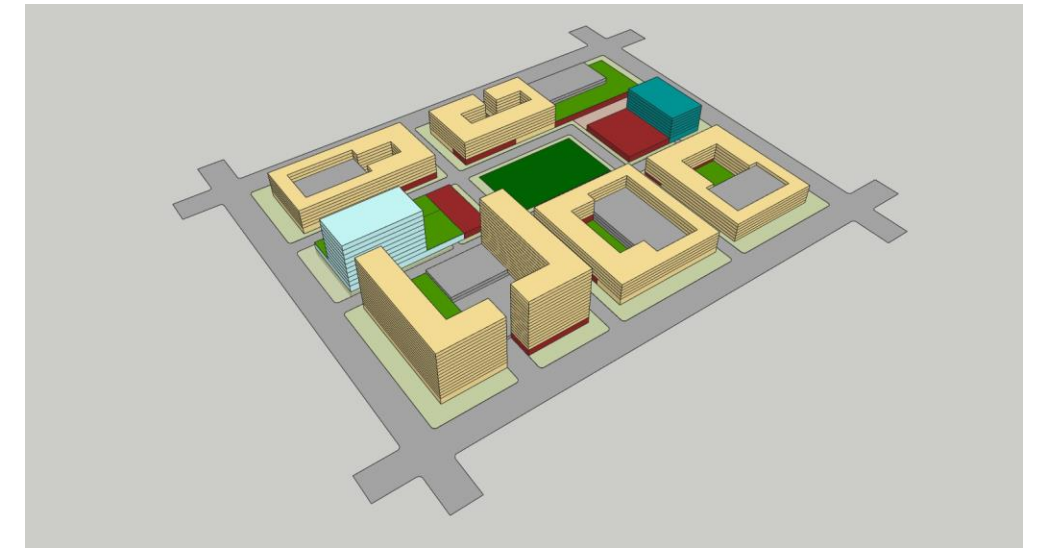
Urban High Rise 0.75 Acres



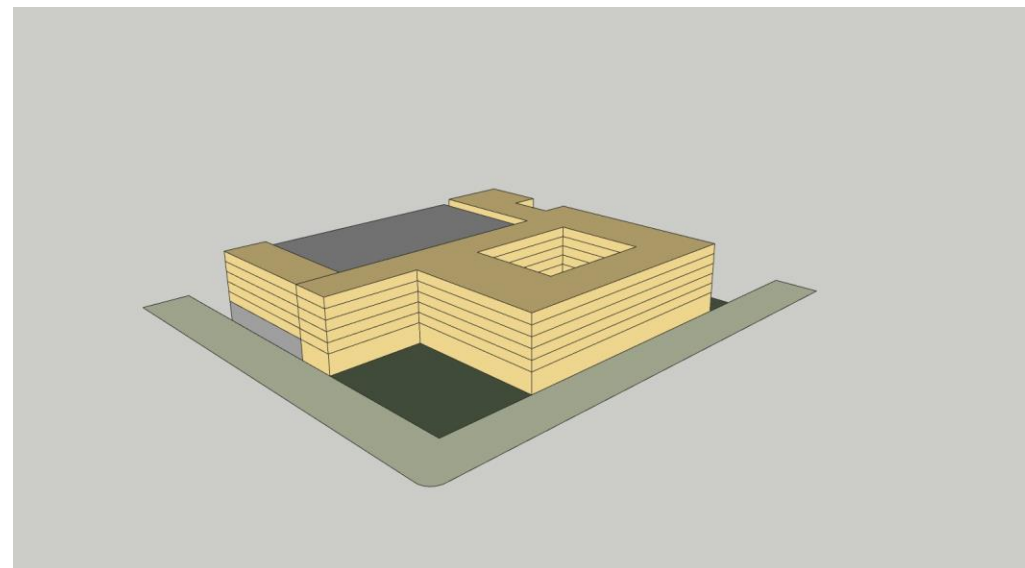
Urban High Rise 1.66 Acres



TOD Multi Block 25 Acres



Suburban Podium 3 Acres



Exurban Multi Block 25 Acres



Prototypes: Urban High Rise 0.75 Acres

DRAFT

Scenario 1: Mixed Bag

Scenario 2: Only 2 categories

Scenario 3: Only 1 category

HOUSING FOR ALL

ENVIRONMENTAL RESILIENCE

INFRASTRUCTURE FOR COMPACT GROWTH

COMPLETE COMMUNITY AMENITIES

Standard Method	2	Standard Method	2	Standard Method	2
17.5% MPDU	1.25				
Tier 1 Green building: ACP LEED Silver + 21 points	0.25	Tier 3 Energy efficiency: Exceed energy efficiency by 25%	1.5	Tier 4 Green building: LEED Platinum	4.3
Tier 2 Sustainable Sites: Green roof, biophilic design, bird friendly, pervious pavement for 25% of the surfaces	1.0	Tier 3 Sustainable Sites: Green roof, biophilic design, bird friendly, pervious pavement for 40% of the surfaces	1.5		
Tier 1 Grid and trail extensions: reduce existing curb cuts	0.25	Tier 3 Neighborhood services: Provide at least 15,000 SF within project for community use that is open to the public (Conference space, meeting rooms, event space etc.) onsite or within the plan area.	1.5		
Tier 1 Art & placemaking: Artistic elements	0.25	Excel-To-Build FAR: construct and dedicate underground metro station	3	Excel-To-Build FAR: payment to Parks	3.5
Tier 3 Design excellence: Utilize 7 design strategies	1.5	Total FAR	9.50	Total FAR	9.80
Excel-To-Build FAR: construct recreation center	3	Prototype FAR	6.3	Ex. Prototype FAR	6.3
Total FAR	9.50	Prototype FAR with BOZ	9.8	Ex. Prototype FAR with BOZ	9.8
Prototype FAR	6.3				
Prototype FAR with BOZ	9.8				
Zoned FAR CR	6.5+BOZ	Zoned FAR CR	6.5+BOZ	Zoned FAR CR	6.5+BOZ
*For FAR>4 & Site Size<1Acre, Standard Method=2					

Prototypes: Urban High Rise 1.66 Acres

DRAFT

Scenario 1: Mixed Bag

Scenario 2: Only 2 categories

Scenario 3: Only 1 category

HOUSING FOR ALL

ENVIRONMENTAL RESILIENCE

INFRASTRUCTURE FOR COMPACT GROWTH

COMPLETE COMMUNITY AMENITIES

	Scenario 1: Mixed Bag	Scenario 2: Only 2 categories	Scenario 3: Only 1 category
	Standard Method	Standard Method	Standard Method
	0.5	0.5	0.5
HOUSING FOR ALL	17.5% MPDU		
	1.25		
ENVIRONMENTAL RESILIENCE	Tier 2 Green building: LEED Gold	Tier 3 Energy efficiency: Exceed by 25%	
	1.0	1.5	
	Tier 2 Energy efficiency: Exceed by 17.5%	Tier 3 Renewable energy: Use/generate 3/4 Ren Energy onsite	
	1.0	1.5	
		Tier 3 Green: LEED Gold Plus full electrification	
		1.5	
INFRASTRUCTURE FOR COMPACT GROWTH	Tier 2 Offsite Improvements: Construct offsite streetscape improvements totaling at least 4,000 sf		Tier 4 Offsite improvements: Daylighting a piped stream
	1.0		5.9
	Tier 1 Public Facilities: bike parking/bus stop	Tier 3 Public Facilities: New BRT station	
	0.25	1.5	
COMPLETE COMMUNITY AMENITIES	Tier 3 Enhancement of PR: provide a POPS	Excel-To-Build FAR	Excel-To-Build FAR
	1.5	--	--
		Total FAR	Total FAR
		6.50	6.40
	Excel-To-Build FAR		
	Total FAR	Prototype FAR	Prototype FAR
	6.50	6.4	6.4
	Prototype FAR		
	6.3		
		Zoned FAR CR	Zoned FAR CR
		6.5	6.5
	Zoned FAR CR		
	6.5		

Prototypes :Suburban Podium 3 Acres

DRAFT

Scenario 1: Mixed Bag

Scenario 2: Only 2 categories

Scenario 3: Only 1 category

HOUSING FOR ALL

Standard Method	0.5
17.5% MPDU	1.25

--	--

ENVIRONMENTAL RESILIENCE

Tier 1 Energy efficiency: Exceed current code by 10%	0.25
--	------

Tier1 Sustainable sites: Biophilic design	0.25
---	------

INFRASTRUCTURE FOR COMPACT GROWTH

Tier 1 Public facility: Bike parking	0.25
--------------------------------------	------

Tier 1 Public facility: Bus Stop	0.25
----------------------------------	------

--	--

COMPLETE COMMUNITY AMENITIES

Tier 1 Public Realm: Intergenerational amenities	0.25
--	------

--	--

Excel-To-Build FAR	
--------------------	--

Total FAR	3.00
------------------	-------------

--	--

Prototype FAR	2.7
---------------	-----

--	--

Zoned FAR CR	3
--------------	---

Standard Method	0.5
	0

--	--

Tier 3 Renewable energy: Utilize or gen 3/4 of ren. energy	1.5
--	-----

--	--

--	--

	0
--	---

--	--

Tier 2 Design excellence: Implement 5 design strategies	1
---	---

--	--

Excel-To-Build FAR	
--------------------	--

Total FAR	3.00
------------------	-------------

--	--

Prototype FAR	2.7
---------------	-----

--	--

--	--

--	--

--	--

Zoned FAR CR	3
--------------	---

Standard Method	0.5
25% MPDU @ avg 60% AMI	2.5

--	--

	0
--	---

	0
--	---

	0
--	---

--	--

	0
--	---

--	--

--	--

--	--

Excel-To-Build FAR	
--------------------	--

Total FAR	3.00
------------------	-------------

--	--

Ex. Prototype FAR	2.7
-------------------	-----

--	--

--	--

--	--

Zoned FAR CR	3
--------------	---

Prototypes: TOD Multi Block 25 Acres

DRAFT

Scenario 1: Mixed Bag

Scenario 2: Only 2 categories

Scenario 3: Only 1 category

HOUSING FOR ALL

ENVIRONMENTAL RESILIENCE

INFRASTRUCTURE FOR COMPACT GROWTH

COMPLETE COMMUNITY AMENITIES

Standard Method	0.5
17.5% MPDU	1.25
Tier 1 Energy efficiency: Exceed current code by 10%	0.25
Tier1 Sustainable sites: Biophilic design	0.25
Tier1 Grid and trail extensions: Reduce curb cuts	0.25
TIER 1 Offsite improvements: Offsite 2,000 sf streetscape	0.25
Tier 2 Neighborhood services: Provide 10,000 sf retail use	1
Excel-To-Build FAR	
Total FAR	3.75
Prototype FAR Mixed Use	3.46
Prototype FAR More Res	2.69
Prototype FAR Towns & 2/2s	0.76
Zoned Max FAR CR	3.5

Standard Method	0.5
	0
Tier 3 Energy efficiency: Exceed current code by 25%	1.5
	0
Tier 3 Grid and trail extensions: Provide high connectivity street grid	1.5
	0
Excel-To-Build FAR	
Total FAR	3.50
Prototype FAR Mixed Use	3.46
Prototype FAR More Res	2.69
Prototype FAR Towns & 2/2s	0.76
Zoned Max FAR CR	3.5

Standard Method	0.5
	0
	0
	0
	0
Tier 4 Neighborhood services: Provide a major public rec facility >20k s.f.	3
Excel-To-Build FAR	
Total FAR	3.50
Prototype FAR Mixed Use	3.46
Prototype FAR More Res	2.69
Prototype FAR Towns & 2/2s	0.76
Zoned Max FAR CR	3.5

Prototypes: Exurban Multi Block 25 Acres

Scenario 1: Mixed Bag

Scenario 2: Only 2 categories

Scenario 3: Only 1 category

HOUSING FOR ALL

ENVIRONMENTAL RESILIENCE

INFRASTRUCTURE FOR COMPACT GROWTH

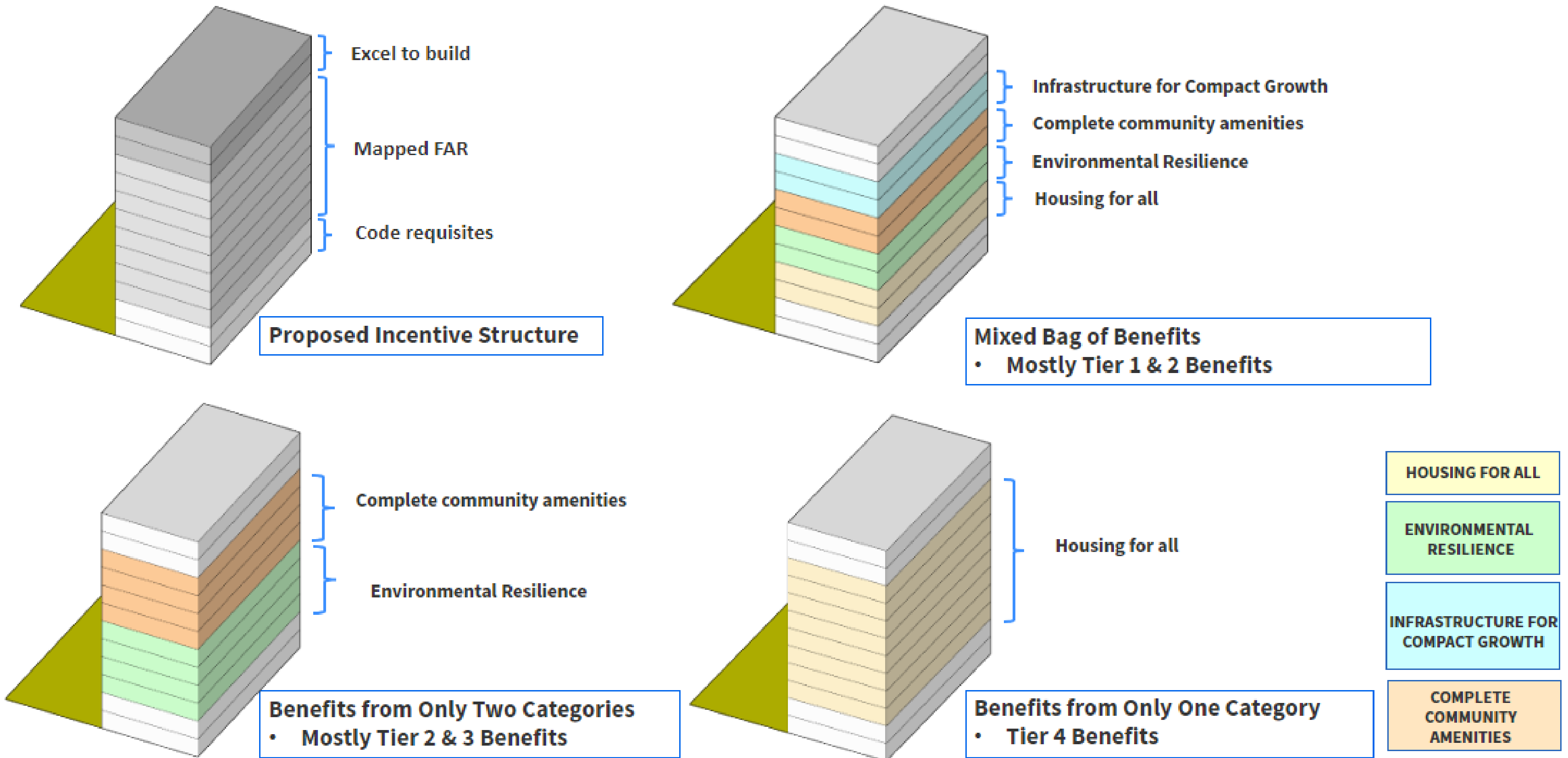
COMPLETE COMMUNITY AMENITIES

Standard Method	0.5
	0
Tier 1 Renewable energy: Use or generate 1/3 Renew Energy	0.25
Tier 1 Grid and trail extensions: Create public trail ext. min 2,500 l.f.	0.25
Tier 1 Design excellence: Implement 3 design excellence strategies	0.25
Excel-To-Build FAR	
Total FAR	1.25
Prototype FAR	1.25

Standard Method	0.5
	0
Tier 1 Energy efficiency: Exceed current efficient standards by 10%	0.25
	0
Tier 1 Neighborhood services: One retail bay min. 2,000 s.f.	0.25
TIER 1 Public Realm: Intergenerational Spaces	0.25
Excel-To-Build FAR	
Total FAR	1.25
Prototype FAR	1.25

Standard Method	0.5
	0
Tier 1 Energy efficiency: Exceed current efficient standards by 10%	0.25
Tier 1 Green building: LEED Silver +21 pts	0.25
Tier 1 Sustainable sites: Biophilic design	0.25
	0
	0
Excel-To-Build FAR	
Total FAR	1.25
Ex. Prototype FAR	1.25

MANY OPTIONS TO ACHIEVE INCENTIVE DENSITY

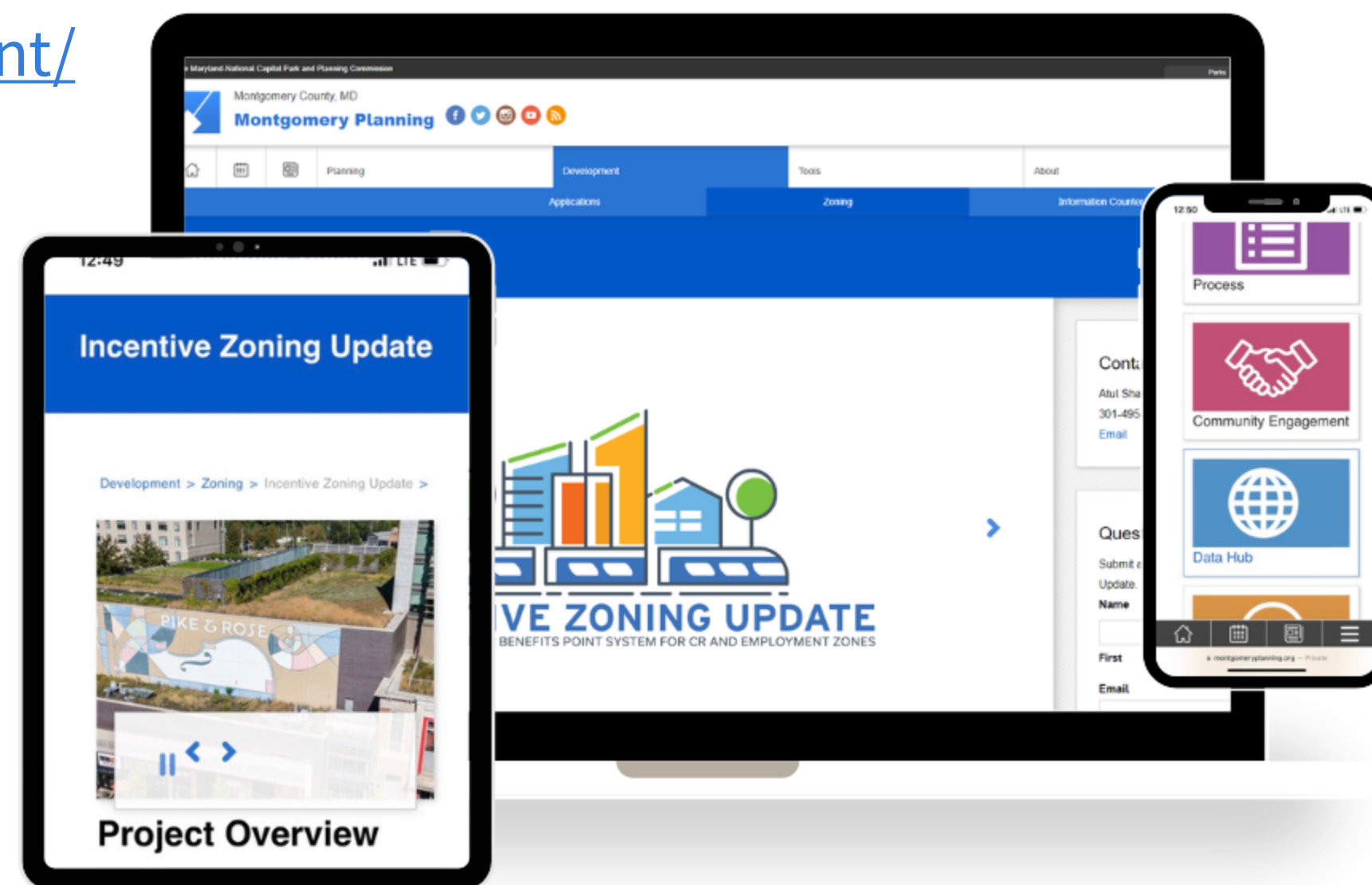


Next Steps

- Virtual Open Houses: May 8 & May 15, 2024
- Planning Board Working Sessions: June-July 2024
- County Council Review of Recommendations: Fall 2024
- Drafting and Review of ZTA: Winter 2024
- Updating the Implementation Guidelines: Early 2025
- Applying & transitioning to the new system: 2025 onwards

Website

<https://montgomeryplanning.org/development/zoning/incentive-zoning-update/>



Discussion