

Bethesda Downtown Plan Minor Master Plan Amendment

Planning Board Draft At-a-Glance

INTRODUCTION

Today, Downtown Bethesda is a thriving urban center that serves as an essential economic engine for the county and is one of its most desirable communities. With excellent access to public transit, numerous restaurants, shops, art galleries and entertainment choices, downtown Bethesda is a premier destination in the Washington, DC area. With a diversity of housing types, it is home to more than 17,000 residents and more than 33,000 jobs including the two largest employers in the county, Marriott and the National Institutes of Health.

Bethesda's most recent success was made possible by the innovative 2017 <u>Bethesda</u> <u>Downtown Sector Plan's</u> 20-year vision for a truly sustainable urban community. The 2017 Plan balances additional building height and density with creative implementation tools, such as a new Park Impact Payment to help address the high cost of park development in the downtown. The Bethesda Downtown Plan Minor Master Plan Amendment (MMPA) is a technical update focused on implementing the 2017 Plan's vision. Montgomery Planning and Parks staff worked with stakeholder communities, including residents, developers, and the Bethesda Downtown Implementation Advisory Committee since last spring to develop the recommendations. In December 2024, the Planning Board held a public hearing and updated the recommendations based on testimony received from the resident and real estate development communities, approving the Planning Board draft plan to be sent to the County Council and County Executive for their review. The key plan recommendations are summarized below.

KEY RECOMMENDATIONS

1 Development Level

Since 2017, development in downtown Bethesda has brought to life many of the envisioned assets and improvements to the plan area, such as new housing (including much-needed affordable housing) and new jobs which have benefitted the community and the county. Private development and public investment have created new transportation improvements and begun work on several parks and more transportation improvements. Without this investment, the 2017 Plan's vision of affordable housing near jobs and community amenities will not be realized.

The 2017 Plan set a development level based on a 2016 analysis of potential future transportation impacts in the downtown, based primarily on automobiles. In 2020, the Montgomery County Council approved a new set of five standards that evaluate the impact more broadly on all modes of transportation in downtown Bethesda, as well as access to jobs and other desired destinations. Using the five standards, staff modeled three different theoretical scenarios projecting potential impacts to downtown through the year 2045. The model results showed overall improvement in job access, miles traveled, and the percentage of non-auto driver trips (i.e., HOV, transit and nonmotorized trips), with projected job growth adding modestly (about two minutes) to travel times as workers come from a little further away to work in downtown Bethesda. These results show a resilient and improved multi-modal transportation network when adding residents and jobs in the downtown. The MMPA recommends removing a specific development level in the Bethesda Overlay Zone (BOZ) in favor of project-specific impact mitigation and improvements.

Learn more about the Bethesda Downtown Minor Master Plan Amendment!



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Transportation and Adequate Public Facilities

Transportation-related improvements recommended in the 2017 Plan have been built as public Capital Improvement Program (CIP) projects and by private developers as frontage improvements and Local Area Transportation Review (LATR) mitigation improvements. The MMPA recommends continuing this successful approach. New development projects will continue these improvements, including through new transportation impact taxes. The MMPA also recommends supporting ongoing efforts by Montgomery Planning, MCDOT, and MCDPS to continue to improve pedestrian, bicycle, automobile, and transit movement in downtown Bethesda.

Park Impact Payment (PIP)

The BOZ allows developers to request density above the amount mapped to their site (BOZ Density). Developers make a PIP to Montgomery Parks based on the amount of BOZ Density approved for a new project. Montgomery Parks uses those funds to build and/or acquire land for new parks. The BOZ initially set the PIP rate at \$10 per square foot of BOZ Density, with inflationary adjustments every odd-numbered year. In 2023, the Planning Board approved the current rate of \$12.49 per square foot.

In 2024, the County Council corrected the methodology for inflationary adjustment from an average of the previous two years' inflationary increases to their sum. The MMPA recommends that the PIP rate be adjusted to correct for the 2019 and 2021 rate adjustment calculations that used the annual average instead of cumulative inflationary increases, raising the base PIP rate to \$15.57. The MMPA also recommends allowing developers flexibility on when the PIP can be made.

There's more!

The MMPA Planning Board Draft makes more recommendations on other topics! For more information about the recommendations summarized above and other recommendations, visit the MMPA website at

montgomeryplanning.org/bethesda-mmpa

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4 Recreation Center

The 2017 Plan recommends the "study and implementation" of a new recreation center but does not otherwise incentivize it. To incentivize the realization of a new recreation center in downtown Bethesda, the MMPA prioritizes it as a public benefit for developers and recommends a reduced PIP, potential additional building height, and more.

5 Affordable Housing

Affordable housing is a key priority of the 2017 Plan vision. The Plan requires a minimum of 15% Moderately Priced Dwelling Units (MPDUs) in new Optional Method development projects and provides other incentives for even more affordable housing in new development. To further incentivize affordable housing, the MMPA recommends extending existing incentives for higher percentages of MPDUs to projects with the minimum MPDUs, but with family-sized and/or deeply affordable units. The MMPA also recommends striving for no net loss of Naturally Occurring Affordable Housing when such sites are redeveloped, and modest expansion of the Height Incentive Area to promote additional affordable housing on the east side of Arlington Road.

