

# Bethesda Downtown Plan

Minor Master Plan Amendment

APPROVED AND ADOPTED

MAY 2025



#### **Abstract**

The Bethesda Downtown Plan Minor Master Plan Amendment (MMPA) recommends technical updates to the 2017 *Bethesda Downtown Plan* to improve implementation of recommendations related to new parks, transportation infrastructure, a new recreation center, affordable housing, and more within a Plan Area of roughly 450 acres.

The MMPA amends the 2017 Bethesda Downtown Plan and Thrive Montgomery 2050, as amended.

#### **Source of Copies**

The Maryland-National Capital Park and Planning Commission, 2425 Reedie Drive, Wheaton, MD 20902. Online at <a href="https://montgomeryplanning.org/planning/communities/downcounty/bethesda-downtown-plan-minor-master-plan-amendment-2024/">https://montgomeryplanning.org/planning/communities/downcounty/bethesda-downtown-plan-minor-master-plan-amendment-2024/</a>.

#### The Maryland-National Capital Park and Planning Commission

The Maryland-National Capital Park and Planning Commission (M-NCPPC or Commission) is a bi-county agency created by the General Assembly of Maryland in 1927. The Commission's geographic authority extends to the substantial majority of Montgomery and Prince George's counties; the Maryland-Washington Regional District (M-NCPPC planning jurisdiction) comprises 1,001 square miles, while the Metropolitan District (parks) comprises 919 square miles in the two counties.

The Commission is charged with preparing, adopting, and amending or extending The General Plan (*Thrive Montgomery 2050*) for the physical development of the Maryland-Washington Regional District in Montgomery and Prince George's counties. The Commission operates in each county through Planning Boards appointed by those county governments. The Planning Boards are responsible for preparing all local plans, zoning ordinances, and subdivision regulations and the administration of the bi-county park system.

The Commission encourages the involvement and participation of individuals with disabilities, and its facilities are accessible. For assistance with special needs (e.g., large print materials, listening devices, sign language interpretation), please contact the M-NCPPC Montgomery County Commissioners' Office by telephone at 301-495-4605 or by email at mcp-chair@mncppc-mc.org. Maryland residents can also use the free Maryland Relay Service for assistance with calls to or from hearing- or speech-impaired persons; for information, visit www.mdrelay.org or call 1-800-552-7724. To place a call through Maryland Relay, dial 7-1-1.

#### **CERTIFICATION OF APPROVAL AND ADOPTION**

#### BETHESDA DOWNTOWN PLAN MINOR MASTER PLAN AMENDMENT

This Bethesda Downtown Plan Minor Master Plan Amendment constitutes a technical amendment to portions of the approved and adopted 2017 Bethesda Downtown Plan, as well as an amendment to Thrive Montgomery 2050, the County's General Plan and has been approved and adopted by the Montgomery County Council, sitting the District Council, by Resolution 20-770 on April 18, 2025, and adopted by the Maryland-National Capital Park and Planning Commission by Resolution 25-08 on May 21, 2025, after duly advertised public hearings pursuant to the Land Use Article- Division II, of the Annotated Code of Maryland.

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Artie L. Harris

Chair

Peter Shapiro Vice-Chair

∫ Gavin Cohen
 Secretary-Treasurer

#### THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

6611 Kenilworth Avenue · Riverdale, Maryland 20737

MCPB NO. 25-034

**M-NCPPC NO. 25-08** 

#### RESOLUTION

WHEREAS, The Maryland-National Capital Park and Planning Commission, by virtue of the Land Use Article of the Annotated Code of Maryland, is authorized and empowered, from time to time, to make and adopt, amend, extend, and add to *Thrive Montgomery 2050*; and

WHEREAS, the Montgomery County Planning Board of The Maryland-National Capital Park and Planning Commission, pursuant to procedures set forth in the Montgomery County Code, Chapter 33A, held a duly advertised public hearing on December 2, 2024 on the Public Hearing Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*, being also an amendment to portions of the following master plan: *Bethesda Downtown Plan* (2017); and

WHEREAS, the Montgomery County Planning Board, after said public hearing and due deliberation and consideration, on December 19, 2024, approved the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*, recommended that it be approved by the Montgomery County Council sitting as the District Council for that portion of the Maryland-Washington Regional District lying situate within Montgomery County (the "Montgomery County District Council"), and forwarded it to the Montgomery County Executive for recommendations and analysis; and

WHEREAS, the Montgomery County Executive reviewed and made recommendations on the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment* and forwarded those recommendations and analysis to the Montgomery County District Council on March 6, 2025; and

WHEREAS, the Montgomery County District Council held a public hearing on February 26, 2025, wherein testimony was received concerning the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*; and

WHEREAS, the District Council, on April 8, 2025, approved the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment* subject to the modifications and revisions set forth in District Council Resolution No. 20-770.

NOW, THEREFORE BE IT RESOLVED, that the Montgomery County Planning Board and The Maryland-National Capital Park and Planning Commission do hereby adopt the said *Bethesda Downtown Plan Minor Master Plan Amendment*, together with *Thrive Montgomery 2050*, as amended, and as an amendment to portions of the *Bethesda Downtown Plan* (2017), and as approved by the District Council in the attached Resolution No. 20-770; and

BE IT FURTHER RESOLVED, that copies of said *Bethesda Downtown Plan Minor Master Plan Amendment* must be certified by The Maryland-National Capital Park and Planning Commission and filed with the Clerk of the Circuit Court for both Montgomery and Prince George's Counties, as required by law.

Approved as to	
Legal Sufficiency:	/s/ Matthew Mills
	M-NCPPC Legal Department

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This is to certify that the foregoing is a true and correct copy of a resolution adopted by the Montgomery County Planning Board of The Maryland-National Capital Park and Planning Commission on motion of Commissioner Hedrick, seconded by Commissioner Linden, with a vote of **5-0**; Chair Harris, Vice Chair Pedoeem, and Commissioners Bartley, Hedrick, and Linden, voting in favor of the motion, at its regular meeting held on Thursday, May 1, 2025, in Wheaton, Maryland and via video conference.

Artie L. Harris, Chair

Montgomery County Planning Board

This is to certify that the foregoing is a true and correct copy of Resolution No. 25-08, adopted by The Maryland-National Capital Park and Planning Commission on motion of Commissioner Hedrick, seconded by Commissioner Geraldo, with Commissioners Geraldo, Harris, Hedrick, Pedoeem and Washington voting in favor of the motion, and Commissioners Bailey, Bartley, Linden and Shapiro being absent from the vote, at its meeting held on Wednesday, May 21, virtually and in person at the Department of Parks and Recreation Administration Building in Riverdale, Maryland.

William Spencer, Acting Executive Director

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#### 1. PLAN AREA

As approved by the Planning Board in May 2024, this Minor Master Plan Amendment (MMPA) covers the same Plan Area as the approved and adopted 2017 *Bethesda Downtown Plan*, shown below.



Figure 1. MMPA Plan Area

#### 2. INTRODUCTION

What began as a crossroads village in 1871 is today a thriving urban center, an essential economic engine for the county, and one of its most desirable communities. With excellent public transit access, numerous restaurants, shops, art galleries and entertainment choices, including performing arts, live music and movies, downtown Bethesda is an arts and entertainment destination and an economic hub in southern Montgomery County. It is home to more than 17,000 residents, over 33,000 jobs including the two largest employers in the county, Marriott and the National Institutes of Health, and a diversity of housing types.

Bethesda's most recent success was made possible by the innovative 2017 <u>Bethesda Downtown Sector Plan</u>. Following years of community collaboration, the Plan defined a 20-year vision for a truly sustainable urban community by balancing additional building height and density with creative implementation tools, such as a new Park Impact Payment (PIP) to help address the high cost of park development in the downtown.

Downtown Bethesda is urbanizing and evolving, attracting new residents and jobs and contributing significantly to the economic health of the downtown and the county. Since the adoption of the Plan, downtown Bethesda has added almost 2,500 new residents and over 4,200 jobs. New development is expected to generate approximately \$39 million in annual net new revenues for Montgomery County, based on an analysis by Partners for Economic Solutions, an urban economics consulting firm. The annual cost of providing services to these new residents, including public education, is estimated at approximately \$22 million. This results in an annual net fiscal impact of \$17 million. These benefits extend beyond downtown Bethesda to the county as a whole, with almost half of the taxes paid by downtown Bethesda developments and their residents and tenants going to the General Fund to support the cost of providing services to other parts of the county.

In recent years, however, the pace of development has slowed significantly from the pre-pandemic peak. Rising construction and financing costs continue to make development more challenging, with fewer development applications and fewer recently approved projects beginning construction: eight of the 11 Site Plans approved between 2017 and 2019 have been built or are under construction, compared with three of the 14 approved between 2019 and 2024. This slow-down has also meant more fitful implementation of the 2017 Plan vision, with fewer PIPs and slower progress toward Planrecommended improvements and amenities.

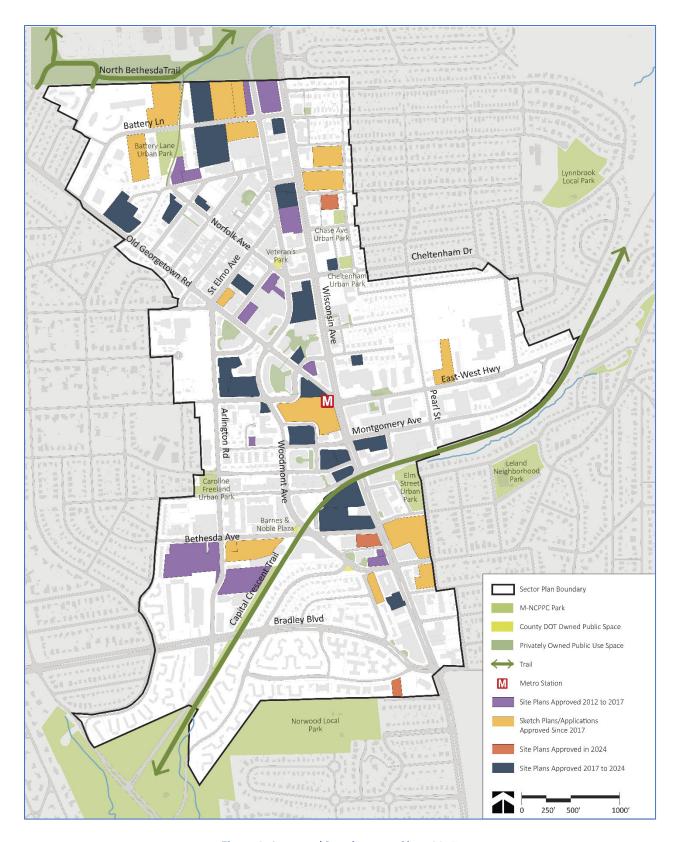


Figure 2. Approved Development Since 2017

#### 2.1 The Minor Master Plan Amendment

All master plans demonstrate that the transportation network can support recommended new development. In 2016, when the Plan was being developed, the methodology to make such a demonstration was based on anticipated vehicle delay at specific intersections inside and near the master Plan Area about 30 years in the future. This analysis determined that, in order to meet the delay standard, no more than 32.4 million square feet of total development would be allowed. Since then, the County Council has replaced this approach with an expanded set of metrics, discussed in greater detail below, that assess development's potential impacts more broadly, focusing also on transit and bicycles and access to jobs and more.

The 2017 Plan recommended that once total development approached the density limit, Montgomery Planning and the Planning Board should check in with the County Council to see if additional recommendations are needed to help implement public amenity and infrastructure recommendations like new parks and transportation-related improvements to support development. Downtown Bethesda reached this threshold in fall 2023, and after public engagement and comment, Planning staff and the Planning Board recommended that the County Council authorize the development of a Minor Master Plan Amendment (MMPA). The MMPA does not revisit the entire 2017 Plan. The existing recommendations addressing site-specific zoning, parks, transportation, housing, urban design, community facilities, the environment and other topics remain unchanged.

Based on months of conversations and input from the resident and developer communities, the Bethesda Downtown Plan Implementation Advisory Committee (IAC), and County agencies, **the MMPA recommends:** 

- updating the overlay zone to remove a specific development level;
- to continue to require transportation-related improvements and PIPs on a project-byproject basis and monitor progress and the need for public investment in transportation and school infrastructure on an annual and biannual basis through the schools assessment, Capital Budget, and Capital Improvement Program; and
- to incentivize investment in community support networks like affordable housing, parks, and a new recreation center.

These recommendations help implement public amenity and infrastructure recommendations like new parks and transportation-related improvements by using the tools that have made the 2017 Plan a success. Private development will continue to construct or pay for these improvements and more through PIPs, dedication of new recommended parks, transportation-related frontage improvements, and school and transportation impact taxes, on top of significant contributions to the county tax base. The public Capital Improvement Program (CIP) will continue to use these revenues to design and construct bus rapid transit, the Purple Line, the Capital Crescent Trail, new bike lanes, and more.

#### 2.2 Demographic shifts in downtown Bethesda since 2017

As downtown Bethesda continues to urbanize under the 2017 Plan, its population is growing, and growing more diverse, but housing costs remain high.

- The downtown population is estimated to have increased by about 2,500 residents since 2017, to over 17,000 people.
- Since 2017, downtown Bethesda added over 1,700 housing units, about 70% of which are in larger multi-family apartment buildings. About two-thirds of residents are renters, the inverse for the county as a whole.
- The three largest age groups in 2022 were 18-34 (30%), 45-64 (23%), and 65 and over (17%), growing by 13%, 20%, and 41% respectively since 2017.
- Downtown Bethesda has less racial diversity than the county as a whole, but since 2017 the
  proportion of non-white residents has increased from 27% to 33%. Asians are the largest group
  among people of color, with Black, Asian, and Latino populations growing 31%, 54%, and 18%
  respectively.
- Average income increased 27% to almost \$185,000, as compared with the county average \$173,000.
- Average house value increased 23%.
- Average monthly rent increased 23%, with about 46% of renters spending more than 30% of their income on rent, a 30% increase.

#### 2.3 Consideration of Racial Equity and Social Justice

The County's Racial Equity and Social Justice (RESJ) Act requires the Planning Board to consider racial equity and social justice impacts in master plans. Approved before the RESJ Act, the 2017 *Bethesda Downtown Plan* set a 20-year vision of sustainability, accessibility, equity, and innovation, for affordable housing near jobs, shopping, and recreation; safe tree-lined sidewalks, bikeways, and streets; and new parks and open spaces.

The recommendations promoted racial equity and social justice by enhancing access to the many opportunities the growing downtown has to offer. They enhanced access not only through ever-expanding transit options like Metro, bus, and forthcoming Purple Line and bus rapid transit, in addition to an excellent pedestrian and bicycle network. They also included new housing, including more affordable housing, new jobs, and new parks and amenities and innovative tools like the PIP to help them happen.

The MMPA continues progress toward the vision of enhanced access to opportunity, with more housing and jobs near transit, parks, and amenities; more PIPs to build the recommended parks; incentives for a new recreation center; and extending existing incentives to build more affordable housing in downtown Bethesda, including to developments providing much-needed affordable units for families and people with need for deeper affordability.

#### 3. COMMUNITY OUTREACH AND ENGAGEMENT

In addition to ongoing monthly meetings with the IAC on issues relating to implementation of the 2017 Plan, since 2023 staff has been engaging with numerous Bethesda stakeholders on the subject of development levels as development began to approach the 2017 Plan limit.

Beginning in May 2024, to help introduce the MMPA to the larger community and invite public participation, staff attended the Bethesda Farmers Market and hosted two in-person community meetings.

Over the summer 2024, staff held a series of three informational workshops to share the tools available to implement master plan visions and hear from residents. These workshops highlighted that just as private and public stakeholders collaborated to create the Plan vision, private and public stakeholders share in the implementation of that vision. The presentation discussed how master plans are tested for adequacy of potential land use and transportation impact, the indirect tools (e.g., taxes) and direct tools (e.g., development-provided infrastructure and amenities as well as public investment) that are available. The presentations, including a recording of the virtual session, are on the Plan website.

In September 2024, staff held three public meetings, both in-person and virtual, to share the staff Preliminary Recommendations for the MMPA. The presentation was also posted on the MMPA website.

Staff also has been meeting with community, business, and development groups, including the East Bethesda Citizens Association, the Bethesda Chamber of Commerce, NAIOP, and developers represented by Selzer Gurvich and Lerch Early and Brewer, and others.



Image 1. Community Meeting at Chevy Chase Town Hall

Staff has also collaborated on these recommendations with partner county agencies, including the Department of Transportation (MCDOT), the Department for Housing and Community Affairs (DHCA), the Department of Permitting Services (MCDPS), and the Department of General Services (MCDGS).

Throughout, staff has maintained an updated MMPA website to keep stakeholders up-to-date on the Plan efforts, materials, and events and keeps an eLetter mailing list with over 1,300 subscribers, who have signed up between the 2017 Plan process and today.

#### What We Heard

#### **Top-Priority Improvements**

From the IAC and residents, the top-priority improvements were:

- new parks
- new recreation center
- improvements to existing pedestrian network
- preserving naturally occurring affordable housing
- expanding tree canopy.

The MMPA addresses these priorities primarily through facilitating new development. Development will directly fund new parks through PIPs, a new recreation center potentially through a Public-Private Partnership development, pedestrian improvements through frontage or Local Transportation Review upgrades, housing through the Moderately Priced Dwelling Unit (MPDU) program, and tree canopy through frontage streetscape improvements, through park construction and dedication, and through incentive programs like Montgomery Planning's Reforest Montgomery. Indirectly, through Impact Taxes and other tax revenue to the County General Fund and CIP, development helps fund public investment in parks, a recreation center, larger transportation improvement projects, implementation of the MPDU and other county housing programs and initiatives, and expanded tree canopy from park development.

#### **Resident Community Comments**

Through public meetings and the IAC, staff connected with residents living both inside and adjacent to the Plan Area. From these interactions, staff heard that:

- Bethesda is a growing urban center, but some are concerned development has been coming too fast.
- The development cap should be tied to achieving public infrastructure and amenities.
- Religious and non-profit properties should be exempt from any development cap for modest improvements.
- Bethesda needs more affordable housing at all income levels.
- Construction-related interruptions to the pedestrian network need to be better managed.
- Loading and delivery management remains an issue.
- Driving in Bethesda can be a challenge.

The pace of development (and the resulting improvements and amenities) is dictated by the market. As mentioned earlier, the pace of development has slowed substantially in recent years and the MMPA recommendations are intended in part to increase developer flexibility to meet the fluctuating needs of the market when it rebounds. By removing a specific density level from the BOZ and other recommendations described below, the MMPA helps to ensure that future development will continue to provide infrastructure improvements and amenities recommended in the Plan. The MMPA incentivizes additional affordable housing, particularly for family-sized units and units with deeper levels of affordability. The MMPA supports ongoing County efforts to address construction-related sidewalk closures, as well as studies to better manage curb and loading areas. The MMPA acknowledges that driving a car in downtown Bethesda can be a challenge (though we did also hear that traffic speeds in downtown Bethesda are high enough to discourage cycling), but highlights the ongoing improvement of alternatives: walking, biking, and transit.

#### **Developer Community Comments**

Staff heard from property owners and developers of larger and smaller properties. Their comments included:

- New development brings many benefits to Bethesda.
- Real estate market not expected to pick up in near future and the current development cap creates even more significant uncertainty.
- The requirement to pay the PIP at building permit is a financing challenge.
- Implementation of new Civic Greens delayed not by lack of park funding but by Purple Line construction, multi-party contract negotiations, and property owners uninterested in selling.

The MMPA recommendations offer greater flexibility and incentives for developers to build their part of the Plan vision, but also make sure that improvements and contributions are at the right levels.

#### 4. RECOMMENDATIONS

The MMPA recommendations below supersede portions of Chapter 4 of the 2017 Plan, on implementation. Sections not updated below remain in effect. Many of the recommendations below address modifications to the Bethesda Overlay Zone (BOZ) which was written to implement the 2017 Plan.

#### 4.1. Development Level

Since 2017, only seven years into the 20-year vision of the Plan, development in downtown Bethesda has brought to life many of the envisioned assets and improvements to the Plan Area, including new housing, including much-needed affordable housing, and new jobs, benefitting the community and the county. Private development and public investment have created new bike lanes and improved sidewalks and begun the work of realizing the Capital Crescent Civic Green, the Farm Women's Market Civic Green, the multi-block Eastern Greenway parks, the Montgomery Avenue parks, bus rapid transit on Wisconsin Avenue, and the Capital Crescent Trail tunnel under Wisconsin Avenue. Without private

development and the public investment it funds, the Plan vision of affordable housing near jobs and community amenities will not be realized. The MMPA recommends updating the BOZ to remove a specific development level and, as discussed further below, continue to use Local Area Transportation Review (LATR), PIPs, MPDU requirements, and other tools – with some enhancements – to build the vision of the 2017 Plan.

#### Master Plan Adequacy Metrics

All master plans are required to include an assessment of potential future development against five transportation-related metrics:

- Auto and Transit Accessibility: The average number of jobs that can be reached within a 45-minute travel time by automobile or transit.
- Auto and Transit Travel Times: The average time per trip, considering all trip purposes.
- Vehicle Miles Traveled per Capita: Daily miles traveled per "service population," where "service population" is the sum of population and total employment for a particular specified area (Transportation Analysis Zone or TAZ).
- Non-Auto Driver Model Share: The percentage of non-auto-driver trips (i.e., HOV, transit and nonmotorized trips) for work trips.
- Low-Stress Bicycle Accessibility: The Countywide Connectivity metric documented in the 2018 Montgomery County Bicycle Master Plan.

These metrics are intended to provide a high-level understanding of transportation outcomes in potential future development scenarios. They are not intended to evaluate specific locations, such as intersection delay and queuing. Specific assessments of actual proposed development on identified sites in downtown Bethesda are undertaken by Planning, MCDOT, MCDPS, and State Highway Administration (SHA) staff with each proposed development, and the Planning Board must find, based on these specific assessments, that public facilities (including roads, schools, utilities, and more) are adequate to serve the development. Projects that meet the threshold criteria are responsible for mitigating their own impacts to the transportation network, as described in the Growth and Infrastructure Policy (GIP), as a condition of the Planning Board's approval, and each development pays Impact Taxes to fund transportation improvements. As part of the annual Capital Budget and biennial CIP processes, the County Council and county agencies, including Parks, Schools, Transportation, among numerous others, determine where to invest public dollars for improvements and operations.

#### Testing Scenarios

Typically, Master Plan Adequacy is tested based on the maximum potential density mapped to all the properties in the Plan Area. This is a very conservative theoretical estimate which in reality is never achieved: over the 20-year life of a master plan, all properties in a Plan Area do not redevelop, let alone to the maximum level.

In downtown Bethesda, the BOZ allows projects to purchase "BOZ density" above the mapped zoning, so determining the theoretical "maximum" density requires a different approach. Staff developed

three different theoretical scenarios – Scenario 1 being the lowest at 11 million square feet above the 32.4 million square foot development level and Scenario 3 the highest at 21 million square feet above – based on the density approved by the Planning Board for Site Plans between 2017 and 2024, projected out to the "horizon years" of the 2017 Plan: when the *Bethesda Downtown Plan* could reasonably be expected to be comprehensively updated. The scenarios distribute density between residential and commercial uses based on recent and projected trends. The models for the metrics forecast results to 2045.

The analyses showed sometimes-significant improvements or no change in most metrics, with modest increases (around two minutes) for travel times from projected increases in job creation in the downtown. These results, described in detail in Table 1, demonstrate general overall improvement and high performance from the tested theoretical scenarios, and show a resilient multi-modal transportation network improving from additional residents and jobs in the downtown. The MMPA recommends removal of a specific development level in the BOZ in favor of project-specific mitigation of impacts and improvements. The MMPA also recommends that future transportation-related functional plans continue to look at ways to improve these metrics.

Table 1. Master Plan Adequacy Metrics Results

Metric	Result
Auto and Transit Accessibility	With the increased employment in the Plan Area in the 2045 master plan scenarios compared to the 2045 baseline, both auto and transit accessibility (the average number of jobs accessible within 45 minutes) increase for all three master plan scenarios in the Bethesda CBD Policy Area. The increases in auto and transit accessibility to jobs are highest in Scenario 3 and lowest in Scenario 1. For the Bethesda-Chevy Chase (B-CC) "Parent" Policy Area, auto accessibility increases in each scenario, while transit accessibility decreases in Scenario 1 due to population shifts, but rebounds and increases further in the other scenarios.
Auto and Transit Travel Times	As the forecast growth in jobs exceeds the growth in population, auto and transit travel times increase in all three master plan scenarios in the Bethesda CBD Policy Area, largely because more people are traveling to work in the CBD. The increases in auto and transit travel times are greatest in Scenario 3 and lowest in Scenario 1. For the B-CC Policy Area, travel times also increase but at about half the rate of the CBD Policy Area.
Vehicle Miles Traveled per capita	Both total population and employment are projected to increase in the Plan Area, and employment growing faster than population. As a result, VMT per capita increases in the Bethesda CBD Policy Area in Scenario 1 and 2, mostly because more people are traveling from other places to work in Plan Area. However, in Scenario 3, the total population and employment in the Bethesda CBD Policy Area reaches a point where VMT per capita decreases, because more people choose not to drive due to longer travel time. But Countywide, VMT either stays constant (Scenario 1) or is reduced (Scenario 2 and 3) compared to the 2045 baseline. For the B-CC Policy Area, the VMT increases under Scenario 1, but by only about one-third of the CBD Plan Area increase, and decreases under Scenarios 2 and 3.
Non-Auto-Driver Mode Share	NADMS remains high, at about 60%, exceeding the Bethesda CBD Policy Area goal of 55% blended for Scenario 1, 2 and 3. The model shows a decrease in transit trips, which is partially offset by an increase in walking and bicycling trips. Countywide, NADMS for work trips increases, largely due to increases in transit trips. For the B-CC Policy Area, NADMS levels in each of the scenarios are around 53%, approaching 54% in Scenario 3.
Low-Stress Bicycle Accessibility	The growth in households and jobs in downtown Bethesda leads to a sizeable increase in low-stress bicycling to, from and within the Plan Area. However, since an increased share of that travel is to or from locations in downtown Bethesda that are not connected to the low-stress bicycling network, the low-stress bicycling network decreases in the Policy Area by between 2.4% (Scenario 2 and 3) and 2.7% (Scenario 1). Nevertheless the master-planned low-stress connectivity will remain very high, ranging from around 76% to 79%. Expanding the low-stress bicycling network in or connecting to downtown Bethesda will increase access to the low-stress network. For the B-CC Policy Area, access to low-stress connectivity approaches 83%.

#### Projected Schools Impact

Staff evaluated the scenarios for potential student generation using Montgomery County Public Schools' (MCPS) student-generation rates. For all three scenarios, student generation projections at the elementary and middle schools levels were under MCPS's FY25 CIP projections for the Bethesda-Chevy Chase cluster seat surplus for the 2029-2030 school year. At the high school level, Scenarios 1 and 2 were under the projected seat surplus, while Scenario 3 was over by 12 seats (10%). Middle school and high school projections are subject to change once the Woodward/Northwood HS boundary study is approved.

#### Carbon Analysis

Beginning in 2022, county law requires the Planning Board to conduct climate assessments of proposed master plans. This approach allows planners to develop master plan recommendations to support implementation of the county's Climate Action Plan and *Thrive Montgomery 2050*. Policies and strategies in both plans support eliminating greenhouse gas emissions and making land use and infrastructure more resilient and sustainable.

Staff evaluated the three scenarios using the methodology approved by the Planning Board in 2022. The analysis showed that each potential additional development scenario would result in increased carbon emissions overall, but with reduced emissions per capita in all studied categories, including a 10% reduction for energy emissions. The complete Carbon Analysis is included in the Planning Board Draft Attachments document.

#### 5-Year Comprehensive Review of Plan Implementation

Montgomery Planning and Parks, County and County Council staff undertake significant efforts to analyze master plan implementation progress and impacts through a variety of lenses and timeframes, from development application to the Capital Budget and the CIP to the GIP. With the goal of better understanding the cumulative impacts of development and progress toward the Plan vision, the MMPA recommends staff undertake a 5-year comprehensive review of the plan.

#### 4.2. Transportation and Adequate Public Facilities

The 2017 Plan proposed that transportation network improvements for downtown Bethesda be implemented through a Unified Mobility Program (BUMP). Under the BUMP, MCDOT would develop a unit cost for the Plan-recommended transportation improvements, and developers of new projects would be required to contribute payments proportional to the project's scale. However, the initial rate of development approvals in the Plan Area outpaced MCDOT's ability to implement the approach, leading the County Executive to abandon the effort in 2022 in favor of seeking alternative funding approaches. Consequently, transportation-related improvements since the Plan's approval have been implemented as public CIP projects and by private developers as frontage improvements and LATR mitigation improvements.

To date significant progress has been made on the Plan-recommended CIP projects:

- Capital Crescent Trail (CCT): Phase 1 of the surface trail, from around Woodmont Avenue to 47<sup>th</sup>
   Street, was completed in 2022. For Phase 2, along 47<sup>th</sup> Street, final design is in late 2024, with
   construction expected to be completed in Fall 2025. Design of the tunnel beneath Wisconsin
   Avenue and Elm Street is in the final phase.
- Woodmont Avenue Cycletrack: Phase 1, from Miller Avenue to Montgomery Lane, was completed in 2022. Phase 2, Wisconsin Avenue to Miller Avenue and Montgomery Lane to Norfolk Avenue, is at 70% design, with construction anticipated to begin in 2025.
- Montgomery Lane Cycletrack completed in 2022.
- MCDOT completed the study to reconfigure East-West Highway, Montgomery Lane, Old Georgetown Road and Woodmont Avenue for two-way operation in 2023.
- Construction of the Purple Line station, including the south Metro Station entrance is ongoing, with service expected to begin in late 2027.
- Bus Rapid Transit (BRT) on Wisconsin Avenue to the Purple Line Station is at the 35% design phase. A Request for Proposals (RFP) for the Central Phase of the project (a 9-mile portion between Montgomery College-Rockville Campus and the Montgomery College-Germantown Campus) was issued in August 2024. The Bethesda portion will be implemented in a future phase.
- The shell for the full-service bicycle storage facility located adjacent to the CCT tunnel routes has been constructed, with final design for fit-out underway.

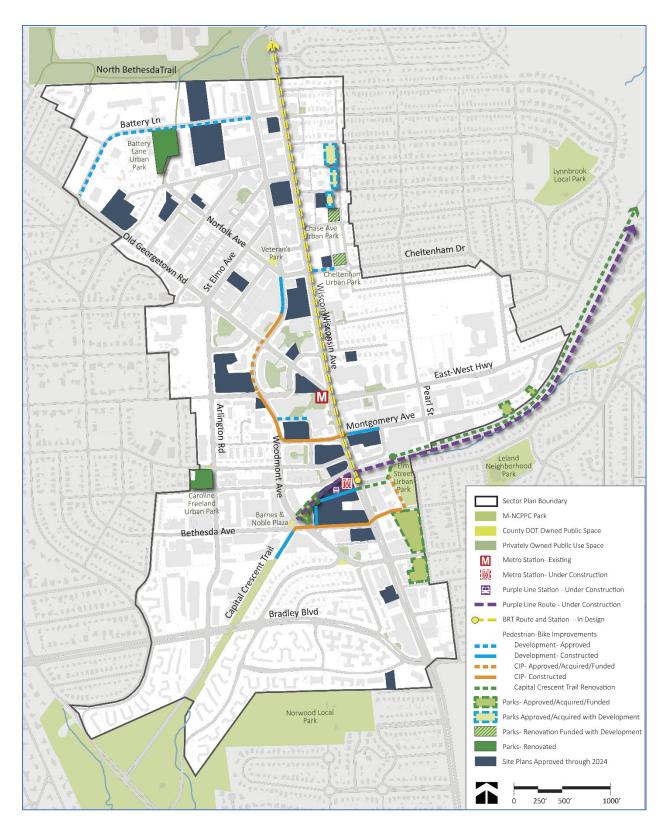


Figure 3. Transportation and Park Improvements Since 2017

#### The MMPA recommends:

- Continue LATR per the GIP to improve pedestrian, bike, and transit-related alternatives to driving;
- Support implementation of Loading Management Districts as recommended in Montgomery Planning's 2023 *Urban Loading and Delivery Management Study*;
- Support recommendations of forthcoming Montgomery Planning/MCDOT joint Curbside Management Study;
- Support MCDPS/MCDOT management of construction-related sidewalk closures; and
- Support MCDOT, WMATA, MDOT, and other regional transit providers study and implementation of enhanced transit service connecting downtown Bethesda to nearby residential neighborhoods and regional activity centers, including expanded transit support facilities needed to accommodate existing and enhanced service, such as bus layover capacity.

#### 4.3. Implementation of 2017 Plan Park Recommendations

Following the approval of the *Bethesda Downtown Plan* in 2017, Montgomery Parks has been steadily working to implement the Plan's park recommendations, which include new civic gathering spaces and neighborhood parks, linkages to major trail systems, and improvements to existing parks. The MMPA recommends that Montgomery Parks refine implementation strategies as necessary to adapt to changing conditions such as the Purple Line construction status and schedule, development opportunities and challenges, and lessons learned since 2017. These strategies may include providing interim uses on newly acquired parkland when feasible and appropriate.

One refinement the MMPA recommends regards the Veteran's Park Civic Green. The 2017 Plan and associated Design Guidelines identified several potential locations and configurations for the expansion of this key public space. As Montgomery Parks has pursued options to expand the existing Veteran's Park and fulfil the goals of the 2017 Plan recommendation for this Civic Green, it has become clear that to successfully accomplish those goals the expansion needs to occur adjacent to the existing Veteran's Park and not be separated from it by Woodmont Avenue. To better guide implementation of the Veteran's Park recommendation and to provide clarity regarding potential redevelopment of sites near Veteran's Park, the MMPA recommends that the expansion of the park take place on the west side of Woodmont Avenue rather than between Woodmont Avenue and Wisconsin Avenue.

The 2017 Plan also recommended the exploration of new and alternative financing mechanisms beyond the Capital Budget (such as a special taxing district) to help fund new parks and park improvements. The MMPA reaffirms this recommendation and supports Montgomery Parks continuing to explore and pursue all available funding sources such as state and federal grants. While important, alternative financing that involves new tax mechanisms is outside the authority of Montgomery Parks.

The MMPA also recommends that Montgomery Parks continue to seek advice from the IAC. For additional information on the status of all park and open space recommendations in the 2017 Plan, please see the Bethesda Downtown Plan Monitoring webpage.

#### 4.4. Park Impact Payment (PIP)

The PIP is an innovative planning tool created by the BOZ. Based on the amount of BOZ density approved for a new project, developers make a PIP to Montgomery Parks at the time of building permit. Montgomery Parks uses these funds to acquire land for new parks or construct new parks within the Plan Area. The BOZ initially set the PIP rate at \$10 per square foot of BOZ Density, with adjustments every odd-numbered year for inflation. In 2023, the most recent update, the Planning Board approved the current rate at \$12.49 per square foot.

#### Recent Methodology Adjustments

In January 2024, the County Council approved ZTA 23-07 modifying the methodology for inflationary adjustment from an average of the previous two years' inflationary increases to their sum, or cumulative increase. The change aligned with the change in methodology approved for calculating the biennial adjustments to the Transportation Impact Taxes. As described in the November 22, 2023, Planning Board memo to the County Council supporting the ZTA, the "average" method led to "a substantial under-calculation of the real rate of change in construction prices." Planning staff prepared the following analysis of the PIP rate inflationary adjustments using the two methodologies.

Park Impact Payment Methodology	2017	2018	2019	2020	2021	2022	2023
Average Annual	\$10	n.a.	\$11.08	n.a.	\$11.41	n.a.	\$12.49
Cumulative	\$10	n.a.	\$12.27	n.a.	\$13.01	n.a.	\$15.57

Table 2: Comparison of PIP Rate Adjustment Methodologies

The new methodology will be used for the 2025 adjustment, with a maximum of a 20% increase.

To date, Montgomery Parks has collected over \$15 million in PIPs out of a total of approximately \$24.5 million conditioned by the Planning Board with Site Plan approvals. In 2020 the Planning Board approved the expenditure of roughly \$9.75 million in PIP funds for the acquisition of the properties at 7800 and 7810 Wisconsin Avenue, at the intersection of Wisconsin Avenue and Norfolk Avenue. This total includes associated real estate and acquisition cost for this and other properties. While this purchase was intended for park improvements at the Veterans Park Civic Green, the multi-party development that would have included this property did not move forward and Montgomery Parks retains ownership of the property. Parks will seek to dispose of the property in a timely and profitable manner in accordance with the refined focus on meeting the existing recommendations for this park west of Woodmont Avenue. An additional \$2.5 million in PIP funds have been approved for use, but not spent, on the future park at Parking Lots 10 and 24 that will extend the southern portion of the Eastern Greenway south from Elm Street Urban Park.

#### Reconsidering the PIP

Park and Planning staff and the Planning Board have heard from the Bethesda resident community that the PIP rate needs to be raised to provide additional funds to implement new parks in the Plan Area. Conversely, the Bethesda development community has said that an increased PIP rate would make new projects even more difficult, and points out that the Plan-recommended Civic Greens (i.e., Veterans Park, Capital Crescent Civic Green, and the Farm Women's Market) have been delayed not by a lack of PIP funds, but rather by property owners unwilling to sell, delayed Purple Line Construction, and complex multi-party contract negotiations. Fewer development projects mean fewer PIPs and less money overall for new parks in downtown Bethesda.

To explore the potential impact of an increased PIP rate on new development, Staff contracted with an economic consultant, Partners for Economic Solutions (PES). PES analyzed whether new development projects can absorb the additional cost or whether a higher fee might prove to be an obstruction. PES prepared four pro forma analyses for different project types – residential apartments, residential condominiums, office and hotel – to examine the financial feasibility of development in downtown Bethesda.

PES's analysis determined that in the current real estate market it is difficult for development projects to move forward. This is largely due to the escalation in construction costs outpacing escalation in rents, making it difficult for developers to put together a profitable project. While the PIP in each proforma represents 1% or less of the total development costs (construction costs are more than 50%), projects are not typically generating profits at levels that could easily absorb an increase to the PIP rate.

Staff also heard from the development community that the requirement to make the PIP in a lump sum at first building permit can present a financing challenge. PIPs vary by project since they are determined by the amount of requested BOZ density, and approved PIPs have ranged from around \$200,000 for smaller projects to closer to \$2 million for larger projects (the smallest being just over \$60,000 and the largest being just over \$5 million). MCDPS administers the permit program, and coordinates with Montgomery Planning throughout the permitting process to ensure all Planning Board conditions of approval are met. The final permit review, typically the use-and-occupancy permit, is the last permit process deadline where Montgomery Planning has a measure of control.

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. This would result in setting the PIP rate at \$15.57 per square foot of BOZ density requested. This would be a nearly 25% raise in the PIP rate but would result in less than a 0.2% increase in the development costs for each pro forma. Accurately reflecting the changing costs of construction in the region is important to maintaining a PIP rate that provides impactful additional funds for parks while not creating an obstruction to development.

In acknowledgement of the potential financing burden posed by making a full PIP at the first building permit the MMPA further recommends that the PIP be made in two equal payments – the first half at the first building permit and the second half at the first use and occupancy permit. Together these

recommended changes to the PIP aim to continue to both support new parks and encourage new development in the Plan Area.

#### Expanding the PIP Reduction

The BOZ currently stipulates that if a property owner dedicates to Montgomery Parks land designated in the master plan as a recommended open space, the Planning Board may reduce the amount of square footage for which a PIP must be made. As a primary purpose of PIP funds is the acquisition of parkland recommended in the master plan, this reduction reflects the benefit of having the land dedicated directly to Montgomery Parks.

To allow greater flexibility for private development to provide master-planned open space, the MMPA recommends the consideration of extending a PIP reduction to land designated in the master plan as a recommended open space that a property owner makes publicly accessible as a Privately Owned Public Space (POPS) under conditions approved by Montgomery Parks and the Planning Board, including maintaining the POPS to Montgomery Parks standards and ensuring public access. Montgomery Parks and Planning staff should further investigate the potential implications, both positive and negative, of extending the PIP reduction to include POPS and present a recommendation to the Planning Board for consideration alongside other actions required to update the BOZ as recommended elsewhere in this MMPA. In recognition of the fact that POPS do not provide the same level of long-term control of open space as parkland dedications and to incentivize parkland dedications over POPS, the recommendations for the BOZ updates should ensure that PIP reductions for POPS are not equal to PIP reductions for parkland dedication.

#### 4.5. Recreation Center

The 2017 Plan recommends the "study and implementation" of a new recreation center but does not otherwise incentivize it. A new recreation center could be built in one of three ways: entirely by the County, by a private developer and dedicated to the County, or through a public-private partnership. No matter the process, creation of a new recreation center would be coordinated through the Department of General Services and the Department of Recreation. Space requirements for a recreation center limit the number of potential sites within downtown Bethesda, and the high cost of land acquisition and construction, as well as ongoing operational costs, impact a new recreation center as they do a new building or a new park.

To incentivize the realization of a new recreation center in downtown Bethesda, the MMPA recommends:

- Allowing the Planning Board to reduce a PIP for land dedicated to a new recreation center, similar to the existing provision allowing the Planning Board to reduce a PIP for land dedicated for parks;
- Updating the priority Public Benefits identified in the Plan to include a new recreation center as a "Major Public Facility";
- Credit the area of the recreation center toward any required public open space; and

 Allowing the Planning Board to approve up to two additional stories above the mapped building height for a site that includes a new recreation center, as it determines necessary to accommodate the recreation center use.

#### 4.6. Affordable Housing

Affordable housing is a key priority of the 2017 Plan vision. The Plan and BOZ require a minimum of 15% MPDUs to be provided in new Optional Method of Development projects, compared with the minimum statutory requirement of 12.5%. The BOZ also provides significant incentives for MPDUs:

- In a designated Height Incentive Area, projects providing more than 17.5% MPDUs may exceed the height limit of the applicable zone to the extent required to provide MPDUs.
- Gross floor area for MPDUs is deducted from BOZ density when calculating the required PIP.
- Outside the designated Height Incentive Area, projects providing more than 17.5% MPDUs may further deduct from the required PIP the gross floor area of MPDUs above 15%.
- Projects providing 25% MPDUs or more are exempt from a PIP required for any residential gross floor area.
- The Planning Board may grant MPDU Public Benefit points for developments providing more than 15% MPDUs.
- Projects providing more than 15% MPDUs are required to satisfy one fewer Public Benefit point category.
- For a project providing at least 20% MPDUs, only the Exceptional Design and, in the High-Performance Area, Energy Conservation and Generation Public Benefit points are required.

#### Promoting Family-Sized and Deeply Affordable MPDUs

The BOZ MPDU requirements and incentives have built over 400 MPDUs in downtown Bethesda, with more approved for future construction: a significant contribution to realizing the vision of the 2017 Plan. What these incentives do not specifically address, however, are the pressing need for family-size MPDUs with three or more bedrooms and more deeply affordable MPDUs for residents with lower incomes. These units can be challenging to build due to the combination of higher per-unit construction costs and reduced rental income.

The MMPA recommends updating the BOZ to allow the Planning Board, in coordination with the County Department of Housing and Community Affairs (DHCA) – which implements the MPDU program – to approve the above credits also for developments with only 15% MPDUs but with family-sized MPDUs that exceed the minimum number required under 25A and/or deeply affordable MPDUs (as defined by DHCA).

#### Redevelopment of Sites with Naturally Occurring Affordable Housing

"Naturally occurring affordable housing" (NOAH) is a term used to describe typically older, often garden-style apartment buildings with lower-than-market rents due to various factors and that are not covered by the MPDU program. Recent master plans like the 2019 *Veirs Mill Corridor Master Plan*, the

2022 Silver Spring Downtown and Adjacent Communities Plan, and the 2024 Takoma Park Minor Master Plan Amendment all included recommendations to strive for "no net loss" of existing NOAH when those sites redevelop.

As sites with NOAH begin to redevelop in downtown Bethesda, Planning and DHCA staff have been working with developers to ensure that the redevelopment is consistent with the Plan priority of promoting affordable housing. The MMPA recommends that redevelopment of NOAH sites in downtown Bethesda also strive for no net loss of the NOAH units within the larger redevelopment, particularly in conjunction with the recommendation above regarding family-sized and deeply affordable units. The Master Plan recommends that DHCA coordinate a workgroup to determine how to define NOAH, how to demonstrate the existence of NOAH affordability, and what could be done when such units are demolished.

#### Expand Height Incentive Area east of Arlington Road

For properties in the CR zone, the Zoning Ordinance allows developments exceeding the minimum percentage of MPDUs to exceed the height limit of the applicable zone to the extent required to provide the MPDUs. The BOZ supersedes this provision, first by raising the threshold percentage of MPDUs to 17.5%, and second by limiting the allowance to projects located in the designated Height Incentive Area (HIA) included in the BOZ and shown below. The purpose of this delineation was to provide surrounding primarily single-family communities greater certainty on maximum building height for new development in the downtown.

Excluded from the HIA are the blocks east of Arlington Road, between Moorland Lane to below Montgomery Avenue. These blocks include a mix of multi-family apartment buildings ranging in height from four to 15 stories, townhouses ranging from three to four stories, and single-family structures, predominantly used as businesses. The single-family structure sites are zoned CR with a maximum height of 60 and 70 feet. The MMPA recommends further study of the expansion of the HIA along Arlington Road, which could be addressed in a future ZTA to the BOZ.



Figure 4. Existing BOZ Height Incentive Area Map

#### 4.7. Additional BOZ Updates

The BOZ has been very effective in ensuring progress toward implementation of the Plan vision. Many elements and priorities of the 2017 Plan are implemented through the zoning code language of the BOZ: BOZ density; the Development Level; PIPs; MPDUs; Public Benefit points; Public Open Space; and the "use-or-lose" provisions attached to the use of BOZ density. While the MMPA recommendations for

several of these have been discussed above, the MMPA also recommends addressing BOZ density, Public Benefit points, and the "use-or-lose" provisions.

#### Requirements to Purchase BOZ Density

The BOZ now requires that projects must use "all" mapped density before they can request BOZ density. Mapped CR zones set total maximum density and the maximum proportion of commercial uses and residential uses. For example, a property zoned CR-5.0 C-4.0 R-4.75 H-175 has a total allowable mapped density of 5.0 FAR, which can be made up of no more than 4 FAR of commercial uses and 4.75 FAR of residential uses (with a maximum building height of 175 feet). If this sample project is a multifamily development, in order to use up "all" its mapped density and thus be able to request BOZ density (and make a corresponding PIP), 0.25 of commercial FAR would have to be provided in addition to the maximum 4.75 FAR. Given market conditions, the additional commercial FAR may be unwanted and difficult to lease.

To address this unnecessary hurdle in the development process and promote flexibility for developers to meet market conditions, the MMPA recommends updating the BOZ to allow purchase of BOZ density for projects using all mapped commercial **or** residential FAR.

#### Public Benefit Points

The CR zone requires specific categories of Public Benefits to be provided with new Optional Method of Development projects. To focus Public Benefits toward the master plan vision, plans set priorities among the available Public Benefits. The BOZ has specific requirements for Public Benefit points, including modifying the number of points required and available for projects to provide.

#### **Energy**

To promote sustainability and energy efficiency in new construction, the BOZ requires that buildings within a designated "High-Performance Area" achieve 15 Public Benefit points from Energy Conservation and Generation. To achieve this, the Zoning Ordinance requires that buildings exceed the energy-efficiency standards for the building type by 17.5% for new buildings or 10% for existing buildings.

Since the Plan was approved in 2017, the County has been working to adopt ever-more-efficient building and energy codes, making the BOZ "stretch goal" a requirement. These important advances have made exceeding these higher energy-efficiency standards by 17.5% significantly more difficult. In recognition of the County's higher efficiency standards and to remove an unintended obstacle to development, the MMPA recommends updating the BOZ to change the requirement from achieving 15 points in the Energy Conservation and Generation Public Benefit category to exceeding the applicable building and/or energy code. The MMPA also recommends updating the *Bethesda Downtown Plan Implementation Guidelines* to identify the appropriate standard and methodology for determining the number of Public Benefit points.

#### **Incentive Zoning Update**

Montgomery Planning is currently undertaking a project called the "Incentive Zoning Update" (IZU) to update the Public Benefits point system for the CR zones. While this effort will not rezone any parcels or alter existing development, the effort will update the system used to evaluate new development and determine to what extent a development must provide corresponding public amenities. This update will also better align the point system with countywide priorities as envisioned in initiatives like *Thrive Montgomery 2050*, the Climate Action Plan, and implementation of the county's RESJ law.

In Summer 2024, the Planning Board approved the draft IZU for transmittal to County Council for review and approval. One of the key recommendations approved by the Planning Board was to enable sector plans to customize the menu of Public Benefits in a way that would achieve county-wide priorities and provide local infrastructure and amenities. The 2017 Plan and the BOZ provisions have been very successful in guiding and producing Optional Method of Development projects that provide Public Benefits envisioned in the Plan, such as affordable housing, sustainable design, and parks funding. Therefore, the MMPA recommends that any Zoning Text Amendment resulting from the IZU to modify the Zoning Ordinance Public Benefit section acknowledges this success when determining if and how the BOZ should transition to utilizing the new Incentive Zoning framework.

#### **Public Art**

The BOZ increases the maximum number of Public Benefit points for Public Art from 15 to 20 but does not have other specific language for this Public Benefit. The Public Benefit provisions for Public Art in the CR Zone allow points for paying a fee accepted by the Public Arts Trust Steering Committee.

The State of Maryland designated downtown Bethesda as an Arts and Entertainment (A&E) District, which is managed by the Bethesda Urban Partnership (BUP). In coordination with BUP, the A&E Board fundraises, as a not-for-profit organization, and champions a diverse number of arts and entertainment projects in the district. To provide greater flexibility to promote payments for public art projects in downtown Bethesda, the MMPA recommends updating the BOZ to allow fee payments to also be accepted by BUP, the Bethesda A&E District, or other civic arts organization accepted by the Planning Board.

#### BOZ Density "Use-or-Lose" Provision

The BOZ requires projects using BOZ density to apply for a building permit within two years of Site Plan approval and to "pull" that permit within an additional two years, or the Site Plan approval is revoked. In practice, particularly in the context of the recent and anticipated uncertainty in the real estate development market, this provision reduces the ability of potential development projects to be ready to respond to market conditions. With the MMPA recommendation to remove a specific development level from the BOZ, this requirement is no longer required. Additionally, the Subdivision Ordinance Adequate Public Facilities finding, which the Planning Board must make for each application, requires projects to get a building permit in 5 years. To promote flexibility to meet market conditions, the MMPA recommends updating the BOZ to remove the "use-or-lose" provision.

#### 4.8. Public Amenities and Benefits

The 2017 Plan identifies projects in the Plan Districts that would qualify for a fee-in-lieu payment under Section 6.3.6.C.2 of the County Zoning Ordinance. The MMPA recommends adding to this list the following projects, but on a Plan-Area-wide basis:

New recreation center and/other civic buildings or spaces, including related studies.

#### 4.9. Public Benefits in the CR Zone

The 2017 Plan lists five top-priority Public Benefits for Optional Method of Development projects. As discussed above, the MMPA recommends adding a sixth:

Major Public Facility: New Recreation Center

To incentivize the recommendation for a much-needed new public recreation center, the MMPA recognizes as a Major Public Facility a new recreation center for downtown Bethesda.

#### 4.10. Expanded Tree Canopy in Downtown Bethesda and Surrounding Communities

The 2017 Plan priorities the expansion of the tree canopy in Plan Area. This will be achieved both through the planting of new trees in parks and open spaces and new street trees along the frontage of new private development. To further expand the potential for more trees in Bethesda, the MMPA recommends building on incentive programs like Reforest Montgomery that offers property owners a variety of incentives to plant trees within the county.

#### Acknowledgements

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Resolution No.: 20-770

Introduced: April 8, 2025
Adopted: April 8, 2025

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

#### SUBJECT: Approval of Bethesda Downtown Plan Minor Master Plan Amendment

- 1. On December 20, 2024 the Montgomery County Planning Board transmitted to the County Executive and the County Council it's draft of the *Bethesda Downtown Plan Minor Master Plan Amendment (MMPA)*.
- 2. The Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment* is an update to the *2017 Bethesda Downtown Plan* which covers an area of roughly 450 acres. The MMPA amends the *2017 Bethesda Downtown Plan* and *Thrive Montgomery 2050*, as amended.
- 3. On February 26, 2025, the County Council held a public hearing on the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*, which was referred to the Council's Planning, Housing, and Parks Committee for review and recommendations.
- 4. On March 10 and March 24, 2025, the Planning, Housing, and Parks Committee held a worksession to review the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*.
- 5. On April 1, 2025, the County Council reviewed the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment* and the recommendations of the Planning, Housing, and Parks Committee.

#### Action

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District lying situate in Montgomery County, Maryland, states as follows:

The Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*, dated Winter 2024, is hereby approved with revisions. District Council revisions to the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment* are identified below. Deletions to the text of the Plan are indicated by [brackets], additions by <u>underscoring</u>. Montgomery County Planning Department staff may make additional, non-substantive revisions

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and/or corrections to the Master Plan Amendment before its adoption by The Maryland-National Capital Park & Planning Commission.

All page references in this section are consistent with the page numbering in the print version of the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*.

Page 14 Modify the section *Measuring the Cumulative Experience of Implementing the Plan Vision* as follows:

[Measuring the Cumulative Experience of Implementing the Plan Vision] <u>5-Year</u> <u>Comprehensive Review of Plan Implementation</u>

Montgomery Planning and Parks, County and County Council staff undertake significant efforts to analyze master plan implementation progress and impacts through a variety of lenses and timeframes, from development application to the Capital Budget and the CIP to the GIP. With the goal of better [quantifying the cumulative experience of change resulting from implementation of the plan vision] understanding the cumulative impacts of development and progress toward the Plan vision, the MMPA recommends staff [investigate approaches used in other jurisdictions and present them to the Planning Board as part of an upcoming Annual Monitoring Report] undertake a 5-year comprehensive review of the plan.

- Page 17 Modify the fifth recommendation under 4.2 Transportation and Adequate Public Facilities as follows:
  - Support MCDOT, WMATA, MDOT, and other regional transit providers study and implementation of enhanced transit service connecting downtown Bethesda to nearby residential neighborhoods and regional activity centers, including expanded transit support facilities needed to accommodate existing and enhanced service, such as bus layover capacity.
- Page 20 Modify the section *Expanding the PIP Reduction* as follows:

The BOZ currently stipulates that if a property owner dedicates to [the] Montgomery Parks land designated in the master plan as a recommended open space, the Planning Board may reduce the amount of square footage for which a PIP must be made. As a primary purpose of PIP funds is the acquisition of parkland recommended in the master plan, this reduction reflects the benefit of having the land dedicated directly to [the] Montgomery Parks.

To allow greater flexibility for private development to provide master-planned open space, the MMPA recommends the consideration of extending [this] <u>a</u> PIP reduction to land designated in the master plan as a recommended open space that

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a property owner makes publicly accessible as a Privately Owned Public Space (POPS) under conditions approved by Montgomery Parks and the Planning Board, including maintaining the POPS to Montgomery Parks standards and ensuring public access. Montgomery Parks and Planning staff should further investigate the potential implications, both positive and negative, of extending the PIP reduction to include POPS and present a recommendation to the Planning Board for consideration alongside other actions required to update the BOZ as recommended elsewhere in this MMPA. In recognition of the fact that POPS do not provide the same level of long-term control of open space as parkland dedications and to incentivize parkland dedications over POPS, the recommendations for the BOZ updates should ensure that PIP reductions for POPS are not equal to PIP reductions for parkland dedication.

Page 22 Modify the second paragraph under *Expand the Height Incentive Area east of Arlington Road* as follows:

Excluded from the Height Incentive Area (HIA) are the blocks east of Arlington Road, between Moorland Lane to below Montgomery Avenue. These blocks include a mix of multi-family apartment buildings ranging in height from four to 15 stories, townhouses ranging from three to four stories, and single-family structures, predominantly used as businesses. The single-family structure sites are zoned CR with a maximum height of 60 and 70 feet. [To encourage these underdeveloped sites to redevelop and provide more much-needed affordable housing, the MMPA recommends expanding the Height Incentive Area to Arlington Road in this area but limiting any additional height on these blocks to a maximum of 24 feet or not more than two stories. These blocks front onto the library and Bethesda Elementary School site and will have reduced impact on the single-family homes behind those sites.] The MMPA recommends further study of the expansion of the HIA along Arlington Road, which could be addressed in a future ZTA to the BOZ.

#### General

All illustrations and tables included in the MMPA will be revised to reflect the District Council changes to the Planning Board Draft of the *Bethesda Downtown Plan Minor Master Plan Amendment*, dated Winter 2024. The text and graphics will be revised as necessary to achieve and improve clarity and consistency, to update factual information, and to convey the actions of the District Council. Graphics and tables will be revised and re-numbered, where necessary, to be consistent with the text and titles.

This is a correct copy of Council action.

Sara R. Tenenbaum Clerk of the Council