

LAND USE REPORT

July 19, 2024

This Land Use Report is submitted on behalf of Pike Center Fee 1807, LLC (the “Applicant”), in connection with its request pursuant to Section 5.1 of the Montgomery County Zoning Ordinance (“Zoning Ordinance”) to request a local map amendment in order to redevelop an existing commercial shopping center on the property at 12101 Rockville Pike in Rockville, Maryland (the “Pike Center” or “Property”). The Property is also known as Parcel B, Washington-Rockville Industrial Park, as shown at Plat No. 6708 recorded on June 13, 1962. The local map amendment would change the from current CR-2.0, C-0.75, R-1.5, H-200 zone to the CR Zone (Commercial Residential-Floating) (the “Application”), specifically CRF-2.5, C-0.75, R-2.25, H-200.

The Property is presently developed with an approximately 81,007 square-foot shopping center, in the format of a strip shopping center with comprised of three buildings and surface parking located between the buildings and along the Rockville Pike frontage. The existing conventional suburban retail center and the single use (commercial) are obsolete, especially given the site’s proximity to two Metro stations (Twinbrook Metro station to the north and the North Bethesda Metro station to the south) and the urbanizing character of Rockville Pike to the north and south. The property is highly visible with the primary frontage along Rockville Pike (MD 355). The Application would allow the rezoning of the Property in order to accommodate a denser, mixed-use development that is much more suitable for this location given its transit proximity and prominence within the White Flint 2 Sector Plan area. The proposed mixed use development has been designed in a manner that achieves a maximum of compatibility with the surrounding residential area with respect to architecture, site design, mobility and operations. As described herein, the proposed use will satisfy all applicable Zoning Ordinance criteria, including the applicable requirements set forth in Article 59-3, 59-4.5, 59-5 and 59-6.

I. PROPERTY & SURROUNDINGS

The Property is located on the east side of Rockville Pike (MD 355) and west of Chapman Avenue, north of Bou Avenue, and directly south of the City of Rockville city boundary. The Property is comprised of 292,505 square feet or +/-6.7 acres of existing lot area, or 358,752 square feet of gross tract area. The gross tract area is the basis for density calculation attributable to the Property. The Pike Center is zoned CR-2.0, C-0.75, R-1.5, H-200, and is located within the Rockville Pike-Montrose North District of the White Flint 2 Sector Plan, approved and adopted in January 2018 by the Montgomery County Council (the “Sector Plan” or “Plan”).

Confronting the Property to the south, on Bou Avenue, is Montrose Crossing Shopping Center, which includes one- and two-story retail uses including several major anchor stores, large areas of surface parking, and the approximately 18-story condominium building, Midtown Bethesda North Condominiums. North of the Property are a handful of retail uses (gas station, vehicle repair, restaurant, and medical cannabis dispensary) which front on Twinbrook Parkway and are located within the City of Rockville. Confronting the Property to the west on Rockville Pike, are the Federal Plaza and Towne Plaza shopping centers, with significant retail and restaurant uses and surface parking.

Confronting the Property to the east on Chapman Avenue, is the Guitar Center and Flagship Carwash Center, also located in the City of Rockville. The properties north and east of the Property are located in the City of Rockville, while the properties south and west are located in the County. The subject Property and all surrounding and nearby areas are zoned for significantly greater density and height than are currently developed.

In a local map amendment, the Surrounding Neighborhood is identified and characterized by properties that may experience direct impacts for the proposed zone and use. The Property is located within the Rockville Pike Montrose North District and identifies as Area 5 Montrose Crossing. The Surrounding Neighborhood is generally bounded by The CSX Metro rail tracks to the east, Montrose Road to the south, East Jefferson Street to the west and Rollins Avenue/Twinbrook Parkway to the north (the "Surrounding Neighborhood").

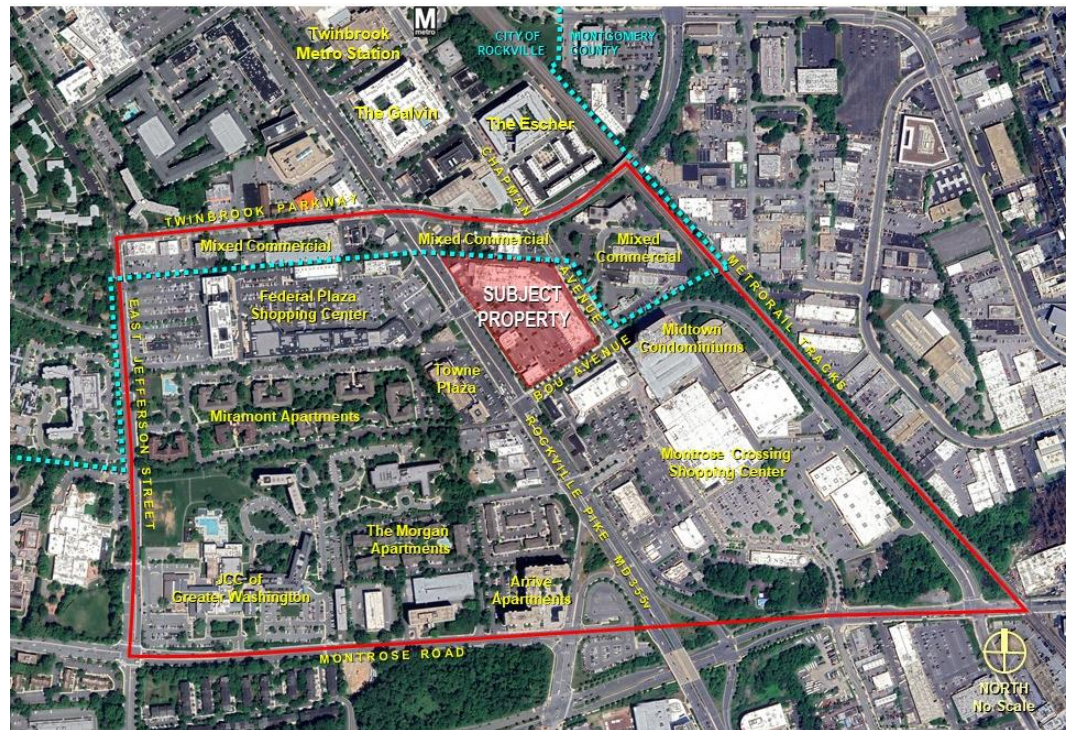


FIGURE 1: Surrounding Neighborhood

The Property and the county properties illustrated in the Surrounding Neighborhood Boundary (Figure 1) are within the Rockville Pike-Montrose North District of the Sector Plan. The majority of the properties are zoned Commercial Residential ("CR"), Commercial Residential Town ("CRT") or Residential Multi-Unit Medium Density ("R-20"). There is an existing Jewish Community Center of Greater Washington school and arts center zoned R-200 and approved as a special exception (CBA 1867A). As depicted on the image below, the block in which the Property is located directly abuts the City of Rockville to the north.

The Surrounding Neighborhood is generally commercial in character and is predominantly improved with commercial (retail) development. However, various pockets of office, institutional uses and multi-family residential of various building types within close proximity to the site.

The Applicant proposes this development proposal which, if approved, would allow the phased redevelopment of the Property into a mixed-use project comprised of two buildings with up to 760 multi-family residential units (including 15% moderately priced dwelling units, or “MPDUs”) and up to 90,000 square feet of non-residential uses, as well as private structured parking, private and public amenities including the required public benefits (the “Project”). The final unit count and unit mix and non-residential square footage proposed will be refined at the time of future regulatory applications. In support of this Application, the Applicant is proposing the following binding elements that would be applicable to the Project. These are also reflected in the Floating Zone Concept Plan included in the Application.

- The Applicant commits that the maximum building height on the Property will be 200 feet, but that the maximum building height of the proposed new Building A will not exceed 90 feet and proposed new Building B will not exceed 200 feet.
- The Applicant commits that the number of multi-family residential units on the Property will not exceed 760.
- The Applicant commits that the square footage of non-residential units on the Property will not exceed 90,000 square feet.
- The Applicant commits to providing the half-acre Neighborhood Green identified for the site by the Sector Plan, with this space to be provided as public open space. Specific location and design features will be specified at the time of future Site Plan applications(s).

II. THE DEVELOPMENT PROPOSAL

As noted, this Application proposes to redevelop the Property with two multi-family residential buildings with ground floor retail consisting of up to a total of 760 multi-family residential units (including 15% MPDUs) and up to 90,000 square feet of non-residential uses, as well as private structured parking, private amenities, and public amenities and public benefit points, in accordance with Division 4.7 of the Zoning Ordinance. The Project will require rezoning the Property from its current CR-2.0, C-0.75, R-1.5, H-200, in order to increase the CR total floor area ratio (FAR) to 2.5 FAR, and the R component to 2.25 FAR. The redevelopment of the Property will occur in two phases as follows:

Phase 1: This phase partially demolishes the existing main building and the two smaller freestanding buildings. A new street (Street A) will be aligned with the intersection of Rollins Avenue at Chapman Avenue to Rockville Pike. The resulting block will contain Building A with an anchor tenant (potential grocery store) on the ground floor and residential apartments above. A parking garage is concealed within the block along with service and loading areas. The non-demolished portions of the existing retail building will remain viable along with a portion of the existing surface parking. The new retail storefronts will be highly visible and add activity to the new open space.

Phase 2: This phase demolishes the remaining existing retail and surface parking. A new street (Street B) will connect the new street implemented in the initial phase (Street A) and align with the existing signalized intersection at Rockville Pike. This new street will provide space for storefront activities as well as contain the new neighborhood green open space. The resulting block will contain Building B, anticipated to be a high-rise

apartment building with ground floor retail. Parking is located internal to the building along with service and loading areas all concealed from view from the streets.

The slight increases in permissible density will result in a better redevelopment vision for the site, but these increases are actually more consistent with nearby properties. For example, the confronting Federal Plaza and Towne Plaza, both of which are zoned CR-2.25, C-0.75, R-1.5, H-150, so 50 feet in height less than the Property is zoned for, but with a total density permitted of 0.25 FAR greater than the Property.

Permitting the additional 0.5 FAR of maximum density (“CR”) and additional 0.25 FAR of residential density (“R”), would result in a better redevelopment because the added density utilizes the public investment in transit given its proximity to the Twinbrook Metro Station (+/-1,550 feet) and well within the ½ mile catchment distance to hard rail transit. Additionally, transit-oriented developments such as the one proposed, lessens the need for single occupancy vehicles and the resulting environmental benefits such as reduced car dependency and Vehicle Miles Traveled.

The added density allows for more housing opportunities and adds vitality by providing new retail, services and amenities benefitting the surrounding community. The surrounding streets will be improved with bikeways and widened sidewalks to improve the comfort of the new residents to access Metro and addresses and contributes additional right-of-way to the ultimate reconfiguration of Rockville Pike. The added density permits two different building types (high-rise and mid-rise) and allows for choice in apartment living. The increased density also allows one of the buildings, Building B to have a smaller footprint, framing the public open space (0.5 acre) recommended by the Sector Plan.

III. SECTOR PLAN RECOMMENDATIONS

The development of the Property is guided by the approved and adopted *White Flint 2 Sector Plan* (January 2018). The Sector Plan recognizes the Property within the Rockville Pike-Montrose North District. Many of the overarching objectives of the Plan remain relevant today and the proposed Project substantially conforms with many of these objectives. The general recommendation are as follows:

a. Land Use and Zoning (p.20, Sector Plan)

The Sector Plan recommends the transformation of single use shopping centers into mixed use places along Rockville Pike [p.20, Sector Plan].

This redevelopment will transform the Pike Center into a mixed-use center as envisioned by the Sector Plan.

b. Mobility (p.20, Sector Plan)

The Sector Plan recommends extending the Rockville Pike Boulevard Concept with Bus Rapid Transit to the City limits of Rockville. Additionally, the Sector Plan recommends providing new streets that permit alternative ways to navigate the Plan are and provide links to adjacent communities. The Sector Plan recommends accommodating new bikeways that link to the City of Rockville.

The redevelopment for the Pike Center will accommodate the ultimate transformation of Rockville Pike into a multi-modal boulevard. The redevelopment also provides a new street (Rollins Avenue extended) to add additional connectivity to the fabric of North Bethesda. Additionally, new bike infrastructure will connect to the City along Chapman Avenue and ultimately accommodates new bikeways along Rockville Pike.

c. Urban Design (p.20, Sector Plan)

The Sector Plan encourages design excellence including quality public spaces that complement the White Flint and Twinbrook Design Guidelines. The Sector Plan further promotes walkability with new streets and enhanced streetscapes to define the public realm. The Sector Plan specifically promotes variety in building height and massing to maximize access to natural light and air.

This Project provides quality architectural design, new open spaces and streetscape design in accordance with the Design Guidelines, public space policies and urban design guidance in the Sector Plan. The Project proposes two distinct buildings of varying height (a high-rise and a mid-rise) that address the street and frame open spaces.

d. Affordable Housing (p.20-21, Sector Plan)

The Sector Plan promotes a diverse mix of housing options and encourages 15% Moderately Priced Dwelling Units (MPDU) and recognizes the need for affordable housing as the highest priority public benefit for new development.

The Project proposes a least 15% MPDUs as part for the redevelopment. The additional density also increases the proportional amount of MPDUs that otherwise would not have been realized.

e. Parks and Open Space (p. 21, Sector Plan)

This Sector Plan promotes a livable environment through the creation of new parks and open spaces for existing and future residents. The Plan further suggests that new parks and open spaces are linked by existing and proposed trails and bikeways. The Plan look to encourage at least 10 acres of public open space within the Plan area.

This Project provides a 0.5 acre Neighborhood Green specifically recommended for the Property (p.45, Sector Plan) and therefore adding to the 10 acre goal. The new Neighborhood Green will be accessed by sidewalks and bikeways. Additionally, this open space is linked to Bethesda Trolley Trail on Bou Avenue, a 4-mile trail system linking Bethesda to North Bethesda.

f. Community Facilities (p.21, Sector Plan)

The Sector Plan recommends school capacity issues are addressed for the Walter Johnson cluster.

The Property is served by Walter Johnson High School, Tilden Middle School, and Farmland Elementary School. Per the recently adopted Growth and Infrastructure Policy FY 2025 School Test, all three school levels serving the Property currently have adequate capacity and are not subject to any Utilization Premium Payment.

g. Sustainability (p.21, Sector Plan)

The Sector Plan promotes energy efficient building design and improving the urban ecology by incorporating best practices to reduce the urban heat island, promote net zero buildings and promote newer stormwater management practices. The Plan also recommends retaining designated forested areas and increase the tree canopy throughout the Plan area. Additionally, the Sector Plan promotes sustainable solutions within the public realm with innovative green features.

The Project will be developed with sustainable design practices in accordance with County laws. The Applicant has a corporate goal of reducing greenhouse gas emissions by 30% from 2018-2030 with the goal of achieving net zero emissions by 2050. The existing Property is mostly impervious. The Project will increase the amount of pervious surfaces through the implementation of the Neighborhood Green, landscaping and street trees to offset the urban heat island. Stormwater management facilities will be integrated into the design of public spaces including streetscapes.

h. Neighborhood Compatibility (p.21, Sector Plan)

The Sector Plan recommends adequate transitions between new development and existing neighborhood through appropriate height and development intensities. The Plan further promotes new pedestrian paths and bikeways between existing neighborhoods and new mixed-use development.

The CR zoning provisions address compatibility when new development confronts or abuts single family residential and assumes the uses permitted under the CR are typically deemed compatible. The existing land uses are predominantly commercial within the Surrounding Neighborhood. The future redevelopment vision for the area includes mixed-use developments of an intensity and height proposed for the Project. Additionally, the City of Rockville has a complementary vision for a mixed-use transit corridor immediately north of the Property. The height transitions proposed steps back the massing on Building B so that the height is oriented more internal to the Property. The Project proposed new sidewalks on all street frontages as well as bikeways. These facilities can ultimately connect to other properties and the area redevelops.

i. Rockville Pike – Montrose North District (p.36, Sector Plan)

The Property is within the Rockville Pike-Montrose North District boundaries on the Plan and more specifically described as Area 5- Montrose Crossing (p.44, Sector Plan). The Plan had specific recommendations for the Pike Center. The Plan recognizes the potential for the Pike Center to become a “major mixed-use destination” along Rockville Pike yet acknowledges existing long term leases may affect the pace at which redevelopment could occur. The Plan recommends additional street connections and improvements to improve vehicular and pedestrian circulation. The Plan recommends a ½ acre Neighborhood Green on the Property.

The Property will be developed as a mixed-use development comprised of retail and residential apartments vertically mixed. The Property had frontage and would be highly visible from Rockville Pike. The phased development strategy allows the Applicant to redevelop incrementally and still address existing tenant leases. The property is

creating a new urban block by proposing a new street (Street A) that contributes to connectivity and walkability.

Specific Land Use Recommendations (p.45, Sector Plan)

The Sector Plan in 2018 recommended a zoning change from CR-1.5, C-1.0, R-1.0 , H-75 to the current CR-2.0, C-0.75, R-1.5, H-200 zone in order to promote mixed-use development along Rockville Pike and to contribute to the potential public benefits including parks and housing options.

This Application will seek to amend this recommendation in order to achieve the urban design, housing, and mobility goals of the Plan. Furthermore, the Project will require rezoning of the Property from its current CR-2.0, C-0.75, R-1.5, H-200, in order to increase the CR total to 2.5, and the R component to 2.25. The slight increases in permissible density will result in a better redevelopment vision for the site, but these increases are actually more consistent with nearby properties. For example, directly across Rockville Pike from the Property are Federal Plaza and Towne Plaza, both of which are zoned CR-2.25, C-0.75, R-1.5, H-150, therefore, 50 feet in height less than the Property is zoned for, but with a total density permitted of 0.25 FAR greater than the Property. Permitting the additional 0.5 FAR of maximum density (“CR”) and additional 0.25 FAR of residential density (“R”), would result in a better project by adding more residential density in proximity to the Twinbrook Metro Station.

Specific Design and Connectivity Recommendations (p.45, Sector Plan)

The Sector Plan recommends redevelopment on the Pike Center property to have a network of short blocks and internal streets, provide a ½ acre neighborhood green and create building frontages along Rockville Pike and Bou Avenue that enhance the public realm.

This Application creates a new block and two new internal streets in keeping with this recommendation. The project also proposes a new Neighborhood Green as the central organizing open space element for the entire development. Building A will fully address Bou Avenue with a strong street will with enhances pedestrian and bicycle amenities. The Development also addresses the Rockville Pike and acknowledges that it is the more important street. The Neighborhood Green reinforces the importance of Rockville Pike as a future Boulevard.

Transportation and Environmental Recommendations

The transportation and environmental Sector Plan recommendations will be addressed in the Pike Center Local Area Transportation Review Report and the Civil Engineering and Environmental Report

IV. ZONING ORDINANCE REQUIREMENTS (Division 5.3)

As described herein below, the Project will satisfy the applicable standards of the Zoning Ordinance for the proposed residential care facility use in the CR (Commercial Residential) Zone, set forth in Division 59-3.3, the development standards set forth in Article 59-4, and the general development requirements set forth in Article 59-6, General Development

Requirements. The various standards that are applicable to the Project, and the Project's compliance therewith, are presented in Table 1 below:

FLOATING ZONE PLAN DEVELOPMENT TABULATIONS				
Address	12101 Rockville Pike, Rockville, MD 20852			
Property Description	Parcel B Washington-Rockville Industrial Park Plat No. 6708			
Current Zone:	CR-2.0, C-0.75, R-1.5, H-200'			
Proposed Zone	CRF-2.5, C-0.75, R-2.25, H-200'			
Existing Site Area to be rezoned	358,752 SF	8.24 AC		
AREA TO BE RE-ZONED TO CRF	<i>SF</i>	<i>Acres</i>		
Tract Area	358,752 SF	8.24 AC		
Previous R.O.W. Dedications	66,312 SF	1.52 AC		
Proposed R.O.W. Dedications	19,085 SF	0.44 AC		
Proposed Site Area	273,355 SF	6.28 AC		
PROPOSED USES				
Multifamily - Residential				760 du
Total MPDU ***				115 du
Commercial Area				90,000 SF
DEVELOPMENT STANDARD				
	<i>Permitted / Required</i>		<i>Provided</i>	
Maximum Density*				
CRF-2.5 Zone (CRF-2.5, C-0.75, R-2.25, H-200')	<i>FAR</i>	<i>SF</i>	<i>FAR</i>	<i>SF</i>
Commercial	0.75	269,064 SF	0.25	90,000 SF
Residential	2.25	807,192 SF	2.25	806,880 SF
Principal Building Setbacks				
From Site Boundary - Rockville Pike	Est. by FZP		9'	
From Site Boundary - Bou Avenue and Chapman Avenue	Est. by FZP		2'	
Maximum Building Height	200'		90' Bldg A/200' Bldg B	
Minimum Lot Size	Est. by Site Plan		TBD	
Maximum Lot Coverage	Est. by Site Plan		TBD	
Minimum Public Open Space Including 1/2 acre park	27,336 SF		51,000 SF	
PARKING**				
	<i>Baseline</i>		<i>Provided</i>	
	<i>Minimum</i>	<i>Maximum</i>		
Multifamily - Residential	1,246 Spaces	2,137 Spaces	1,274 Spaces	

* Density is calculated in the CRF zone based on tract area.

** Final parking will be determined at site plan.

***MPDUs will be provided and distributed among the units and floors, at 15% of those permitted and constructed.

Open Space Calculations			
	Site Area	Required	Proposed
Public Open Space (10% Required)	273,355	27,336	51,000

Note: Final SF of Public Use Space to be determined at Site Plan, but minimum 10% to be provided.

TABLE 1: Floating Zone Plan Development Plan Tabulations

Table 1 confirms that the Project will satisfy applicable Zoning Ordinance requirements and highlights several noteworthy aspects of the Application. Table 1 confirms that the project meets the applicable requirements.

V. REQUIRED FINDINGS (SECTION 59-5.1.2)

This Land Use Report confirms that the Application conforms to the standards and criteria in the Zoning Ordinance for Floating Zone requirements below:

Section 59-5.1.2. Intent Statement

- A. *The application must be shown to implement comprehensive planning objectives by:*
 - 1. *Furthering the goals of the general plan, applicable master plan, and functional master plan;*

The Property is located in the area subject to the *White Flint 2 Sector Plan*, approved and adopted in January 2018 by the Montgomery County Council. Conformance to the goals and specific recommendations of the Sector Plan are described in Section II of this report

- 2. *Ensuring that the proposed uses are in balance with and supported by the existing and planned infrastructure in the general plan, applicable master plan, functional master plan staging, and applicable public facilities requirements; and*

The Application is in balance with existing and planned infrastructure in the area, as further explained in the Civil Engineering and Environmental Report included with the Application. As demonstrated by the Local Area Transportation Review report, prepared by Wells + Associates.

The Property is served by Walter Johnson High School, Tilden Middle School, and Farmland Elementary School. Per the recently adopted Growth and Infrastructure Policy FY 2024 School Test, all three school levels serving the Property currently have adequate capacity and are not subject to any Utilization Premium Payment.

- 3. *Allowing design flexibility to integrate development into circulation networks, land use patterns, and natural features within and connected to the property.*

The redevelopment transforms an existing suburban retail shopping center into a multi-block urban, mixed-use place. The existing site consists of low-rise commercial buildings surrounded by surface parking, without usable public open space or natural features. The proposed development layout incorporates the surrounding street network to create an urban destination with pedestrian-scaled blocks. The layout consists of two mixed-use blocks that frame and help activate the surrounding perimeter streets of Chapman Avenue, Bou Avenue, and Rockville Pike. At the center of the redevelopment is the Neighborhood Green. This public open space is framed on three sides by the proposed mixed-use blocks, with the fourth side open to Rockville Pike, allowing visibility into the redevelopment from the Pike. The Rollins Avenue Extension and New Street, both internal pedestrian-oriented streets, are an extension of the surrounding street network into a new urban place. These connected internal streets converge at the Neighborhood Green, providing pedestrian access from surrounding parcels to this public amenity.

The proposed buildings are setback from surrounding streets to accommodate public right-of-way dedications that will enable the future expansion of transit, pedestrian, and bicycle infrastructure.

The proposed buildings are setback from surrounding streets to accommodate public right-of-way dedications that will enable the future expansion of transit, pedestrian, and bicycle infrastructure.

B. Encourage the appropriate use of land by:

- 1. Providing flexible applicability to respond to changing economic, demographic, and planning trends that occur between comprehensive District or Sectional Map Amendments.*

The Application proposes the modest additional density needed, beyond what was recommended by the Sector Plan, to accommodate recent trends and developments in the construction industry. Specifically, permitting the additional 0.5 FAR of maximum density ("CR") and additional 0.25 FAR of residential density ("R"), will result in a better project because it can be built with more dwelling units, including additional MPDUs, within easy walking distance of two Metrorail stations. Building B is located on a narrow block to accommodate the Neighborhood Green and New Street alignment with the existing signalized intersection on Rockville Pike. The increased allowable density allows Building B to accommodate more residential density and grow the building vertically to overcome the horizontal constraint of the site while also delivering the desired features from the Sector Plan such as an active streetscape, mix of uses, and an urban frame around the Neighborhood Green.

- 2. Allowing various uses, building types, and densities as determined by a property's size and base zone to serve a diverse and evolving population; and*

Because the Sector Plan does not include a floating zone recommendation for the Property, Section 59-5.3.5.A.2 of the Zoning Ordinance establishes the applicable density limits, based on the pre-existing Euclidean zone. Based on the existing CR zoning and the fact that the Property is greater than 3 acres in tract area, total density of up to 8.0 FAR, with "C" or "R" density of up to 6.0 FAR, is permitted. The density requested by this Application is well within these limits. Given the size of the Property, significant density is achievable and appropriate given the proximity to two Metrorail stations. The Project proposes a variety of uses, all allowed under the CR Zone, including multi-unit living, restaurants, offices, structured parking, and a variety of retail/service establishments, among others. The proposed building type is "multi use building," allowing horizontal and vertical integration of uses which is also appropriate for a mixed-use, transit-proximate location.

- 3. Ensuring that development satisfies basic sustainability requirements, including open space standards and environmental protection and mitigation.*

Approximately two-thirds of the Property today is covered with asphalt and surface parking. The proposed redevelopment of the Property will significantly reduce impervious cover on the site, placing parking efficiently and environmentally within parking structures, and locating a 1/2-acre Neighborhood Green on the site, as well as

landscaping and stormwater management features. The site today does not have any existing stormwater management, and all runoff goes directly into existing storm drain systems. The implementation of environmental site design (ESD) will decrease runoff and temperatures and per Maryland regulations, decrease pollutants and sediment through adding quality control measures. Additional tree canopy and plantings, and heat reduction through solar reflectance measures will greatly improve the heat island effect versus the existing site. The introduction of structured parking versus the surface parking lots on site today also minimizes the amount of imperviousness for the proposed site condition.

C. *Ensure protection of established neighborhoods by:*

1. *Establishing compatible relationships between new development and existing neighborhoods through limits on applicability, density, and uses;*

The proposed development is compatible with the land use, scale, and density of the existing urban context. Notably, there are no single-family residences located anywhere near the Property. As discussed, the Property is surrounded by existing commercial and retail uses, with the approximately 18-story condominium building, Midtown Bethesda North Condos, to the south of the Property, across Bou Avenue. The subject Property and all surrounding and nearby areas are zoned for significantly greater density and height than are currently developed and, given the age of the adjacent and surrounding commercial uses, it is likely that they will redevelop in time at a similar scale as that proposed by the Project.

2. *Providing development standards and general compatibility standards to protect the character of adjacent neighborhoods; and*

There are no single-family neighborhoods adjacent, or even nearby, to the Property. The Property is surrounded by existing commercial and retail uses, as well as a high-rise condominium building. In that sense, the development proposed by the Application is compatible with the neighborhood of the Property as it exists today, as well as what adjacent sites could redevelop to under their current zoning (i.e., very similar to what is proposed by the Project). The massing and expression of the two buildings will be similar in nature to recent urban, transit-oriented infill development along Rockville Pike. The mass and bulk of the buildings will provide a continuous mid-rise enclosure around the Neighborhood Green and internal streets. The ground level of the buildings will be crafted to animate the streetscape physically and visually. Commercial storefronts and residential lobbies with a high level of transparency and active programming will front the Neighborhood Green and Rockville Pike. Moving away from Rockville Pike towards Chapman Avenue, active storefront facades transition to residential stoops. Varied building heights offer visual interest at the skyline, with Building B projecting a taller height on the north side of the Neighborhood Green. Building B steps down in height to be compatible with Building A along the Rollins Avenue Extension and Chapman Avenue. This scale change reinforces the transition from mixed-use to a more residential character.

3. *Allowing design flexibility to provide mitigation of any negative impacts found to be caused by the new use.*

In addition to the contextual and architectural compatibility described above, the proposed development works to mitigate any negative impacts to the overall site through streetscape and architectural design. Streetscape enhancements on Rockville Pike, Bou Avenue, and Chapman Avenue, as well as on the internal private streets, are organized to be compatible with the vision of neighborhood streets as described in the White Flint 2 Sector Plan and the Complete Street Design Guidelines. These standards will enhance pedestrian and bike infrastructure. The proposed continuous edge of street trees offers shade for human comfort, but also adds a visual rhythm and unifying edge in front of the diverse storefronts, stoops, and other building conditions. As surrounding parcels redevelop, the application of these street standards will help unify the larger neighborhood while prioritizing a more pedestrian and transit-oriented place.

This proposed half-acre Neighborhood Green provides shared recreation, amenity, and green space to support the increase in density and intensity of this urban development. The Neighborhood Green located on Rockville Pike enables this space to feel publicly accessible to the greater neighborhood.

Services, loading bays, and parking facilities are located internal to the block. Active building uses enclose these facilities concealing them from the streetscape and public view. Access to both parking and services are limited to a few entrances and exits to minimize distribution to the sidewalk network.

Section 59-5.1.3. Applicability

Pursuant to Section 59-5.1.3.C, if a floating zone is not recommended for a property in the applicable master plan, certain prerequisite conditions may need to be satisfied. However, here, because the Property is located in a non-residential base zone (CR), per Section 59-5.1.3.C.3, there are no prerequisites for the Application.

Division 5.3. Commercial/Residential Floating Zones

Section 5.3.2. Purpose.

The purpose of the Commercial/Residential Floating zones is to: (A) allow development of mixed-use centers and communities at a range of densities and heights flexible enough to respond to various settings; (B) allow flexibility in uses for a site; and (C) provide mixed-use development that is compatible with adjacent development.

The Application satisfies all three of these purposes. It will allow redevelopment of what is currently a strip-type shopping center with vast amounts of asphalt and surface parking into a mixed-use development with appropriate density for such a transit-proximate site, a wide range of uses permitted by the CR Zone, and significant open space. As discussed throughout, the Project is compatible with adjacent development, as such is primarily comprised of commercial and retail uses with their own large areas of asphalt and surface parking (with an 18-story condominium building directly to the south), which under their current zoning could redevelop similar to what is now proposed for the Property by this Application.

Section 5.3.3. Land Uses

Section 59-5.3.3.A.3 of the Zoning Ordinance provides that only uses allowed in the CR Zone are permitted in the CRF Zone. Pursuant to Section 59-3.1.6 (Use Table), the CR

Zone permits a wide range of uses, including multi-unit living, restaurants, offices, structured parking, and a variety of retail/service establishments, among others.

Section 5.3.4. Building Types Allowed

Section 59-5.3.4.A provides that any building type is allowed in the CR Floating zones. The Application proposes “multi use building” types, per the definitions in the Zoning Ordinance.

Section 5.3.5. Development Standards

A. *Density*

Because the Sector Plan does not include a floating zone recommendation for the Property, Section 59-5.3.5.A.2 establishes the applicable density limits, based on the pre-existing Euclidean zone. Based on the existing CR zoning and the fact that the Property is greater than 3 acres in tract area, total density of up to 8.0 FAR, with “C” or “R” density of up to 6.0 FAR, is permitted. The density requested by this Application is well within these limits.

B. *Setback and Height*

Section 59-5.3.5.B of the Zoning Ordinance provides that because a floating zone is not specifically recommended for the Property in the Sector Plan, setbacks from the site boundary and maximum height will be established by the floating zone plan itself. As shown on the plans, the proposed maximum height on the Property is 200 feet, while the maximum building height of the proposed new Building A will not exceed 90 feet and the maximum building height of the proposed new Building B will not exceed 200 feet. Because the Property does not “abut[s] or confront[s] a property in an Agricultural, Rural Residential, Residential Detached, or Residential Townhouse zone that is vacant or improved with an agricultural or residential use,” the Project is not required to satisfy the height compatibility provisions of Section 59-4.1.8.B of the Zoning Ordinance. The plans included with the Application note the proposed setbacks from the Property boundary.

C. *Lot Size*

Section 59-5.3.5.C provides that minimum lot sizes will be established as part of the site plan review process. The Applicant will seek requisite regulatory approvals for the Project, including site plan(s), following final District Council action on this rezoning Application.

D. *General Requirements*

Section 59-5.3.5.D.1 of the Zoning Ordinance states that parking, recreation facilities, screening, and landscaping must be provided under Article 59-6 as required for the Euclidean zone that establishes uses under Section 59-5.3.3. Therefore, the Project will be required to comply with the CR Zone requirements for these categories. As shown on the plans included with the Application, the Project will comply with parking requirements (Division 59-6.2), recreation facility requirements (Division 59-6.3), general landscaping and outdoor lighting requirements (Division 59-6.4), and screening requirements (Division 59-6.5). With regard to retail and residential loading and trash, these facilities are proposed to be contained internal to each building. Trash and deliveries will use a shared internal access drive to access loading and trash rooms, to minimize the quantity of necessary curb-cuts and service bays on public streets. The

Neighborhood Green, per the Sector Plan, will provide open space for visitors and residents.

Further, Section 59-5.3.5.D.2 provides that if public benefits are required under Section 59-5.3.5.E, as is the case here, open space must be provided under Section 59-4.5.4.B.1 (for optional method) as required for the Euclidean zone that establishes uses under Section 59-5.3.3 (again, in this case, the CR Zone). Because the Property is comprised of over 6 acres and fronts on three rights-of-way (Rockville Pike, Chapman Avenue, Bou Avenue), Section 59-4.5.4.B.1 requires that 10% of the site be provided as open space. The Application proposes 15% of the site as open space, in satisfaction of this requirement.

E. Public Benefits

Section 59-5.3.5.E of the Zoning Ordinance states that public benefits are required for development above the greater of 0.5 FAR or 10,000 square feet of gross floor area for a project in the CRF Zone. The Project proposes an FAR of 2.5, and therefore public benefit points are required. The manner in which the Applicant plans to satisfy the public benefit points requirements is shown on the Floating Zone Concept Plan included with this Application. At this time, the Applicant anticipates achieving public benefit points in the following categories: transit proximity, connectivity and mobility (minimum parking, public parking, and trip mitigation), diversity of uses and activities (enhanced accessibility for the disabled, affordable housing, small business opportunities), quality building and site design (exceptional design, public open space, structured parking, tower step-back), and protection and enhancement of the natural environment (building lot termination, cool roof). Note that the final public benefit point categories, points, and specific manner in which this requirement will be satisfied will be detailed and finalized at the time of the subsequent Sketch Plan and Site Plan application(s) for the Property.

Section 59-7.2.1.E. Necessary Findings

1. *For a Floating zone application the District Council must find that the floating zone plan will:*
 - (a) *substantially conform with the recommendations of the applicable master plan, general plan, and other applicable County plans;*

The Application substantially conforms to the recommendations of the Sector Plan, as discussed above in Section III Sector Plan Recommendations.

The Application conforms to the *Thrive Montgomery 2050* general plan by:

- Focusing growth along major corridors like Rockville Pike
- Providing equal access to affordable housing (MPDU), economic opportunities (new retail) and transit (proximity to two Metro stations)
- Increases the County's economic competitiveness by providing infrastructure (competitve streets) and amenities (a new Neighborhood Green)
- Emphasizing walking, biking and transit
- Embed social connections and public health (pedestrian accommodations, a new Neighborhood Green and connection to the Bethesda Trolley Trail).
- Target growth in already developed areas to put less pressure on the Agricultural Reserve

- Build more housing with reasonable price points and lifestyle choices.

(b) further the public interest;

The Property is currently developed with an aging and functionally obsolete strip-type shopping center. Given the site's proximity to two Metrorail stations within easy walking distance, and location right on Rockville Pike, the Property could be far better utilized from a use, density, and function perspective. This Application would allow redevelopment of the Property with a mix of uses at densities and heights appropriate to the area, and called for by the Sector Plan. In addition, three right-of-way frontages will be improved if and when the Property redevelops, and the Sector Plan recommendation for a half-acre Neighborhood Green and additional street connections within the site will also be fulfilled.

(c) satisfy the intent and standards of the proposed zone and, to the extent the Hearing Examiner finds it necessary to ensure compatibility, meet other applicable requirements of this Chapter;

As detailed above, the Application satisfies the intent, purposes, and standards of the proposed zone and rezoning requirements.

(d) be compatible with existing and approved adjacent development;

As described above, the Project is compatible with existing and approved adjacent development. Notably, there are no single-family residences located anywhere near the Property nor even any residentially zoned land (the closest residential zone is located behind the shopping centers opposite Rockville Pike from the Property. The Property is surrounded by existing commercial and retail uses, with the approximately 18-story condominium building, Midtown Bethesda North Condos, to the south of the Property, across Bou Avenue. The subject Property and all surrounding and nearby areas are zoned for significantly greater density and height than are currently developed and, given the age of the adjacent and surrounding commercial uses, it is likely that they will redevelop in time at a similar scale as that proposed by the Project.

(e) generate traffic that does not exceed the critical lane volume or volume/capacity ratio standard as applicable under the Planning Board's LATR Guidelines, or, if traffic exceeds the applicable standard, that the applicant demonstrate an ability to mitigate such adverse impacts; and

As detailed in the Traffic Study included with the Application, the traffic generated by the Application will not exceed area capacity and will conform to the LATR Guidelines. The Application for the proposed redevelopment of Pike Center also incorporates design guidance to meet the County's Complete Streets standards and Vision Zero goals. The layout of the site will provide connections for various modes of transportation to the surrounding transportation infrastructure.

The Application introduces the Rollins Avenue Extension through the site, extending Rollins Avenue at Chapman Avenue to Rockville Pike. This east-west street breaks the block, allowing bicyclists, pedestrians, and vehicles through the site to access the residential and retail uses. The intersection with Rockville Pike, located between Bou

Avenue and the signalized access for Federal Plaza and the New Street (Pike Center), will be right-in/right-out movements only. The New Street extending from the traffic signal will intersect the Rollins Avenue Extension, creating a grid within the site. Sidewalks and on-street parking are planned along both streets. The on-street parking spaces provide an opportunity for short-term use, i.e., delivery and pick-up and drop-off activity.

Vehicular access to the parking garages for the two buildings will be provided via the internal road network. The redevelopment will include an alley along the northern Property line, similar to the existing condition, providing vehicular access to loading docks and the parking garage for the northern building (Building A). A sidewalk is planned along the building side of the alley. The alley movements at its intersection with Rockville Pike will be right-in/right-out only and full movement at the Chapman Avenue intersection. Loading for the southern building (Building B) is planned on Bou Avenue. The planned vehicular access minimizes vehicle and pedestrian conflicts by providing a one-way travel to internal loading areas, thereby avoiding a reverse movement in publicly accessible streets.

As shown on the Road Sections exhibit included with the Application, the frontages along Chapman Avenue, Bou Ave, and Rockville Pike will provide appropriate facilities for bicycles, pedestrians, vehicles, and bus riders. The frontage improvements are in conformance with the Complete Street guidelines and the Bicycle Master Plan.

Based on trip generation calculations for the proposed and existing uses, the redevelopment will add person trips and vehicle trips to the adjacent road network. The impact of the increases will be evaluated during the Preliminary Plan of Subdivision review process. Based on a development program of 760 multi-family dwelling units and 90,000 square feet of retail, compared to the existing retail uses comprised of 81,007 square feet, the redevelopment will add 610 AM and 932 PM peak hour person trips and 323 AM and 490 PM peak hour vehicle trips to the transportation system.

(f) when applying a non-Residential Floating zone to a property previously under a Residential Detached zone, not adversely affect the character of the surrounding neighborhood.

This section is not applicable to the Application, as the existing zoning is not Residential Detached.

VI. CONCLUSION

As explained above, the redevelopment of the Pike Center shopping center meets or exceeds all of the criteria and standards for a CRF (Commercial Residential Floating) zoning application as set forth in Sections 59-3, 59-5, and 59-7 of the Zoning Ordinance. For these reasons and for other reasons discussed herein, this Land Use Report supports approval of the Local Map Amendment as proposed.