Takeaways – Agree on...

1. Basic outline for Option 3
2. Priority Sending Site Incentives and whether to add or remove sites
3. CR Benefit Point Priorities
4. Affordable Housing Recommendations
5. Park Impact Payment Methodology
6. Direction for next work session
Option 3: Bethesda Overlay Zone

• Zone individual properties CR with the currently mapped density limit and the heights determined by the Board during its work sessions.

• Properties rezoned to a CR, CRT, or CRN zone will retain CR zoning designation, but will be translated to the density equal to its former zone.

• Cover all properties with the Bethesda Overlay Zone.
## Option 3: Three ways to exceed mapped density

### a. Density Averaging
- Current Zoning Rules Apply

### b. Bethesda Overlay Zone Pool
- Park Impact Payment
- 15% MPDU Requirement
- Design Review Panel

### c. Priority Sending Sites
- Incentives to buy density from these sites
**Option 3b: Bethesda Overlay Zone Pool**

| Requirements: | • Park Impact Payment  
|               | • 15% MPDU Requirement  
|               | • Design Review Panel  
|               | • Provide ___% below the minimum parking required |
| Affordable Housing (MPDUs): | • MPDU square footage does not count against the FAR (same as CR zone today)  
|                             | • No additional height given with MPDUs outside of the HPA or no height increases in areas adjacent to single family neighborhoods |
| Process: | • Board may approve a project that exceeds the mapped CR density  
|        | • For the Board to approve a project with bonus density it must find that no more than a total of 32.4 million SF has been approved  
|        | • Project receiving bonus density must go to permit within 24 months of receiving site plan approval |
**Option 3c: Priority Sending Sites**

<table>
<thead>
<tr>
<th>Working Draft Incentives:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lift the 0.25-mile restriction</td>
</tr>
<tr>
<td>• Eliminate the requirement for a common sketch plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Possible Additional Incentives:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Remove the BLT requirement for priority sending site density</td>
</tr>
<tr>
<td>• Eliminate the 15 percent MPDU requirement for priority sending site density, and leave it at the mandatory 12.5 percent</td>
</tr>
<tr>
<td>• Remove Park Amenity Payment</td>
</tr>
<tr>
<td>• Add a small multiplier</td>
</tr>
</tbody>
</table>
CR Public Benefit Points - Priorities

**Working Draft Top Priorities:**
1. Affordable Housing (30 pts for 15%)
2. Public Benefits in the High Performance Area (up to 15 pts)
3. Enhanced Vegetated Roofs to Increase Green Cover (up to 15 pts)

**Other Priorities:**
1. Public Open Space (up to 20 pts)
2. Exceptional Design (up to 10 pts)
3. Minimum Parking (up to 10 pts)
Affordable Housing
Goals

• Preserve existing market-rate affordable housing.

• Provide a diverse mix (mixed income) of housing options in the Downtown, “Place Matters”.

• Produce new units by increasing the provision of Moderately Priced Dwelling Units in exchange for development incentives.

• Reach deeper levels of affordability (below 65% AIM).
Recommendations

• Add more units to the marketplace by requiring 15% MPDUs within the Downtown.

• Provide 15% MPDUs on-site as a first priority.

• Provide DHCA with the flexibility to work with the developers.

• Preserve existing market-rate affordable housing through density averaging and priority sending sites.
Recommendations (cont.)

- Prioritize 2 and 3 bedroom units – increased public benefit points and DHCA evaluation of area needs and through negotiations with developer (potentially off-site).

- Reach deeper levels of affordability (below 65% AIM) by providing 10% of MPDU units below 65% AMI.
  - Rental agreements could reach below 65% AMI – DHCA to make up the difference
  - Added public benefit points (?)

- Off-site MPDUs – Not developer directed, a case-by-case basis through negotiations with DHCA.
Park Impact Payment
Parks Impact Payment

- Who should pay for acquisition and development of BDP parks?
  - Primarily new development via the Park Impact Fee
  - Balance of Impact Fee and general tax base via CIP

- What basis should set the value of the Park Impact Payment?
  - Cost of estimated acquisition and development
  - Market rate for density purchases