

2016 Subdivision Staging Policy

Worksession #1 on the Public Hearing Draft

2016 SUBDIVISION STAGING POLICY

The Subdivision Staging Policy **should** support our master plan goals, providing guidance for the implementation of our plans.

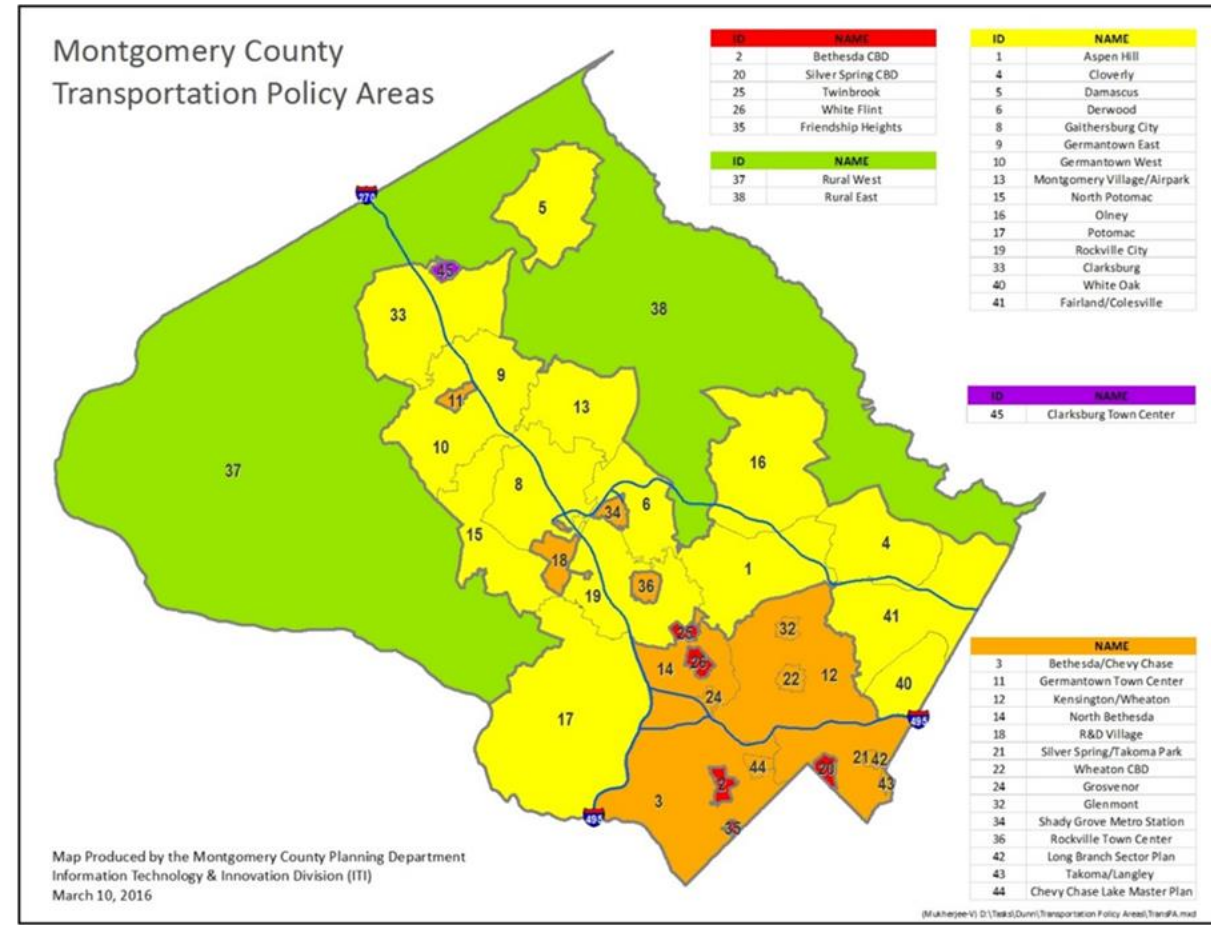
Master plan vision often strives to...

- Enhance quality of life through increased access to jobs, shopping, and entertainment.
- Strengthen the potential for economic development through job creation, and increases in property values.
- Improve ecological sustainability by promoting reduction in CO₂ emissions, and storm water runoff.
- Support social equity by promoting affordable housing, and access to jobs and services throughout our communities.

TRANSPORTATION RECOMMENDATIONS

Recommendation #1

Policy Area categories should reflect **current land use patterns, modes of travel other than the single occupant vehicle, and the planning vision** for different parts of the County.



Public Testimony

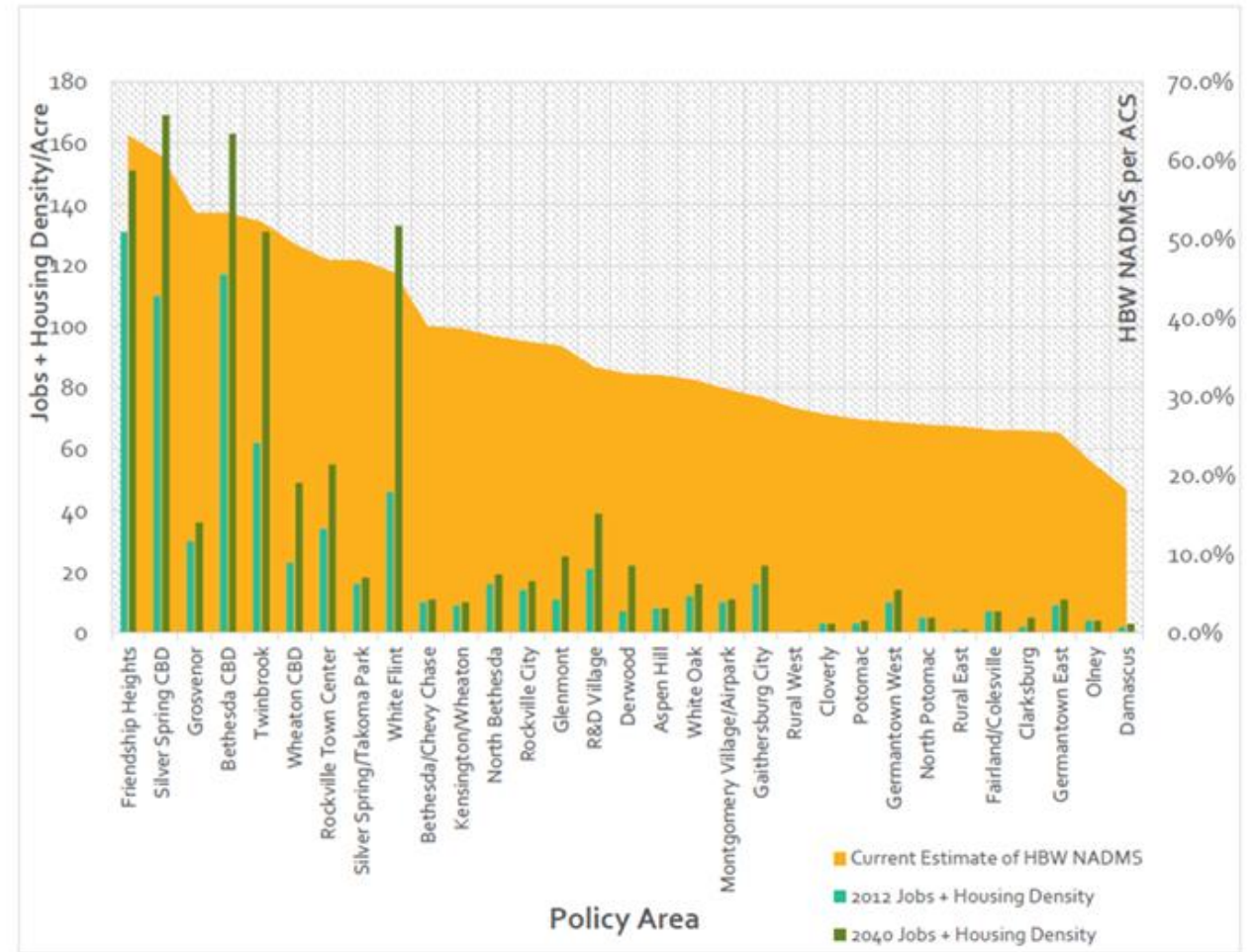
- Concerns with Terminology – confusing, impression of larger change than in actuality, definition of areas in I-270 corridor
- Evolution of classification over time
- Concern about Non-Auto Driver Mode Share (NADMS) definitions
- Schools/transportation equivalency

TRANSPORTATION RECOMMENDATIONS

Approach to Creating Policy Area Groups

- Objective – group like places
- Methodology – quantifiable to extent possible, using easily accessible measures, simple and concise, should intuitively make sense, and be consistent with the General Plan.
- Existing and Future Considerations – should reflect future plans as well as existing conditions acknowledging that review will be conducted every 2-4 years and areas will move between groups as land use density, and/or travel behavior changes.

Figure 5: Comparing Existing and Future Density with Current HBW NADMS by Policy Area



Planning Board Draft should clearly indicate a timeframe for updating the method used to create the policy area categories – biennially or with the update to the SSP - this addresses a concern raised in testimony regarding the need to clarify when policy areas are reevaluated.

TRANSPORTATION RECOMMENDATIONS

Current Categorization

Urban:

Bethesda CBD
Bethesda-Chevy Chase
Derwood
Friendship Heights
Glenmont
Grosvenor
Kensington/Wheaton
North Bethesda
Rockville City
Rockville Town Center
Shady Grove
Silver Spring CBD
Silver Spring/Takoma Park
Twinbrook
Wheaton CBD
White Flint
White Oak

Suburban:

Aspen Hill
Clarksburg
Cloverly
Fairland/Colesville
Gaithersburg City
Germantown East
Germantown Town Center
Germantown West
Montgomery Village/Airpark
North Potomac
Olney
Potomac
R&D Village

Rural:

Damascus
Rural East
Rural West

Proposed Categorization

New:

Bethesda CBD
Friendship Heights
Silver Spring CBD
Twinbrook
White Flint

Urban:

Bethesda/Chevy Chase
Derwood
Gaithersburg City
Germantown Town Center
Glenmont
Grosvenor
Kensington/Wheaton
North Bethesda
R&D Village
Rockville City
Rockville Town Center
Shady Grove
Silver Spring/Takoma Park
Wheaton CBD
White Oak
Clarksburg Town Center
Chevy Chase Lake
Long Branch
Takoma/Langley

Suburban:

Aspen Hill
Clarksburg
Cloverly
Fairland/Colesville
Germantown East
Germantown West
Montgomery Village/Airpark
North Potomac
Olney
Potomac

Rural:

Damascus
Rural West
Rural East

New policy areas

TRANSPORTATION RECOMMENDATIONS

Current Categories: Urban, Suburban, Rural

Area-wide test is TPAR

- Roadway Adequacy Test - must meet a minimum Level of Service (LOS) of 40% (LOS E)
- Transit Adequacy Test - must meet minimum levels of span of service and coverage, and maximum headway

2016 Subdivision Staging Policy

Proposed Categories: New, Urban, Suburban, Rural

Area-wide test is a Transit Accessibility test

- No Roadway Adequacy Test
- Transit Adequacy Test - the proportion of transit accessibility that is expected within the next 15 years based on land use changes and the implementation of transit facilities within this time frame compared to 2040, setting a threshold for adequacy at 50% (with a base year of 2010, 2025 is 50% of the time to 2040).

TRANSPORTATION RECOMMENDATIONS

Some **Urban** policy areas proposed to be a **New** policy area:

Bethesda CBD
Friendship Heights
Silver Spring CBD
Twinbrook
White Flint

Recommendation is for the required Impact Tax revenue to be retained in these areas for funding transit accessibility – see Table 3 – page 41 of Public Hearing Draft

Under TPAR

- These 5 policy areas are adequate for roadway LOS under the biennial TPAR Test.
- Within the Urban policy areas, all Metro Station Policy Areas are exempt from Transit Adequacy Test making these 5 policy areas exempt from the transit test.

Under Transit Accessibility Test

- Test is not applied to the Urban Centers policy areas.

No change for these 5 policy areas under the area-wide test. LATR test not applied in these 5 policy areas.

TRANSPORTATION RECOMMENDATIONS

Urban policy areas remaining Urban policy areas:

Bethesda-Chevy Chase
Derwood
Glenmont
Grosvenor
Kensington/Wheaton
North Bethesda
Rockville City
Rockville Town Center
Shady Grove
Silver Spring/Takoma Park
Wheaton CBD
White Oak

Examples:

Silver Spring/Takoma Park

Under TPAR

- Adequate roadway level of service
- Inadequate transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- No mitigation required

Derwood

Under TPAR

- Adequate roadway level of service
- Inadequate transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

TRANSPORTATION RECOMMENDATIONS

Urban policy areas remaining **Urban** policy areas:

Bethesda-Chevy Chase
Derwood
Glenmont
Grosvenor
Kensington/Wheaton
North Bethesda
Rockville City
Rockville Town Center
Shady Grove
Silver Spring/Takoma Park
Wheaton CBD
White Oak

Wheaton CBD

Under TPAR

- Adequate roadway level of service
- Exempt from transit adequacy test

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility (but barely)
- Mitigation payment = 25% of impact tax (**or** could equal difference between 50% threshold and current accessibility. In this case mitigation payment would = 7% of impact tax)
- Eventually would likely reach threshold with BRT

Bethesda-Chevy Chase

Under TPAR

- Inadequate roadway level of service
- Inadequate for transit service
- Mitigation payment = 50% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Adequate Transit Accessibility
- No mitigation payment

TRANSPORTATION RECOMMENDATIONS

Suburban policy areas proposed to be **Urban** policy areas:

Germantown Town Center
R&D Village
Clarksburg Town Center
Gaithersburg City*

Moving Gaithersburg City to the Urban policy area category addresses a concern raised in testimony regarding the treatment of policy areas in the I-270 corridor.

Gaithersburg City

Under TPAR

- Inadequate roadway level of service
- Adequate transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

*applies only to areas within the policy area but not in the City

TRANSPORTATION RECOMMENDATIONS

Suburban policy areas proposed to be **Urban** policy areas:

Germantown Town Center
R&D Village
Clarksburg Town Center
Gaithersburg City

Germantown Town Center

Under TPAR

- Adequate roadway level of service
- Inadequate transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

R&D Village

Under TPAR

- Adequate roadway level of service
- Inadequate for transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

TRANSPORTATION RECOMMENDATIONS

Suburban policy areas remaining Suburban policy areas:

Aspen Hill
Clarksburg
Cloverly
Damascus
Fairland/Coleville
Germantown East
Germantown West
Montgomery Village/ Airpark
Olney
Potomac

Clarksburg

Under TPAR

- Adequate roadway level of service
- Inadequate for transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Adequate Transit Accessibility
- No mitigation payment

Germantown West

Under TPAR

- Adequate roadway level of service
- Inadequate for transit service
- Mitigation payment = 25% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

TRANSPORTATION RECOMMENDATIONS

Suburban policy areas remaining **Suburban** policy areas:

Aspen Hill
Clarksburg
Cloverly
Damascus
Fairland/Coleville
Germantown East
Germantown West
Montgomery Village/ Airpark
Olney
Potomac

Fairland/Colesville

Under TPAR

- Inadequate roadway level of service
- Inadequate transit service
- Mitigation payment = 50% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Inadequate Transit Accessibility
- Mitigation payment = 25% of impact tax

TRANSPORTATION RECOMMENDATIONS

Rural policy areas remaining Rural policy areas:

Damascus
Rural East
Rural West

Damascus

Under TPAR

- Inadequate roadway level of service
- Inadequate transit service
- Mitigation payment = 50% of impact tax

Under Transit Accessibility Test

- No roadway adequacy test
- Adequate Transit Accessibility
- No mitigation payment

Rural East and Rural West

Under TPAR

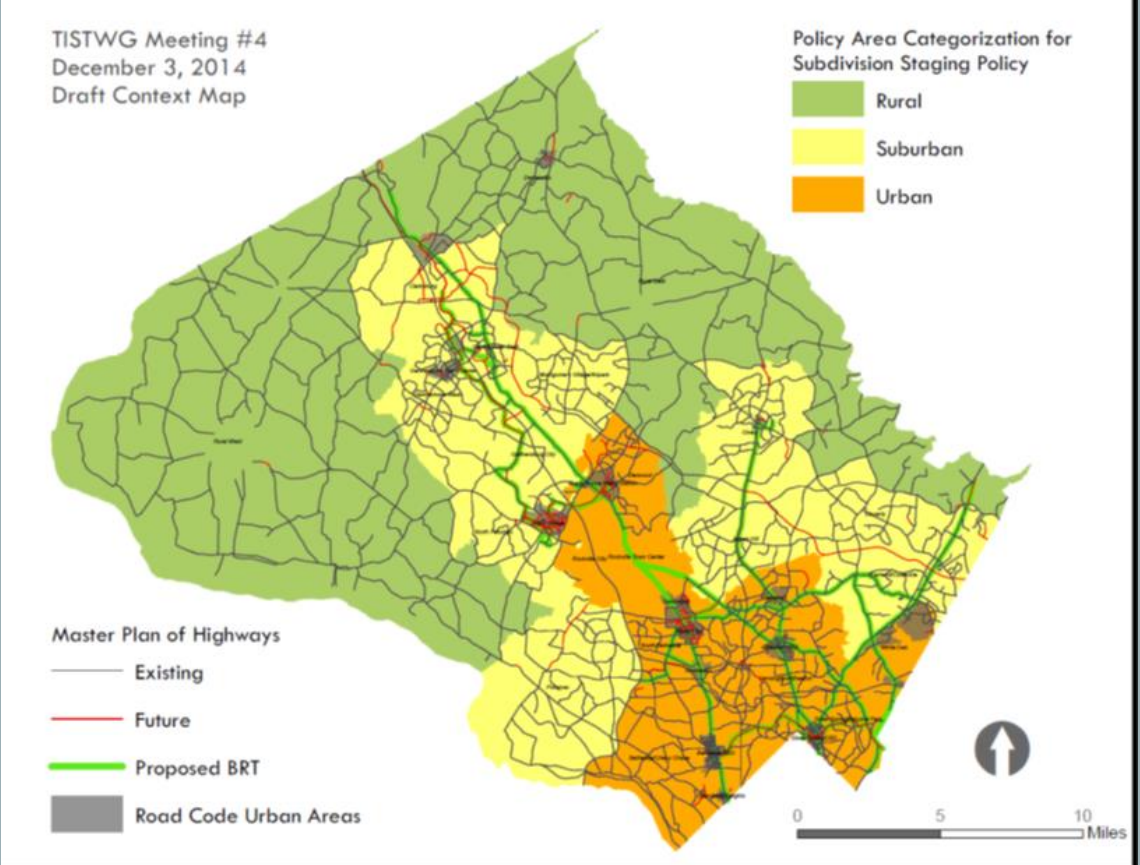
- Exempt from roadway and transit tests

Under Transit Accessibility Test

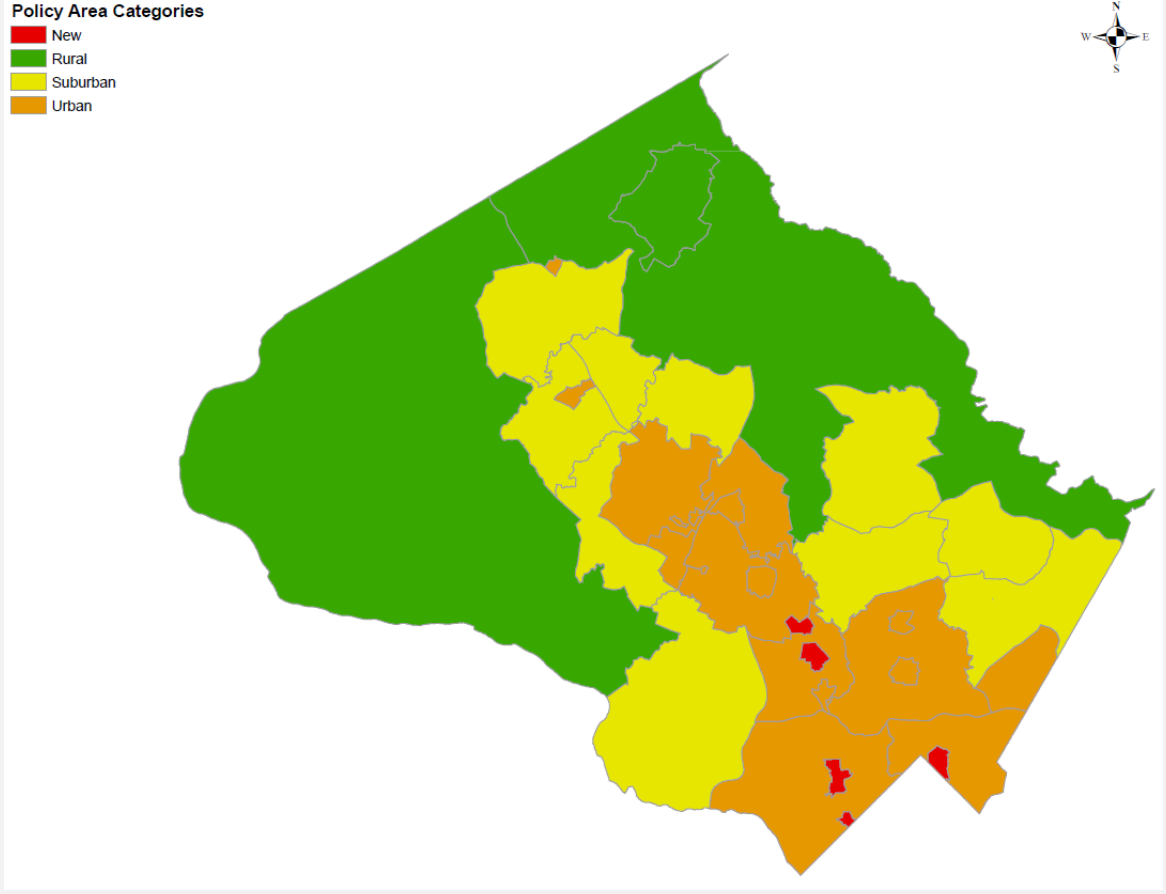
- No roadway adequacy test
- Exempt from transit test

TRANSPORTATION RECOMMENDATIONS

Map of current policy area categories



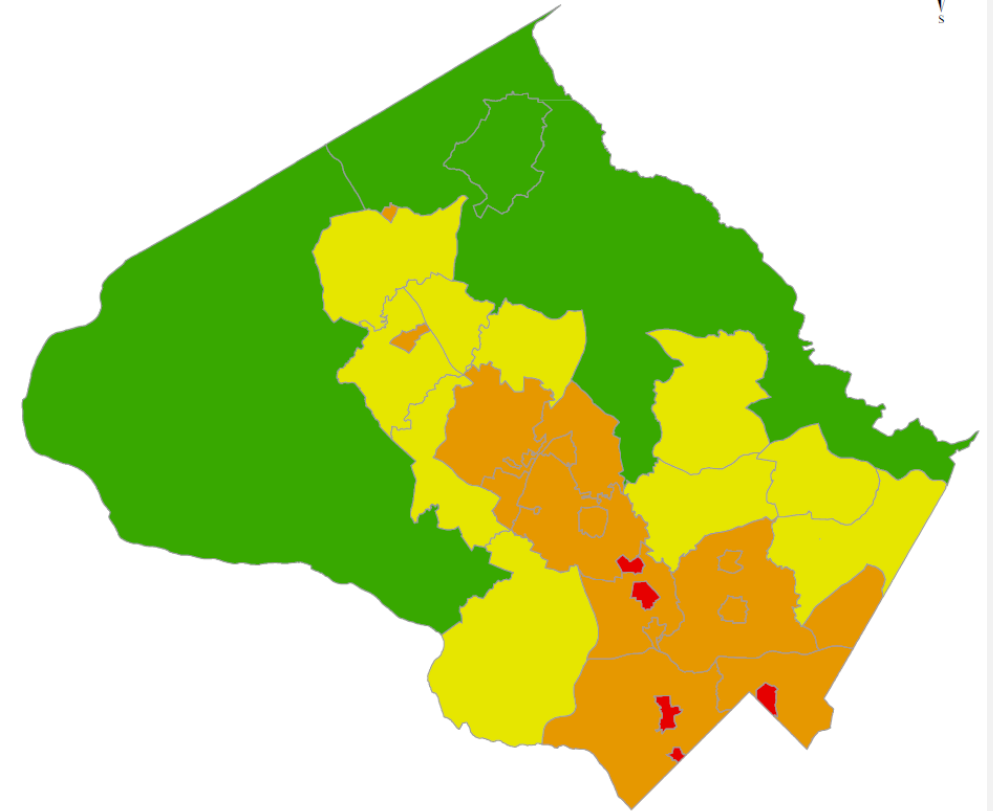
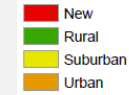
Map of proposed policy area categories



RECOMMENDATION # I

There has been an ongoing discussion regarding appropriate names for policy area categories – names that indicate the similarities of the policy areas within each group. The difficulty is that often generalized similarities will not define all areas within the group.

Policy Area Categories



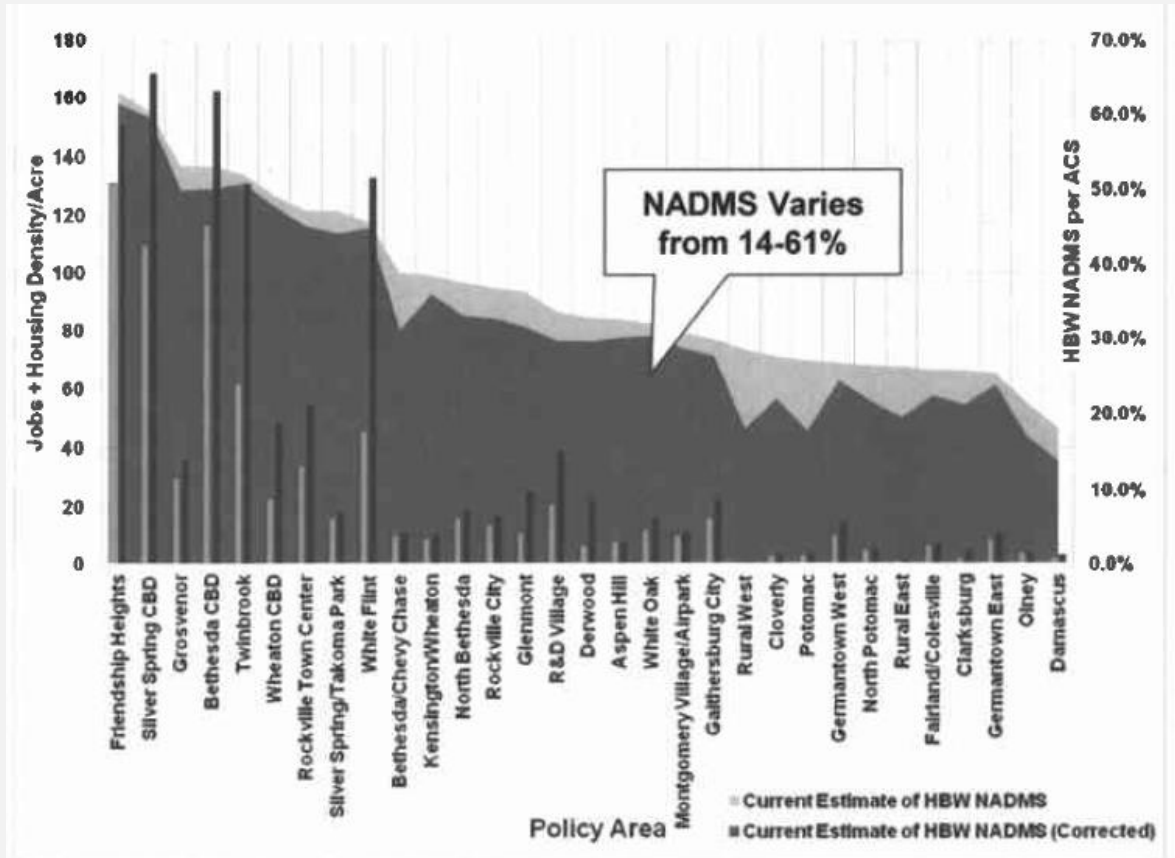
Suggested revision to address the ongoing concern with the category names:

- **New** category named **Urban Centers** (5 policy areas)
- **Urban** category renamed **Inner Ring Communities and Town Centers**
- **Suburban** category renamed **Residential and Corridor Communities**
- **Rural** category remains **Rural**

RECOMMENDATION # 1

Concern with NADMS Definition

- Definitions do vary across different sources, mostly regarding trip purposes, treatment of auto passengers, telework, and day(s) of survey
- Key is understanding comparison of like data points from place to place and/or from time to time, using a consistent measure, for categorization or tracking
- In example at right, removing telework (which is a desirable travel reduction tool) from definition drops NADMS fairly consistently from place to place, but doesn't significantly change relative relationships



Ref: Figure 5, 2016 Subdivision Staging Policy Public Hearing Draft

Using NADMS with telework respondents removed is a valuable modification. This address the concern in testimony with the accuracy of the data.

TRANSPORTATION RECOMMENDATIONS

Transportation Impact Tax varies by policy area categories as a result of applying factors to the current General Rate. Discount factors applied to:

- Recognize areas where per capita VMT is lower than the county average
- Recognize areas where NADMS for HBW trips is higher than County average
- Provide opportunities to reduce the Transportation Impact Tax through application of discounts for providing parking that is below the baseline minimum as allowed by the zoning code

Transportation Impact Taxes

- Last update was in 2007 – based on CIP more than 9 years old
- Align tax districts with policy area categories
- Opportunity to include discount factors related to per capita VMT, NADMS, and recognizing parking reductions where applicable
- Recent bill introduced by members of the Council proposed removing the rate reduction for MSPAs as well as the premium applied to the Clarksburg rate

TRANSPORTATION RECOMMENDATIONS

Recommendation

Update Transportation Impact Taxes using current CIP projects.

Adjust rates based on estimates of current Vehicle Miles of Travel (VMT) for trips to work which is a readily available – and relevant – measurement to use in establishing Policy Area specific rates for residential development.

A similar and complementary metric for commercial development is the non-auto driver mode share for trips to work.

Transportation Impact Taxes

Public Testimony

Concern with change in the rate for office use and change in discount factors applied by policy area categories.

Related concern is that some MSPA's are now in the Inner Ring Communities and Town Centers with resulting higher rates

Transportation Impact Tax – Rate History – General District

Category	03/01/04	07/01/06	Calculated or Resultant Rates in 2007 SSP Review	12/01/07 – Established by Council	07/01/09	07/01/10	07/01/11	07/01/13	10/01/14	07/01/15	Calculated or Resultant Rates in 2016 SSP Review
SF Detached	\$5,500	\$5,819	\$8,380 (SF Residential)	\$10,649	\$11,411	\$11,411	\$12,425	\$13,506	\$13,506	\$13,966	\$11,499 (SF Residential)
MF Garden	\$3,500	\$3,703	\$5,884 (MF Residential)	\$6,776	\$7,261	\$7,261	\$7,906	\$8,594	\$8,594	\$8,886	\$8,032 (MF Residential)
Office	\$5.00	\$5.30	\$11.56	\$9.69	\$10.40	\$10.40	\$11.30	\$12.30	\$12.30	\$12.75	\$16.04
Retail	\$4.50	\$4.75	\$18.80	\$8.67	\$9.30	\$9.30	\$10.15	\$11.00	\$11.00	\$11.40	\$25.93
Industrial	\$2.50	\$2.65	\$5.39	\$4.85	\$5.20	\$5.20	\$5.65	\$6.15	\$6.15	\$6.35	\$7.43
Other	\$2.50	\$2.65	\$4.85	\$4.85	\$5.20	\$5.20	\$5.65	\$6.15	\$6.15	\$6.35	\$6.69

IMPACT TAXES

- Adjust Residential Rates based on HBWVMT
- Adjust Commercial Rates based on HBW mode share
- Set ancillary retail rate at zero for first 10,000 GSF in vertical mixed use
- Adjust rate for Reduced Parking Incentive

Multipliers for countywide average transportation impact tax rates

Policy Area Type	Residential	Commercial
Urban Centers	0.25	0.75
Inner Ring Communities and Town Centers	0.75	1.00
Residential and Corridor Communities	1.25	1.25
Rural	2.00	1.25

Project Profile

**Location – Bethesda
CBD (Core)
Office – 300,000 SF
GFA
Retail – 30,000 SF
GFA**

Current Tax Rate

Office Rate - \$6.35 /SF GFA
Retail Rate - \$5.70 / SF GFA

Office Impact Tax - \$2,222,500
Retail Impact Tax - ~~\$171,000~~
Total Impact Tax - **\$2,393,500**

Recommended Tax Rate

Office Rate - \$9.56 /SF GFA
Retail Rate - \$8.55 / SF GFA

Office Impact Tax - \$3,346,875
Retail Impact Tax - ~~\$256,500~~
Total Impact Tax - **\$3,603,375**

Baseline Minimum
Parking from Code

Office 700 spaces
Retail 95 spaces
Total 795 spaces

Reduction in Tax Rate Due
to Parking Incentive in
Core Areas

$\$3,603,375 \times 30\% =$
 $\$1,081,013$

$\$3,603,375$
 ~~$-\$1,081,013$~~
 $\$2,522,363$

10% Reduction
from Baseline
Min Parking
Yields 30%
Reduction in
Impact Tax in
Core Area

Note: Recommendation is for Impact
Tax revenue to be retained in Core
Policy Areas to fund transit accessibility

Project Profile

**Location – Silver
Spring CBD (Core)
Residential MF Hi
Rise – 120 DUs
Retail – 6,500 SF
GFA**

Current Tax Rate

MF Hi Rise Rate - \$3,174 /DU
Retail Rate - \$5.70/ SF GFA

Res. Impact Tax - \$380,880
Retail Impact Tax - \$37,050
Total Impact Tax - \$417,930

Recommended Tax Rate

MF Hi Rise Rate - \$1,587/DU
Retail Rate - \$8.55 / SF GFA

Res. Impact Tax - \$190,410
Retail Impact Tax - \$55,575
Total Impact Tax - \$245,985

Baseline Minimum
Parking from Code

Res. 120 spaces
Retail 20 spaces
Total 140 spaces

Reduction in Tax Rate Due
to Parking Incentive in
Core Areas

$\$245,985 \times 30\% =$
 $\$73,796$

$\$245,985$
 $- \underline{\$73,796}$
 $\$172,190$

10% Reduction
from Baseline
Min Parking
Yields 30%
Reduction in
Impact Tax in
Core Area

Project Profile

**Location – Wheaton
CBD (Corridor)
Office – 230,000 SF
GFA
Residential MF Hi
Rise – 425 DUs
Retail – 40,000 SF
GFA**

Current Tax Rate

Office Rate - \$6.35 / SF GFA
MF Hi Rise Rate - \$3,174 /DU
Retail Rate - \$5.70 / SF GFA

Office Impact Tax \$1,460,500
Res. Impact Tax - \$1,348,950
Retail Impact Tax - ~~\$228,000~~
Total Impact Tax - **\$3,037,450**

Recommended Tax Rate

Office Rate - \$12.75 / SF GFA
MF Hi Rise Rate - \$4,760/DU
Retail Rate - \$11.40 / SF GFA

Office Impact Tax - \$2,932,500
Res. Impact Tax - \$2,023,106
Retail Impact Tax - ~~\$456,000~~
Total Impact Tax - **\$5,411,606**

Reduction in Tax Rate Due
to Parking Incentive in
Corridor Areas

$\$5,411,606 \times 20\% =$
 $\$1,082,321$

$\$5,411,606 -$
 ~~$\$1,082,321$~~
 $\$4,329,285$

Baseline Minimum
Parking from Code

Office 460 spaces
Res. 425 spaces
Retail 126 spaces
Total 1,011 spaces

10% Reduction
from Baseline
Min Parking
Yields 20%
Reduction in
Impact Tax in
Corridor Area

Project Profile

**Location – Grosvenor
(Corridor)
Residential MF Hi
Rise – 250 DUs
Retail – 25,000 SF
GFA**

Current Tax Rate

MF Hi Rise Rate - \$3,174/DU
Retail Rate - \$5.70/ SF GFA

Res. Impact Tax - \$793,500
Retail Impact Tax - ~~\$142,500~~
Total Impact Tax - **\$936,000**

Recommended Tax Rate

MF Hi Rise Rate - \$4,760/DU
Retail Rate - \$11.40 / SF GFA

Res. Impact Tax - \$1,190,063
Retail Impact Tax - ~~\$285,000~~
Total Impact Tax - **\$1,475,063**

Baseline Minimum
Parking from Code

Res. 250 spaces
Retail 79 spaces
Total 329 spaces

Reduction in Tax Rate Due
to Parking Incentive in
Corridor Areas

$\$1,475,063 \times 20\% =$
 $\$295,031$

\$1,475,063
- ~~\$295,031~~
\$1,180,050

10% Reduction
from Baseline
Min Parking
Yields 20%
Reduction in
Impact Tax in
Corridor Area

Project Profile

**Location –
Germantown East
(Wedge)
SF Residential - 125
DUs**

Current Tax Rate

SF Detached - \$13,966 / DU

Res. Impact Tax - \$1,745,750

Recommended Tax Rate

SF Detached - \$17,458 / DU

Res. Impact Tax - \$2,182,188

Baseline Minimum
Parking from Code

Res. 250 spaces

Project Profile

**Location – Derwood
(Wedge)
SF Attached - 125
DUs**

Current Tax Rate

SF Attached - \$11,427 / DU

Res. Impact Tax - \$1,714,050

Recommended Tax Rate

SF Attached - \$14,284/ DU

Res. Impact Tax - \$2,142,563

Baseline Minimum
Parking from Code

Res. 300 spaces

Reduction in Tax Rate Due
to Parking Incentive in
Wedge Areas

$$\begin{aligned} & \$2,142,563 \times 10\% = \\ & \$214,256 \end{aligned}$$

$$\begin{aligned} & \$2,182,188 \\ & - \cancel{\$214,256} \\ & \underline{\$1,928,306} \end{aligned}$$

10% Reduction
from Baseline
Min Parking
Yields 10%
Reduction in
Impact Tax in
Wedge Area

Project Profile

Current Tax Rate

Recommended Tax Rate

Baseline Minimum
Parking from Code

**Location – Rural SF
Detached
SF Detached - 10
DUs**

SF Detached - \$13,966 / DU

SF Detached - \$27,932 / DU

N/A

Res. Impact Tax - \$139,660

Res. Impact Tax - \$279,320

Summary Comparison

Project Type	Example Location	DU's	Office SF	Retail SF	Recommended Tax Structure	Current Tax Structure	Difference	Notes	Recommended Tax Structure Without Parking Incentive Applied
Core - Mixed Use - Office & Retail	Bethesda CBD	0	350,000	30,000	\$2,522,363	\$2,393,500	\$128,863	Increase Rates Relative to Current Rates Offset Parking Incentive	\$3,603,375
Core - Mixed Use - Residential & Retail	Silver Spring CBD	120	0	6,500	\$172,190	\$417,930	(\$245,741)	Assumes Parking is 10% Below Baseline Minimum	\$245,985
Corridor - Mixed Use - Office, Residential, & Retail	Wheaton CBD	425	230,000	40,000	\$4,329,285	\$3,037,450	\$1,291,835	Assumes Parking is 10% Below Baseline Minimum	\$5,411,606
Corridor - Mixed Use - Residential & Retail	Grosvenor	250	0	25,000	\$1,180,050	\$936,000	\$244,050	Assumes Parking is 10% Below Baseline Minimum	\$1,475,063
Residential - SF Detached	Germantown East	125	0	0	\$2,182,188	\$1,745,750	\$436,438	Increased Rate	\$2,182,188
Residential - SF Attached	Derwood	150	0	0	\$1,928,306	\$1,714,050	\$214,256	Assumes Parking is 10% Below Baseline Minimum	\$2,142,563
Rural - SF Detached	Rural	10	0	0	\$279,320	\$139,660	\$139,660	Increased Rate	\$279,320

TRANSPORTATION RECOMMENDATIONS

Last time Transportation Impact Taxes were calculated, a discount factor for tax rates in MSPAs and a bump in the tax rate for Clarksburg were adopted.

The Public Hearing Draft proposes an alternative system for discounting Transportation Impact Taxes based on VMT and NADMS. This new calculation has resulted in a higher tax rate for some land uses.

For specific land uses, such as Office, where other County goals suggest minimizing changes to the rate are warranted, staff recommends retaining the current tax rate.

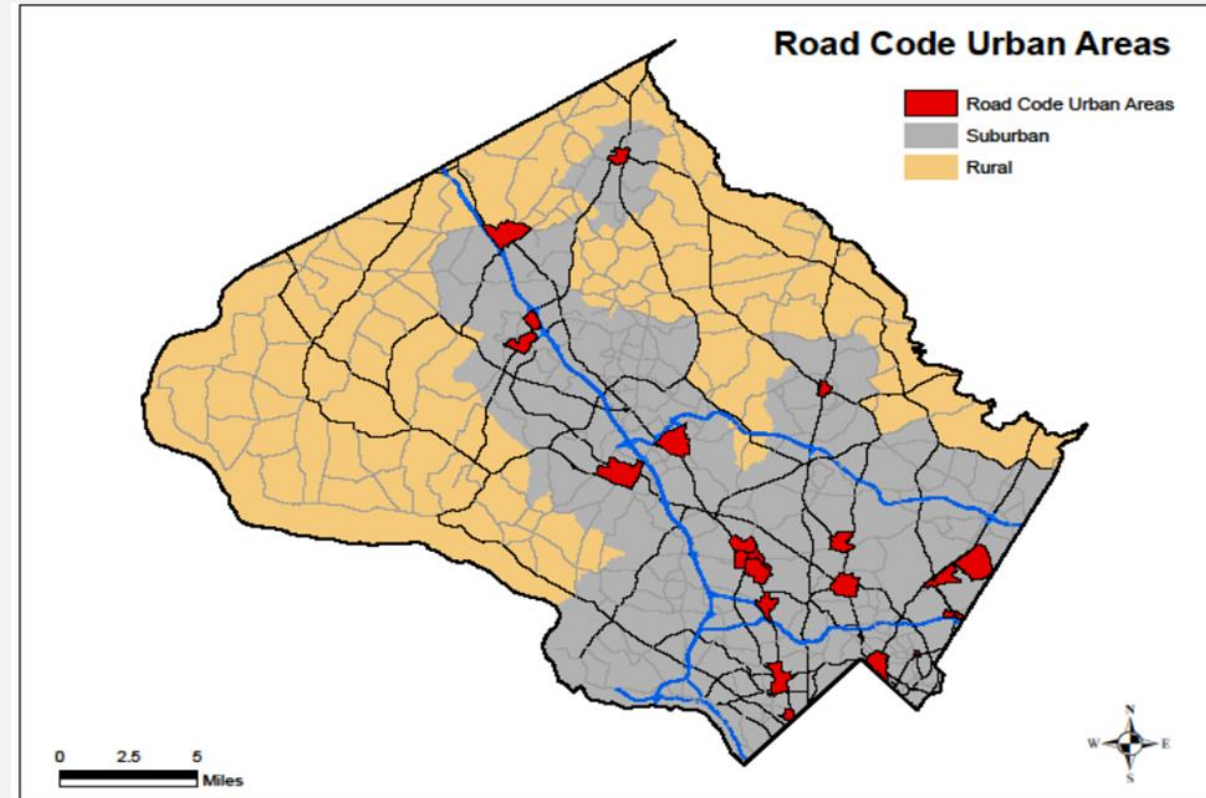
TRANSPORTATION RECOMMENDATIONS

Local Area Test Example

Place Type	Core		Corridor Road Code urban area		Corridor Non-Road Code urban area		Wedge	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Example place/ Policy Area	Bethesda Row/ Bethesda CBD		Wheaton Mall/ Wheaton CBD		Washington Science Center/ North Bethesda		Milestone/ Germantown East	
AM Peak Hour Auto trips	276	188	291	253	332	259	332	268
AM Peak Hour Transit trips	n/a	93	n/a	51	n/a	34	n/a	11
AM Peak Hour Walk/Bike trips	n/a	62	n/a	29	n/a	29	n/a	19

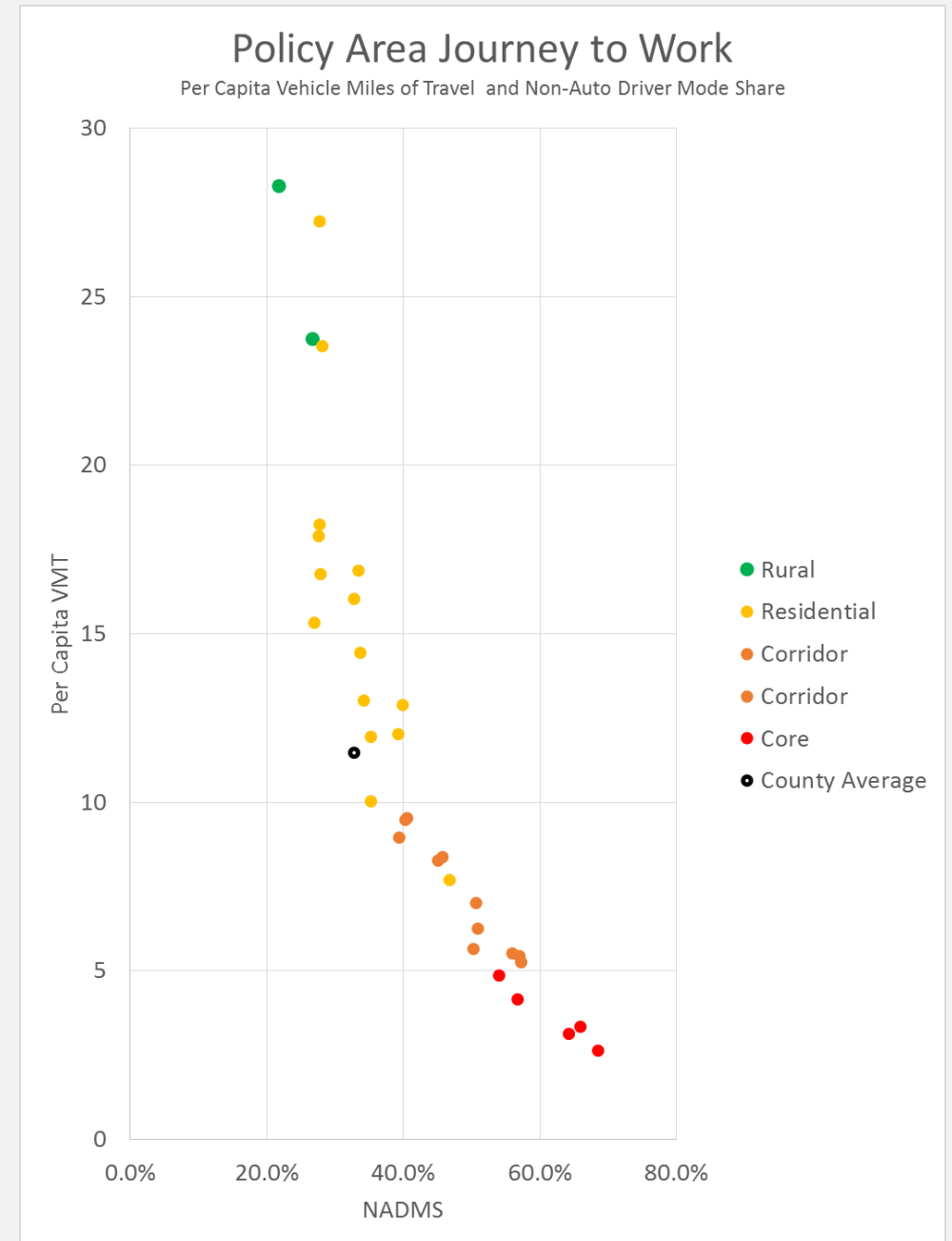
TRANSPORTATION RECOMMENDATIONS

The proposed recommendations address this issue to some extent by eliminating the Local Area Test in the Core areas, and by providing for mitigation payments in lieu of simply increasing intersection capacity in designated road code areas that place a focus on multi-modal context sensitive street design attributes.



IMPACT TAXES

- Adjust Residential Rates based on HBWVMT
- Adjust Commercial Rates based on HBW mode share
- Set ancillary retail rate at zero for first 10,000 GSF in vertical mixed use
- Adjust rate for Reduced Parking Incentive



REDUCED PARKING INCENTIVE

- Eligible for properties in Reduced Parking Areas
- Applicable for sites proposing a number of spaces equal to or less than the Baseline Minimum
- Reduced Vehicle Trip Generation Rates proportional to percentage reduction from the minimum requirement
- Transportation Impact Tax discounted for parking reductions in the Reduced Parking Areas

Reduced Parking Incentive

	Percentage below the Minimum Requirement		
	50%	25%	0%
Impact Tax Rate Adjustment Factor	.25	.15	.10