2016 Subdivision Staging Policy

Worksession #1 on the Public Hearing Draft
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.
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
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.

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

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

**Rural:**
Damascus
Rural West
Rural East
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).
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.
**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
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
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
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.

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**
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

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

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

<table>
<thead>
<tr>
<th>Policy Area Type</th>
<th>Residential</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Centers</td>
<td>0.25</td>
<td>0.75</td>
</tr>
<tr>
<td>Inner Ring Communities and Town Centers</td>
<td>0.75</td>
<td>1.00</td>
</tr>
<tr>
<td>Residential and Corridor Communities</td>
<td>1.25</td>
<td>1.25</td>
</tr>
<tr>
<td>Rural</td>
<td>2.00</td>
<td>1.25</td>
</tr>
</tbody>
</table>
## Project Profile

<table>
<thead>
<tr>
<th>Location – Bethesda CBD (Core)</th>
<th>Office – 300,000 SF GFA</th>
<th>Retail – 30,000 SF GFA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Tax Rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Rate</td>
<td>$6.35 /SF GFA</td>
<td>$5.70 / SF GFA</td>
</tr>
<tr>
<td>Retail Rate</td>
<td>$5.70 / SF GFA</td>
<td></td>
</tr>
<tr>
<td>Office Impact Tax</td>
<td>$2,222,500</td>
<td>$171,000</td>
</tr>
<tr>
<td>Retail Impact Tax</td>
<td>$171,000</td>
<td>$171,000</td>
</tr>
<tr>
<td>Total Impact Tax</td>
<td>$2,393,500</td>
<td>$2,393,500</td>
</tr>
</tbody>
</table>

| Recommended Tax Rate           |                         |                       |
| Office Rate                    | $9.56 /SF GFA           | $8.55 / SF GFA        |
| Retail Rate                    | $8.55 / SF GFA          |                       |
| Office Impact Tax              | $3,346,875              | $256,500              |
| Retail Impact Tax              | $256,500                | $256,500              |
| Total Impact Tax               | $3,603,375              | $3,603,375            |

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

### Baseline Minimum Parking from Code

<table>
<thead>
<tr>
<th></th>
<th>Office</th>
<th>Retail</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>700 spaces</td>
<td>95 spaces</td>
<td>795 spaces</td>
</tr>
</tbody>
</table>

### Reduction in Tax Rate Due to Parking Incentive in Core Areas

\[
\text{Reduction in Impact Tax} = \text{Baseline Impact Tax} \times \text{Reduction Factor}
\]

\[
\text{Reduction in Impact Tax} = \$3,603,375 \times 30\% = \$1,081,013
\]
<table>
<thead>
<tr>
<th>Project Profile</th>
<th>Current Tax Rate</th>
<th>Recommended Tax Rate</th>
<th>Baseline Minimum Parking from Code</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location</strong> – Silver Spring CBD (Core) <strong>Residential MF Hi Rise</strong> – 120 DUs <strong>Retail</strong> – 6,500 SF GFA</td>
<td>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</td>
<td>MF Hi Rise Rate 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</td>
<td>Res. 120 spaces Retail 20 spaces Total 140 spaces</td>
</tr>
</tbody>
</table>

Reduction in Tax Rate Due to Parking Incentive in Core Areas

\[
\text{Reduction} = 245,985 \times 30\% = 73,796
\]

\[
245,985 - 73,796 = 172,190
\]
<table>
<thead>
<tr>
<th>Project Profile</th>
<th>Current Tax Rate</th>
<th>Recommended Tax Rate</th>
<th>Baseline Minimum Parking from Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location – Wheaton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CBD (Corridor)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office – 230,000 SF</td>
<td>Office Rate - $6.35 / SF GFA</td>
<td>Office Rate - $12.75 / SF GFA</td>
<td></td>
</tr>
<tr>
<td>GFA</td>
<td>MF Hi Rise Rate - $3,174 /DU</td>
<td>MF Hi Rise Rate - $4,760/DU</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Retail Rate - $5.70 / SF GFA</td>
<td>Retail Rate - $11.40 / SF GFA</td>
<td></td>
</tr>
<tr>
<td>Residential MF Hi</td>
<td>Office Impact Tax - $1,460,500</td>
<td>Office Impact Tax - $2,932,500</td>
<td></td>
</tr>
<tr>
<td>Retail – 40,000 SF</td>
<td>Retail Impact Tax - $228,000</td>
<td>Retail Impact Tax - $456,000</td>
<td></td>
</tr>
<tr>
<td>GFA</td>
<td>Total Impact Tax - $3,037,450</td>
<td>Total Impact Tax - $5,411,606</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reduction in Tax Rate Due to Parking Incentive in Corridor Areas</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$5,411,606 x 20% = $1,082,321</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$5,411,606 - $1,082,321</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$4,329,285</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Baseline Minimum Parking from Code**

<table>
<thead>
<tr>
<th></th>
<th>Office</th>
<th>Res.</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spaces</td>
<td>460</td>
<td>425</td>
<td>126</td>
</tr>
<tr>
<td>Total</td>
<td>1,011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Profile</td>
<td>Current Tax Rate</td>
<td>Recommended Tax Rate</td>
<td>Baseline Minimum Parking from Code</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------</td>
<td>----------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td><strong>Location – Grosvenor (Corridor)</strong></td>
<td><strong>Residential MF Hi Rise – 250 DUs</strong></td>
<td><strong>Retail – 25,000 SF GFA</strong></td>
<td><strong>Res. 250 spaces</strong></td>
</tr>
<tr>
<td>MF Hi Rise Rate - $3,174/DU</td>
<td>Res. Impact Tax - $793,500</td>
<td>Res. Impact Tax - $1,190,063</td>
<td><strong>Retail 79 spaces</strong></td>
</tr>
<tr>
<td>Retail Rate - $5.70/ SF GFA</td>
<td>Retail Impact Tax - $142,500</td>
<td>Retail Impact Tax - $285,000</td>
<td><strong>Total 329 spaces</strong></td>
</tr>
<tr>
<td><strong>Total Impact Tax - $936,000</strong></td>
<td></td>
<td><strong>Total Impact Tax - $1,475,063</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Reduction in Tax Rate Due to Parking Incentive in Corridor Areas**

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

$1,475,063 - 295,031 = 1,180,050$
<table>
<thead>
<tr>
<th>Project Profile</th>
<th>Current Tax Rate</th>
<th>Recommended Tax Rate</th>
<th>Baseline Minimum Parking from Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location – Germantown East (Wedge) SF Residential - 125 DUs</td>
<td>SF Detached - $13,966 / DU</td>
<td>SF Detached - $17,458 / DU</td>
<td>Res. 250 spaces</td>
</tr>
<tr>
<td>Project Profile</td>
<td>Current Tax Rate</td>
<td>Recommended Tax Rate</td>
<td>Baseline Minimum Parking from Code</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
<td>----------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Location – Derwood (Wedge) SF Attached - 125 DUs</td>
<td>SF Attached - $11,427 / DU</td>
<td>SF Attached - $14,284 / DU</td>
<td>Res. 300 spaces</td>
</tr>
<tr>
<td>Res. Impact Tax - $1,714,050</td>
<td>Res. Impact Tax - $2,142,563</td>
<td>10% Reduction from Baseline Min Parking Yields 10% Reduction in Impact Tax in Wedge Areas</td>
<td></td>
</tr>
<tr>
<td>Reduction in Tax Rate Due to Parking Incentive in Wedge Areas</td>
<td>$2,142,563 x 10% = $214,256</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,182,188 - $214,256 = $1,928,306</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Profile</td>
<td>Current Tax Rate</td>
<td>Recommended Tax Rate</td>
<td>Baseline Minimum Parking from Code</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>------------------------</td>
<td>----------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Location – Rural SF Detached</td>
<td>SF Detached - $13,966 / DU</td>
<td>SF Detached - $27,932 / DU</td>
<td>N/A</td>
</tr>
<tr>
<td>SF Detached - 10 DUs</td>
<td>Res. Impact Tax - $139,660</td>
<td>Res. Impact Tax - $279,320</td>
<td></td>
</tr>
<tr>
<td>Project Type</td>
<td>Example Location</td>
<td>DU's</td>
<td>Office SF</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>------------------</td>
<td>------</td>
<td>-----------</td>
</tr>
<tr>
<td>Core - Mixed Use - Office &amp; Retail</td>
<td>Bethesda CBD</td>
<td>0</td>
<td>350,000</td>
</tr>
<tr>
<td>Core - Mixed Use - Residential &amp; Retail</td>
<td>Silver Spring CBD</td>
<td>120</td>
<td>0</td>
</tr>
<tr>
<td>Corridor - Mixed Use - Office, Residential &amp; Retail</td>
<td>Wheaton CBD</td>
<td>425</td>
<td>230,000</td>
</tr>
<tr>
<td>Corridor - Mixed Use - Residential &amp; Retail</td>
<td>Grosvenor</td>
<td>250</td>
<td>0</td>
</tr>
<tr>
<td>Residential - SF Detached</td>
<td>Germantown East</td>
<td>125</td>
<td>0</td>
</tr>
<tr>
<td>Residential - SF Attached</td>
<td>Derwood</td>
<td>150</td>
<td>0</td>
</tr>
<tr>
<td>Rural - SF Detached</td>
<td>Rural</td>
<td>10</td>
<td>0</td>
</tr>
</tbody>
</table>
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.
## Local Area Test Example

<table>
<thead>
<tr>
<th>Place Type</th>
<th>Core</th>
<th>Corridor Road Code urban area</th>
<th>Corridor Non-Road Code urban area</th>
<th>Wedge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example place/Policy Area</td>
<td>Bethesda Row/Bethesda CBD</td>
<td>Wheaton Mall/Wheaton CBD</td>
<td>Washington Science Center/North Bethesda</td>
<td>Milestone/Germantown East</td>
</tr>
<tr>
<td>Current</td>
<td>Proposed</td>
<td>Current</td>
<td>Proposed</td>
<td>Current</td>
</tr>
<tr>
<td>AM Peak Hour Auto trips</td>
<td>276</td>
<td>188</td>
<td>291</td>
<td>253</td>
</tr>
<tr>
<td>AM Peak Hour Transit trips</td>
<td>n/a</td>
<td>93</td>
<td>n/a</td>
<td>51</td>
</tr>
<tr>
<td>AM Peak Hour Walk/Bike trips</td>
<td>n/a</td>
<td>62</td>
<td>n/a</td>
<td>29</td>
</tr>
</tbody>
</table>
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 HBW VMT
- 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

<table>
<thead>
<tr>
<th>Reduced Parking Incentive</th>
<th>Percentage below the Minimum Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50%</td>
</tr>
<tr>
<td>Impact Tax Rate Adjustment Factor</td>
<td>.25</td>
</tr>
</tbody>
</table>