### MEMORANDUM

September 20, 2022

TO: PHED Committee

FROM: Livhu Ndou, Legislative Attorney

SUBJECT: Zoning Text Amendment (ZTA) 22-08, Commercial/Residential Zones – MPDU

PURPOSE: Worksession #1

### **Expected Attendees**

- Casey Anderson, Chair, Planning Board
- Jason Sartori, Chief, Countywide Planning & Policy, Planning Department
- Benjamin Berbert, Planner III, Countywide Planning & Policy, Planning Department
- Lisa Govoni, Planner IV, Countywide Planning & Policy, Planning Department
- Victor Salazar, Chief, Division of Zoning and Code Compliance, Department of Permitting Services (DPS)

### Introduction

Zoning Text Amendment (ZTA) 22-08, Commercial/Residential Zones – MPDU, lead sponsor Councilmember Friedson, was introduced on June 26, 2022 and a Public Hearing was held on September 13, 2022. ZTA 22-08 will make clear that the MPDU provisions apply in the CRN zone and will require site plan approval for projects that develop under the MPDU provisions.

### **Public Hearing**

A public hearing was held on September 13, 2022. The only speaker was the Planning Board in support of the ZTA.

### **Summary of Impact Statements**

### Planning Board Recommendation

The Planning Board met on September 8, 2022, and unanimously supported ZTA 22-08 with the following minor amendments:

- Amend Section 4.5.3.A. to state that projects in *any* of the Commercial/Residential zones may obtain increased height and density under the MPDU provisions of Section 4.5.2.C.
- Amend Section 4.5.3.B. to require site plan approval for all applications that develop under the MPDU provisions of Section 4.5.2.C.
- Amend the table at Section 4.5.3.C. to note density for the CRN density may be increased under the MPDU provisions of Section 4.5.2.C.

### RESJ Impact Statement

The Office of Legislative Oversight (OLO) provided a Racial Equity and Social Justice (RESJ) impact statement on August 30, 2022. OLO found that ZTA 22-08 "would have little or no impact on racial equity and social justice (RESJ) in the County as it clarifies provisions implicitly included in the Zoning Ordinance rather than changes land use policies or practices that could impact RESJ."

### Discussion

### Background

The Council passed ZTA 18-06 in October 2018. ZTA 18-06 stated that it was an amendment to "revise or establish Moderately Priced Dwelling Unit (MPDU) density bonus standards for certain Residential, Commercial/Residential, Employment, and Overlay zones." The ZTA does not specifically mention the CRN zone but does make reference to a "CR family of zones". However, much of the discussion surrounding ZTA 18-06 is on optional method development, which does not apply to the CRN zone. This has raised some uncertainty as to whether: a) the MPDU provisions can apply to the CRN zone; and, b) what the consequences are of applying those provisions to a standard method of development.

The relevant sections are as follows:

- Section 4.5.2.A.3., Density and Height Limits, reads: "The following limits apply unless additional total FAR, residential FAR, or height are allowed under Section 4.5.2.C, Section 4.5.2.D, or Section 4.5.2.A.2.e", followed by a density and height table for the CRN, CRT, and CR zones.
- Section 4.5.3.A.1., Standard Method Development, reads: "In the CRN zone, the maximum total, nonresidential, and residential FARs and maximum height for any property is set by the zone shown on the zoning map."
- The standard method development standards table in Section 4.5.3.C.2. reads:

<u>Density (max)</u> CRN Density, FAR - mapped

<sup>&</sup>lt;sup>1</sup> The final ZTA 18-06 with opinion can be found here: https://www.montgomerycountymd.gov/COUNCIL/Resources/Files/zta/2018/20181009 18-52.pdf

CRT Density, FAR - The lesser of: mapped FAR or the greater of 10,000 SF or 1.0 FAR

CR Density, FAR - The lesser of: mapped FAR or the greater of 10,000 SF or 0.5 FAR

• Section 4.5.4., Optional Method Development, reads: "The CRT and CR zones allow development under the optional method." Section 4.5.4.B.2.b. reads: "The maximum total, nonresidential, and residential FARs and the maximum height are established by the mapped zone unless increased under Section 4.5.2.C and Section 4.5.2.D."

Reviewing both the zoning ordinance and the legislative history, it does not appear the Council intended to disallow MPDU's in the CRN zone. However, because there is no optional method development for the CRN zone, any MPDU project taking advantage of Section 4.5.2.C. could go directly to the Department of Permitting Services (DPS) to apply the additional height and density rather than Planning Board. It is not Council Staff's belief that this was the intent. Therefore, ZTA 22-08 clarifies that the MPDU provisions do apply in the CRN zone, but also adds that site plan review is required.

One alternative is to have CRN projects go through optional method development. However, this could lead to increased height and density in areas that were intended to maintain "pedestrian-scale, neighborhood-serving mixed-use centers and transitional edges", as stated in Section 4.5.1.B. Site plan accomplishes Council's goals while still addressing compatibility, landscaping, and design with some flexibility. Further, to address community concerns, the height compatibility standards in Section 4.1.8. would still apply. Section 4.8.1. requires no more than a 45-degree angle plane where the subject property abuts or confronts a property in an Agricultural, Rural Residential, or Residential zone that is vacant or improved with an agricultural or residential use.

### **Proposed Amendments**

Council Staff recommends approval of the amendments proposed by the Planning Board.

1) Explicitly state that projects in any of the Commercial/Residential zones may obtain increased height and density under the MPDU provisions of Section 4.5.2.C.

ZTA 22-08 clarifies that the additional height and density of the MPDU provisions is applicable to the CRN zone. The Planning Board noted a concern that by only saying CRN zone, it could be implied that the MPDU provisions of Section 4.5.2.C. are not available in the other Commercial/Residential zones.

### Section 4.5.3. Standard Method Development

The CRN, CRT, and CR [zone]zones allow standard method development under the following limitations and requirements.

### A. In General

1. In the [[CRN zone]]Commercial/Residential zones, the maximum total, nonresidential, and residential [FARs]FAR and maximum

height for any property [is] are set by the zone shown on the zoning map, unless additional height and density is permitted under Section 4.5.2.C.

2) Require site plan approval for all applications that develop under the MPDU provisions of Section 4.5.2.C.

Planning Staff noted that there are CRT-zoned properties with an FAR between 0.25 and 0.75, which is below the threshold that triggers optional method development. These properties could have a situation similar to what triggered ZTA 22-08—MPDU projects that go through standard method development with no site plan review. Therefore, the recommended amendment would require site plan approval for all projects developed under the MPDU provisions of Section 4.5.2.C.

### B. Procedure for Approval

- 1. Site plan approval may be required under Section 7.3.4.A.8.
- 2. An applicant may file a site plan application to modify the Build-to Area, Building Orientation, and Transparency requirements under Section 4.5.3.C.3.
- 3. [[In the CRN zone, site]]Site plan approval is required for applications that develop under Section 4.5.2.C.
- 3) Note that density may be increased under the MPDU provisions of Section 4.5.2.C.

Consistent with the other changes being made, the table at Section 4.5.3.C. should be amended to clarify density may be increased under the MPDU provisions of Section 4.5.2.C.

1. Site	Detached	Duplex -	Duplex -	Townhouse	Apartment	Multi	General
	House	Side	Over			Use	
* * *		l	l		1		ı
2. Lot and Density							
* * *							
Density (max)							
CRN Density, FAR	mapped						
CRT Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 1.0 FAR						
CR Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 0.5 FAR						

### **Specification for Density**

- a. In the CR zone, a designated historic resource that does not occupy more than 10% of the gross floor area is excluded from the FAR calculation.
- b. Density may be increased above the limits in Section 4.5.3.C.2. for projects developed under Section 4.5.2.C.

\* \* \*

### Council Staff recommends approval of ZTA 22-08 with amendments.

### This packet contains:

ZTA 22-08, with amendments	© 1
Planning Board Recommendation	© 5
Planning Staff Memorandum	© 7
RESJ Impact Statement	© 12
Department of Permitting Services (DPS) Letter	© 14

Zoning Text Amendment No.: 22-08 Concerning: Commercial/Residential

Zones-MPDU

Draft No. & Date:  $1 - \frac{5}{31/2022}$ 

Introduced: July 26, 2022

Public Hearing: September 13, 2022

Adopted: Effective: Ordinance No.:

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

Lead Sponsor: Councilmember Friedson

### **AN AMENDMENT** to the Montgomery County Zoning Ordinance to:

- clarify the applicability of the moderately-priced dwelling unit provisions to the CRN zone; and
- generally amend the provisions for Commercial/Residential development.

By amending the following sections of the Montgomery County Zoning Ordinance, Chapter 59 of the Montgomery County Code:

Division 4.5. "Commercial/Residential Zones" Section 4.5.3. "Standard Method Development"

**EXPLANATION:** Boldface indicates a Heading or a defined term.

<u>Underlining</u> indicates text that is added to existing law by the original text amendment.

[Single boldface brackets] indicate text that is deleted from existing law by original text amendment.

<u>Double underlining</u> indicates text that is added to the text amendment by amendment.

[[Double boldface brackets]] indicate text that is deleted from the text amendment by amendment.

\* \* \* indicates existing law unaffected by the text amendment.

### *ORDINANCE*

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland, approves the following ordinance:

### Sec. 1. DIVISION 59-4.5 is amended as follows:

### 2 Division 4.5. Commercial/Residential Zones

3 \* \* \*

### 4 Section 4.5.3. Standard Method Development

- 5 The CRN, CRT, and CR [zone]zones allow standard method development under
- 6 the following limitations and requirements.

### 7 A. In General

- 8 1. In the [[CRN zone]]Commercial/Residential zones, the maximum
- 9 total, nonresidential, and residential [FARs]FAR and maximum height
- for any property [is] are set by the zone shown on the zoning map,
- unless additional height and density is permitted under Section
- 12 <u>4.5.2.C</u>.
- 13 \* \* \*

### 14 B. Procedure for Approval

- 1. Site plan approval may be required under Section 7.3.4.A.8.
- 16 2. An applicant may file a site plan application to modify the Build-to
- Area, Building Orientation, and Transparency requirements under
- 18 Section 4.5.3.C.3.
- 19 <u>3. [[In the CRN zone, site]] Site plan approval is required for applications</u>
- 20 that develop under Section 4.5.2.C.

### 21 C. CRN, CRT, and CR Zones, Standard Method Development Standards

1. Site	Detached	Duplex	Duplex	Townhouse	Apartment	Multi	General
	House	- Side	- Over			Use	
* * *			•				
2. Lot and Density							
* * *							
Density (max)							
CRN Density, FAR	mapped						

CRT Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 1.0 FAR						
CR Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 0.5 FAR						
Specification for Density							
a. In the CR zone, a	a. In the CR zone, a designated historic resource that does not occupy more than 10% of the gross floor						
area is excluded from the FAR calculation.							
b. Density may be increased above the limits in Section 4.5.3.C.2. for projects developed under Section							
<u>4.5.2.C.</u>							
* * *							
L.							

22 \* \* \*

Sec. 2. Effective date. This ordinance becomes effective 20 days after the date of Council adoption.

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### **™** Montgomery County Planning Board

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION



2425 Reedie Drive Floor 14 Wheaton, MD 20902



MontgomeryPlanningBoard.org

### **September 12, 2022**

**To:** The Honorable Gabe Albornoz

President, Montgomery County Council Stella B. Werner Council Office Building 100 Maryland Avenue, Room 501

Rockville, Maryland 20850

**From**: Montgomery County Planning Board

**Subject**: Zoning Text Amendment No. 22-08

### **BOARD RECOMMENDATION**

The Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission met on September 8, 2022, and by a vote of 5:0 supported Zoning Text Amendment (ZTA) 22-08, with modifications to clarify that all Commercial/Residential zones under standard method may use Moderately Priced Dwelling Unit (MPDU) density and height bonuses, and that any use of MPDU density and height bonuses require site plan review.

This ZTA attempts to add clarity within the Commercial/Residential section of the Code, by directly stating the intent that the MPDU provisions under Section 4.5.2.C. may apply to the CRN Zone, which is the only zone in this section without an optional method of development option. The ZTA also adds language indicating that CRN zoned properties utilizing the MPDU provisions must also receive a site plan approval.

While the additional clarity is welcome, the Planning Board believes further modifications to the inserted language are necessary to be fully clear in the code's intentions. Under 4.5.3.A In General, the code is first modified to explicitly indicate that projects in the CRN zone may utilize the increased height and density allowed under MPDU Section 4.5.2.C. The Board believes it would be clearer to say any Commercial/Residential zone may use these provisions. By only calling out the CRN zone by name, it could imply that the other zones may not use the MPDU provisions.

Another point of clarity the Board recommends is under Section 4.5.3.B Procedure for Approval. The ZTA would add Subsection 3 stating that site plan approval is required for applications developed under Section 4.5.2.C. The Board recommends this statement be made broader and not directly reference the CRN zone. The implicit intent is to ensure any project using the MPDU provisions goes through site plan review, and under standard method development site plan is not always required. The CRT zone, however, also has properties in the county mapped at a density that would make them eligible for standard method development and possibly avoid site plan. By rephrasing the code so that site plan is required of all applications utilizing Section 4.5.2.C., allinstances of standard method of development would be covered.

The Honorable Gabe Albornoz September 12, 2022 Page Two

Finally, the Planning Board recommends another minor change to add a new Specification for Density under the Standard Method Development Standards table 4.5.3.C. The Board suggests adding "Density may be increased above the limits set forth above with MPDU and other Income-Restricted Housing per Section 4.5.3.C." to the table. This new specification makes it clear that density under the standard method of development may be increased based on the provisions of Section 4.5.3.C. This change would ensure no matter which section of code is read, the intent of allowing any standard method Commercial/Residential zoned property to use additional density for additional MPDUs is clear.

The Board appreciates the opportunity to review ZTA 22-08. and offers its general support of the introduced ZTA with revisions. The Board hopes the Council takes into consideration the enclosed recommendations to further clarify the intent of this section of code.

### **CERTIFICATION**

This is to certify that the attached report is a true and correct copy of the technical staff report and the foregoing is the recommendation adopted by the Montgomery County Planning Board of The Maryland-National Capital Park and Planning Commission, at its regular meeting held in Wheaton, Maryland, on Thursday, September 8, 2022.

**Casey Anderson** 

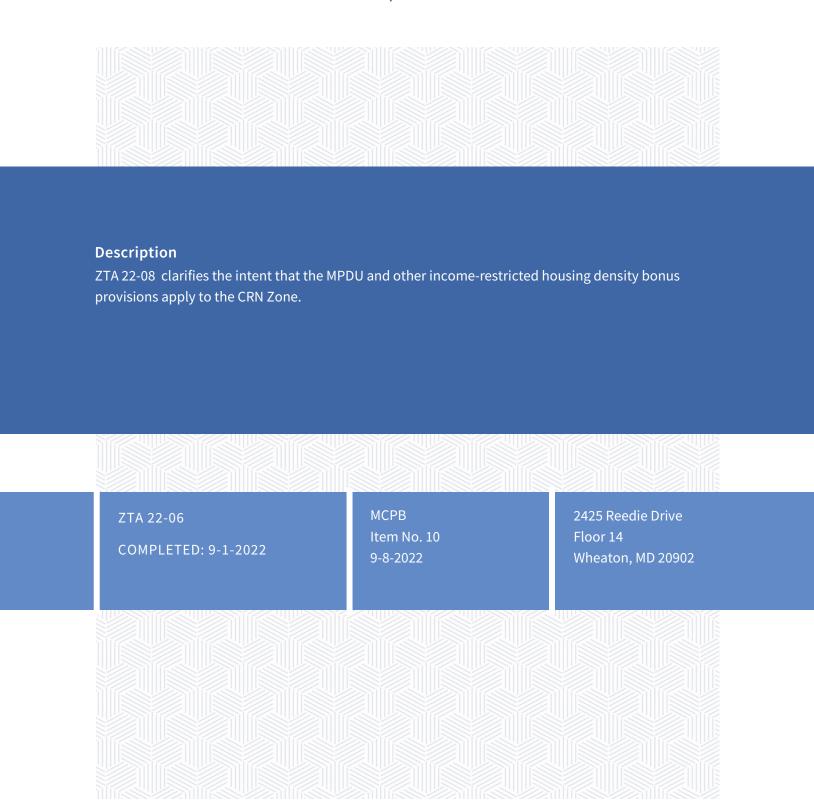
Chair

Attachment A: Revised ZTA 22-08

Attachment B: Planning Staff Report Package

### **™** Montgomery Planning

### ZTA 22-08 - COMMERCIAL/RESIDENTIAL ZONES - MPDU



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## Summary This 7TA clarifi

- This ZTA clarifies that developments in the CRN Zone providing more than the required minimum of MPDUs qualify for the density bonus provisions of Section 4.5.2.C.
- MPDU density bonus in the CRN zone would require a site plan.
- A Council Public Hearing is scheduled for September 13, 2022.
- Planning staff supports the ZTA with minor amendments.

### **LEAD SPONSORS**

Councilmember Friedson

### **INTRODUCTION DATE:**

July 26, 2022

### **REVIEW BASIS:**

Chapter 59

### **SECTION ONE**

### **BACKGROUND**

#### Rationale for ZTA 22-08

ZTA 22-08 was introduced on July 26, 2022 by Councilmember Friedson and is scheduled for a Council Public Hearing on Tuesday, September 13, 2022. This ZTA was introduced to clarify the intent of the Commercial/Residential group of zones, specifically that standard method development projects are also eligible for density and height bonuses allowed in the code. The ZTA also is intended to ensure any application utilizing the additional density and height allowed by code for Moderately Priced Dwelling Unit (MPDU) development is reviewed and approved by a site plan.

Section 4.5.2.C, Development With Moderately Priced Dwelling Units and Other Income-Restricted Housing, details how to calculate height and density incentives for providing more than the code required number of MPDUs. What is different in the Commercial/Residential Zones compared to other zone groups is there is no corresponding MPDU optional method of development that coincides with this section, nor is it explicit which zones may use the section or how the review should be performed. This ZTA is intended to add that clarity under the Standard Method Development section that height and density may be modified under Section 4.5.2.C for eligible properties, and that a site plan is the review process for such applications.

### **SECTION TWO**

### **ANALYSIS**

### ZTA 22-08 as introduced

ZTA 22-08 modifies two subsections within Section 4.5.3, Standard Method Development. Under Subsection A, In General, the code currently states that height and density is set by the zoning map. This ZTA amends the subsection to add <u>unless additional height and density is permitted under Section 4.5.2.C.</u> This referenced section contains the qualifications and formulas for determining what height and density incentives are available for projects providing more than the minimum required MPDUs.

Subsection B, Procedures for Approval, outlines the circumstances under which a site plan is required for standard method review. The ZTA adds to this that In the CRN zone, site plan approval is required for applications that develop under Section 4.5.2.C. This new language only applies to the CRN zone because currently there is no optional method development procedures for the CRN zone, which automatically require site plan. For any application to receive additional density under Section 4.5.2.C, it must already be building at the maximum mapped FAR for that specific site. The CRT and CR zones have optional method development provisions, and in most instances utilization of the MPDU

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density and height would fall under these optional method provisions because the total density would exceed standard method limits. Optional method projects are always reviewed through a site plan.

A Racial Equity and Social Justice (RESJ) statement was issued for ZTA 22-08 (Attachment C). The analysis expects little to no impact on RESJ within the County as it's mostly about clarifying policies rather than modifying them.

### **Analysis of ZTA 22-08**

The new text proposed for Section 4.5.3.A. should provide some further clarity that additional height and density is available for developments with additional MDPUs. Staff does understand the concern that a development in a zone with a low mapped FAR could apply for the additional density and height allowed by Section 4.5.2.C without triggering the need for a site plan. For this reason, Planning staff is supportive of this ZTA providing clarifying language that standard method development projects that otherwise meet the criteria of Section 4.5.2.C. can utilize the additional height and FAR provisions included with site plan approval. Staff does recommend minor modifications to Section 4.5.3.B, as follows:

### A. In General

1. In [[the CRN zone]] any of the Commercial/Residential zones, the maximum total, nonresidential, and residential [FARs]FAR and maximum height for any property [is]are set by the zone shown on the zoning map, unless additional height and density is permitted under Section 4.5.2.C.

### B. Procedure for Approval

\* \* \*

3. [[In the CRN zone site]] Site plan approval is required for applications that develop under Section 4.5.2.C.

\* \* \*

Planning staff recommends changing the applicability statements in both In General, and Procedure for Approval from being specific to the CRN zone to being applicable to all Commercial/Residential Zones. In all instances, a CR zoned project would be an optional method project before Section 4.5.2.C. kicks in because all CR zones are mapped at or above the allowed maximum FAR for standard method development. There are, however, many CRT zoned properties with FARs between 0.25 and 0.75 which is less than the 1.0 standard method maximum in the CRT zone. These properties are in the same situation as all CRN zoned properties today, where there is no optional method to automatically require site plan review. These CRT zoned properties should be handled the same way as the CRN zoned properties that the introduced ZTA would accomplish. In addition, the way the text was written only mentioning the CRN zone could be interpreted that only the CRN zone may utilize section 4.5.2.C, making the code even less clear than it is today.

Planning staff recommends another minor change to add a new Specification for Density under the Standard Method Development Standards table 4.5.3.C. The modified section of table would appear as shown below:

1. Site	Detached House	Duplex - Side	Duplex - Over	Townhouse	Apartment	Multi Use	General	
* * *								
Lot (min)								
Lot area	1,000 SF	500 SF	1,000 SF	800 SF	n/a	n/a	n/a	
Lot width at front building line	25'	12.5'	25'	12'	n/a	n/a	n/a	
Lot width at front lot line	10'	10'	10'	n/a	n/a	n/a	n/a	
Density (max)								
CRN Density, FAR mapped								
CRT Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 1.0 FAR							
CR Density, FAR	The lesser of: mapped FAR or the greater of 10,000 SF or 0.5 FAR							
Specification for Density								
<ul> <li>a. In the CR zone, a designated historic resource that does not occupy more than 10% of the gross floor area is excluded from the FAR calculation.</li> <li>b. <u>Density may be increased above the limits set forth above with MPDU and other Income-Restricted Housing per Section 4.5.3.C.</u></li> </ul>								
* * *								

This new specification makes it clear that density under the standard method of development may be increased based on the provisions of Section 4.5.3.C. This change would ensure no matter which section of code is read, the intent of allowing any standard method Commercial/Residential zoned property to utilize additional density for additional MPDUs is clear.

### **SECTION THREE**

### CONCLUSION

Planning staff supports the concept for ZTA 22-08 with the minor amendments clarifying that all standard method development projects reviewed under Section 4.5.2.C. have a site plan review and recommends the Planning Board transmit these comments to the District Council. This ZTA provides clarity and a process for reviewing standard method development projects in the Commercial/Residential group of zones that voluntarily provide more than the minimum required MPDUs.

Attachment A – ZTA 22-08 introduction packet

Attachment B – ZTA 22-08 with suggested modifications

Attachment C – RESJ Statement for ZTA 22-08

# Racial Equity and Social Justice (RESJ) Zoning Text Amendment Statement

Office of Legislative Oversight

ZTA 22-08: COMMERCIAL/RESIDENTIAL ZONES - MPDU

### **SUMMARY**

The Office of Legislative Oversight anticipates that Zoning Text Amendment 22-08 would have little or no impact on racial equity and social justice (RESJ) in the County as it clarifies provisions implicitly included in the Zoning Ordinance rather than changes land use policies or practices that could impact RESJ.

### **PURPOSE OF RESJ IMPACT STATEMENTS**

The purpose of RESJ impact statements for zoning text amendments (ZTAs) is to evaluate the anticipated impact of ZTAs on racial equity and social justice in the County. Racial equity and social justice refer to a process that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a goal of eliminating racial and social inequities. Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.

### PURPOSE OF ZTA 22-08

Zoning Text Amendments typically modify the Zoning Ordinance to change definitions of terms, modify development standards, create new zones, or to adjust allowable uses among other uses. Such changes in the Zoning Ordinance can impact current racial and social inequities in land use. Some ZTAs, however, do not change, modify, or create new standards or adjustable land uses, but instead clarify existing land uses. ZTA 22-08, Commercial/Residential Zones – MPDU, exemplifies this later approach of a ZTA clarifying existing land use policy and practice rather than changing it.

The purpose of ZTA 22-08 is to explicitly allow Moderately Priced Dwelling Units (MPDUs) in Commercial Residential Neighborhood (CRN) zones.<sup>3</sup> MPDUs are dwelling units offered for sale or rent to eligible low or moderate-income households earning up to 65 or 70 percent of the area median income through the Department of Housing and Community Affairs.<sup>4</sup> The MPDU Program requires that 12.5 to 15.0 percent of new housing units in projects with 20 or more units to be affordable to such households.<sup>5</sup>

Of note, Division 59.4.5 of the Zoning Ordinance explicitly describes the applicability of MPDUs for Commercial Residential Town (CRT) and Commercial Residential (CR) zones. This section of the Zoning Ordinance, however, does not describe the applicability of MPDUs in CRN zones. Yet, because the Zoning Ordinance does not explicitly prohibit MPDUs in the CRN zone, they are implicitly allowed in such zones. To make the allowance of MPDUs in CRN zones as explicit as their allowance in CRT and CR zones, ZTA 22-08 modifies applicable sections and subsections of the Zoning Ordinance toward this end. ZTA 22-08 also articulates a regulatory review process with the Planning Board for MPDUs in the CRN zone, under the Standard Method Development.

ZTA 22-08 was introduced on July 26, 2022.

Office of Legislative Oversight

August 30, 2022

### **RESJ Impact Statement**

### **Zoning Text Amendment 22-08**

### **ANTICIPATED RESJ IMPACTS**

OLO finds that ZTA 22-08 does not establish new policies or land use practices. Instead, ZTA 22-08 clarifies that MPDUs are allowed in Commercial Residential Neighborhoods by inserting language in the Zoning Ordinance that is analogous to the allowance for MPDUs in Commercial Residential and Commercial Residential Town zones. Since ZTA 22-08 does not change the County's land use policies or practices, but instead makes explicit an implicit allowance for MPDUs in CRN zones, OLO anticipates that ZTA 22-08 will have little to no impact on RESJ in the County.

### **CAVEATS**

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

### **CONTRIBUTIONS**

OLO staffers Elsabett Tesfaye, Performance Management and Data Analyst drafted this RESJ impact statement.

<sup>&</sup>lt;sup>1</sup> Definition of racial equity and social justice adopted from "Applying a Racial Equity Lens into Federal Nutrition Programs" by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools. https://www.racialequitytools.org/glossary

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> The Commercial Residential Neighborhood zone (CRN) is one of the three family of zones under Division 59.4.5: Commercial/Residential Zones that also include Commercial Residential Town (CRT) and Commercial Residential (CR).

<sup>&</sup>lt;sup>4</sup> COMCORE Chapter 25A-Housing: Moderately Priced-Regulations.

https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco md comcor/0-0-0-13342

<sup>&</sup>lt;sup>5</sup> Aseem Nigam, Annual Report on MPDU's Covering Calendar Year 2020, Department of Housing and Community Affairs <a href="https://www.montgomerycountymd.gov/DHCA/Resources/Files/housing/affordable/publications/mpdu/annual\_report\_mpdu-2020.pdf">https://www.montgomerycountymd.gov/DHCA/Resources/Files/housing/affordable/publications/mpdu/annual\_report\_mpdu-2020.pdf</a>



Marc Elrich County Executive Mitra Pedoeem Director

### Memorandum

September 15, 2022

Councilmember Hans Riemer
Chair, Planning Housing and Economic Development (PHED) Committee
Montgomery County Council
Council Office Building
100 Maryland Avenue, 6<sup>th</sup> Floor
Rockville, Maryland 20850

Subject: Proposed Amendment

Zoning Text Amendment (ZTA) 22-08 Commercial/Residential Zones – MPDU

Chair Riemer and Members of the PHED Committee,

On behalf of the County Executive this letter proposes an amendment to ZTA 22-08 introduced at the end of July by Councilmember Friedson. It amends the zoning ordinance to allow optional method development with site plan approval in the CRN zone for applications that develop under Section 4.5.2.C. That section outlines requirements for development that includes MPDUs or other income-restricted housing.

The County Executive supports adding the requirement for site plan where a CRN project includes MPDUs. However, he believes the ZTA would be enhanced if amended to allow the Optional Method for any CRN project. In his view, the absence of Optional Method for CRN has resulted in the zone being underutilized in master plans, which tend to favor the CRT zone because of the flexibility, protections, and benefits that come with CRT optional method projects. This results in taller, denser CRT projects adjacent to neighborhoods - often in places where the CRN zone was intended to allow for a better transition.

Therefore, the County Executive recommends amending the ZTA as follows:



## "Section 4.5.4 Optional Method of Development: The <u>CRN</u>, CRT, and CR zones allow development under the optional method."

If you have any questions related to the contents of this letter or the proposed ZTA amendment language don't hesitate to contact me by email at:

Merideth.Wellington@montgomerycountymd.gov or by phone at 301-580-4700.

Sincerely,

Chsan Motazedi
Ehsan Motazedi
Deputy Director

Department of Permitting Services

### Cc:

Andrew Friedson, PHED Committee Member and ZTA Lead Sponsor, Montgomery County Council

Will Jowando, PHED Committee Member, Montgomery County Council Ken Hartman-Espada, M.P.A. Director of Strategic Partnerships. Office of the County Executive Claire Iseli, Special Assistant to the County Executive, Office of the County Executive Meredith Wellington, Land Use Planning Policy Analyst, Office of the County Executive Victor Salazar, Division Chief, Department of Permitting Services – Division of Zoning