



CITY OF GAITHERSBURG

# ANNUAL PLANNING REPORT

# 2022

Prepared by the City of Gaithersburg Planning Department on behalf of the Planning Commission for the period January 1, 2022 through December 31, 2022

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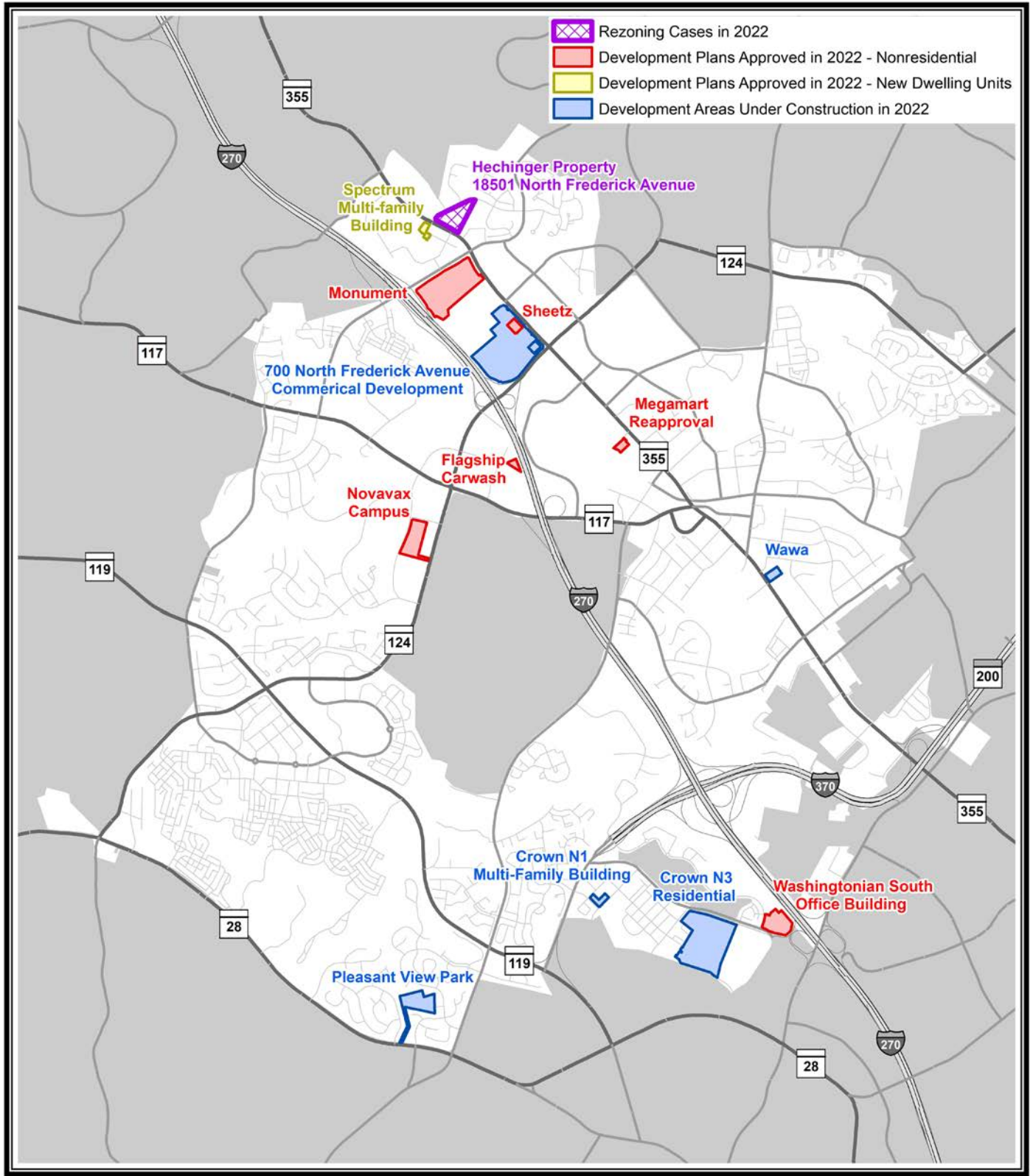
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# CURRENT DEVELOPMENTS OVERVIEW



2022 Development Patterns Map

# CURRENT DEVELOPMENTS OVERVIEW

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## CROWN

Organized into five neighborhoods, the Crown Farm subdivision is a mixed use, town center style development that integrates sustainable concepts. Calendar year 2022 saw the construction of a 244-unit multi-family building within Crown Neighborhood One. The multi-family building received final site plan approval from the Planning Commission in 2021. The construction of new townhouses, two-over-two condominiums and single-family detached dwelling units continued within Crown Neighborhood Three. Montgomery County Public Schools System submitted a final site plan for a new high school building located at the intersection of Fields Road and Omega Drive. The City secured the future school site as part of the negotiations related to the Crown Farm annexation. The final site plan is anticipated to be reviewed by the Planning Commission in 2023.



*Multi-family Residential Building in Downtown Crown*

# CURRENT DEVELOPMENTS OVERVIEW

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## NOVAVAX CAMPUS

Novavax, a global biotechnology company, proceed in 2021 with establishing an integrated global corporate headquarters campus that connects the properties at 700 Quince Orchard Road and 14 Firstfield Road. The campus will integrate office, research and development and integrated light manufacturing to fulfill Novavax’s mission under the Federal Operation Warp Speed Program as well as future needs in solving the world’s health challenges. In 2021, the Mayor and City Council approved a new sketch plan for the Novavax campus. The sketch plan permits a total of 1,004,929 square feet of commercial density for three blocks (700 Quince Orchard Road, 1 Bank Street, 5 Bank Street and 14 Firstfield Road) and increased the Floor Area Ratio (FAR) from a 0.75 to 1.5. The Mayor and City Council subsequently approved the schematic development plan for 14 Firstfield Road to construct approximately 604,929 square foot of office, research and development and integrated light manufacturing uses within multiple buildings. The plan also incorporated the necessary infrastructure to accommodate the development. The Planning Commission approved a final site plan for the Novavax campus in 2022 in conformance with the approved Schematic Development Plan. The existing building at 700 Quince Orchard Road is currently under renovations.



*Novax Building*

# CURRENT DEVELOPMENTS OVERVIEW

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## 700 NORTH FREDERICK AVENUE

The development at 700 North Frederick Avenue, now called “700 Progress Way” received sketch plan approval in 2019 to redevelop the 44-acre property with up to 650,000 square feet of commercial, employment and industrial development split over two “blocks”. A Schematic Development Plan was approved in 2021 for 460,600 square feet of commercial development and an infrastructure plan to accommodate the future development. The Planning Commission approved the first two final site plans for the property in 2021. The first was for a 495,000 square feet of flex commercial space in two 247,500 square foot buildings. The second approved the final site plan for a 5,153 square foot Chick-Fil-A restaurant with a drive-through. Calendar year 2022, saw the continued construction of the commercial flex buildings and the start of the Chick-Fil-A building construction. The Planning Commission approved a final site plan for a 6,139 square feet Sheetz convenience retail building with a drive-through and automobile filling station.



*Matan Warehouse and Lab Building*

# CURRENT DEVELOPMENT OVERVIEW

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## SPECTRUM AT WATKINS MILL

The Spectrum at Watkins Mill Town Center is a planned 27-acre, mixed use urban village, located at the intersection of North Frederick Avenue and Watkins Mill Road. Construction in 2022 within the Spectrum development included the completion of the Royal Farms store and gas station. The Mayor and City Council approved a schematic development plan for a 230-unit multi-family building on two undeveloped lots. This approval is conformance with the amended sketch plan that was approved in 2021.



*Royal Farms*

# CURRENT DEVELOPMENT OVERVIEW

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## OTHER DEVELOPMENT ACTIVITY OF NOTE

The Mayor and City Council approved consolidated concept site plan and rezoning applications for the Hechinger Property at 18501 North Frederick Avenue. The property is adjacent to the Spectrum Development. The approval rezoned the property from the C-2 (General Commercial) Zone to the CD (Corridor Development) Zone. The approval also included the redevelopment of the site with two mixed-use buildings with multi-family residential above and ground floor commercial and office uses.

Planning Commission approved a final site plan for a new 142,600 square foot life science office building at 735 Watkins Mill Road, adjacent to the Kaiser Permanente building. The construction of the building started in 2022 with anticipated completion in 2023.

The Mayor and City Council approved a sketch plan for the Stevenson-Metrogrove Properties, which is adjacent to the Watkins Mill development. The approval was for up to 287 dwelling units of various types, including townhouses, 2-over-2 stacked townhouse condominiums and triplexes. The schematic development plan application is anticipated to be submitted in 2023.



*Harriet Tubman Elementary School*

# CURRENT DEVELOPMENT OVERVIEW

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The Planning Commission approved an amendment to the schematic development plan to reallocate 100,950 square feet of office density and 62,494 square feet of retail density between previously approved buildings within the Watkins Mill Town Center Urban Core. The approval will accommodate two new life sciences and biopharmaceutical office buildings with ground floor retail.

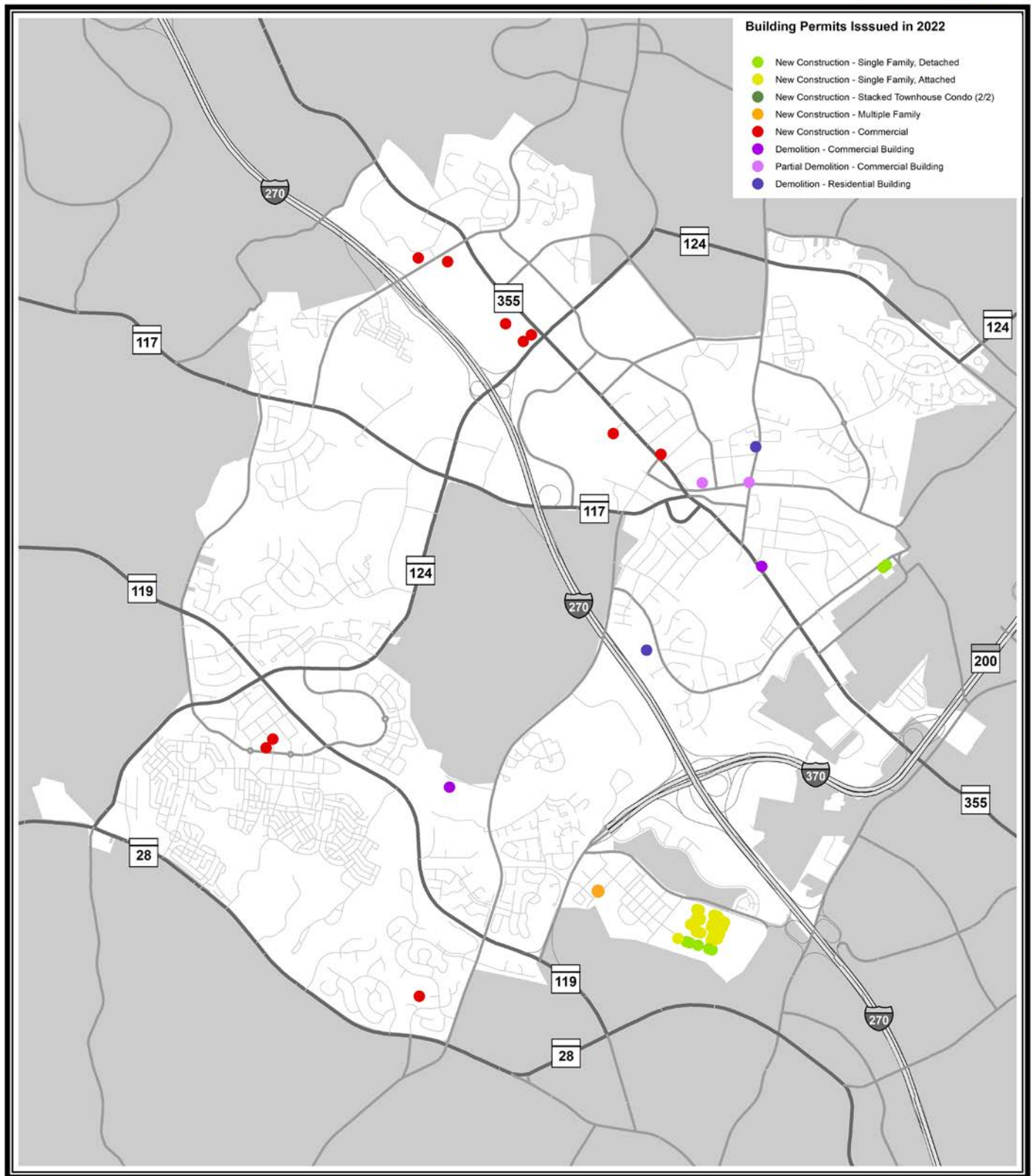
Construction continued on the Pleasant View Park at the former Consumer Product Safety Committee site off Darnestown Road. The property originally was the control center for the nearby Cold War-era NIKE missile site. The project received final approval in 2021 and construction began shortly thereafter. In 2022, Staff finalized the interpretative signage for the site.

Lastly, the Mayor and City Council approved a schematic development plan for three infill commercial buildings totaling 21,700 square feet within the Kentlands Square Shopping Center. The infill sites are located within the existing shopping center parking lot adjacent to the At Home store and other commercial tenants along Main Street.



*Crown Neighborhood Three*

# CURRENT DEVELOPMENT OVERVIEW



2022 Building Permits Map

# CITY INITIATIVES

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## HISTORIC PRESERVATION

Rehabilitation work began at the City-owned Corn Crib at the England-Crown Farm property in the fall and was completed at the end of December and is a showcase of best preservation practices for a former farm structure that will serve as the centerpiece of a City of Gaithersburg park.

The Corn Crib was in poor condition by the time the City took ownership of the property from the Crown Farm developer in 2020. Through it survived the devastating fire, decades of deferred maintenance had taken its toll on the wood building. Vandals had spray painted its walls and ripped pieces from the building.

After assuming ownership of the Corn Crib, the City hired Thaler, Reilly, Wilson Architecture and Preservation to assess the building's condition and plan for its rehabilitation. The Thaler, Reilly, Wilson team evaluated each building element to determine whether or not it could be salvaged, and only the rusted crimp metal roof was completely replaced with a matching roof. The HDC approved TRW Architecture's plans in 2021.

G-W Management Services was selected to complete the work and quickly took to the unique project and embraced the attempt to maintain the structure's quirks. For example, they were delighted to find old license plates used to plug a hole in the floor of one of the corn bins, and left the plates in situ.

Thanks to the problem-solving abilities of Staff and the contractors, the project was completed on-time and within budget. In the end, an estimated 75 percent of the building's historic fabric was retained--quite the accomplishment considering the Corn Crib's battered appearance before work began.

In April, the Mayor and Council approved an ordinance to update Chapter 24, Article XII, of the City Code titled Preservation of Historic Resources. The updates codified the Historic Area Work Permit (HAWP) reviews that the HDC had delegated to Staff; modified the de-designation process for locally designated historic properties; removed the Code section on impact review areas; and clarified various definitions and processes.

Finally, in 2022 the HDC certified \$17,195.53 in historic tax credits for seven properties.



*The rehabilitation of the Crown Crib at the England-Crown Farm was completed in 2022.*

# CITY INITIATIVES

## LONG RANGE PLANNING

The City executed a sixth amendment to the annexation agreement for the Washingtonian Center in October, 2022. This amendment transfers 75,000 square feet of density from one parcel to another on the southeast end of the development, in order to facilitate phase III of the project. The 75,000 square feet is for additional office, lab, research & development, and integrated light manufacturing uses.

Lastly in 2022, staff began working on the Housing Element of the Master Plan, a new element required by the state to address affordable housing needs in the City. Staff conducted public outreach and engagement through online surveys and focus groups, researched existing conditions, and participated in work sessions with the Mayor & City Council and Planning Commission to obtain feedback on the contents and structure of the new Element. Staff continues to work on the new Housing Element in 2023.



*New CVS at Kentlands Square Shopping Center*



*Wawa under construction on South Frederick Avenue*

# CITY INITIATIVES

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## PLANNING POLICIES AND PROCEDURES

In February 2022, the Mayor and City Council approved an amendment to the City's Adequate Public Facilities Ordinance and associated regulations to allow the City to charge a school facility fee, called the Gaithersburg MCPS Utilization Premium Payment Fee (UPP fee), for development projects served by schools that are over a certain capacity. The fee amount is equal to a certain percentage of the County's Impact Tax Rate, and is dependent upon the schools' projected capacity and enrollment five years in the future. Projects served by schools projected to be over capacity by a greater amount require a higher fee.

The City entered into a contract with a consultant, ZoneCo, LLC, in October, 2022, to assist in a comprehensive analysis and update to the City's zoning ordinance. The last comprehensive update to the zoning ordinance was completed in 1965. The ordinance has been amended numerous times in a "piecemeal" fashion over the past few decades, resulting in a code that is poorly organized with outdated terms and standards and inconsistencies between sections. A comprehensive update is necessary to create a zoning ordinance that is appropriate for the City's development pattern today, and can achieve the City's goals, policies, and visions. The consultant will work with staff to review and identify issues with the City's current zoning ordinance, conduct research and public engagement, and draft a revised zoning ordinance to be approved by the Mayor and City Council. City staff held initial kick-off meetings with the consultant in 2022, with the entire process anticipated to take 12-18 months.



*Construction of the Carnegie at Washingtonian Senior Residential Building*

# CITY INITIATIVES

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## TRANSPORTATION

In 2022, City Staff continued to work with State and County partners on the MD 355 Bus Rapid Transit (BRT) project. The MD 355 Flash Bus Rapid Transit (BRT) project is a Montgomery County project that was identified in the County's Transit Corridors Functional Master Plan. When complete, the MD 355 BRT will provide upgraded bus service along MD 355, bringing fast and reliable transit service in dedicated lanes, where feasible, to this busy corridor. The project will create new connections and support growth and redevelopment at key activity centers along the corridor including in Gaithersburg. Montgomery County has stated that the MD 355 BRT will provide a new transit service with greater travel speed and frequency along the MD 355 corridor that will help:

- Enhance transit connectivity and integration with other travel modes and transit options.
- Improve bus speed and reliability.
- Address current and future bus ridership demands.
- Attract new riders and provide improved service for existing bus and transit riders.
- Support Master Planned growth and improve transit access to major employment and activity centers.
- Achieve Master Planned non-auto driver modal share.
- Provide a sustainable and cost-effective transit service.
- Improve safety.

The MD 355 BRT project is currently in the preliminary engineering phase. City staff received the 35% design package in December 2022 and returned comments to Montgomery County. The project is fully funded by Montgomery County through the final design phase, which is expected to be complete in 2025. Construction is not fully funded and is tentatively scheduled for 2025-2028.

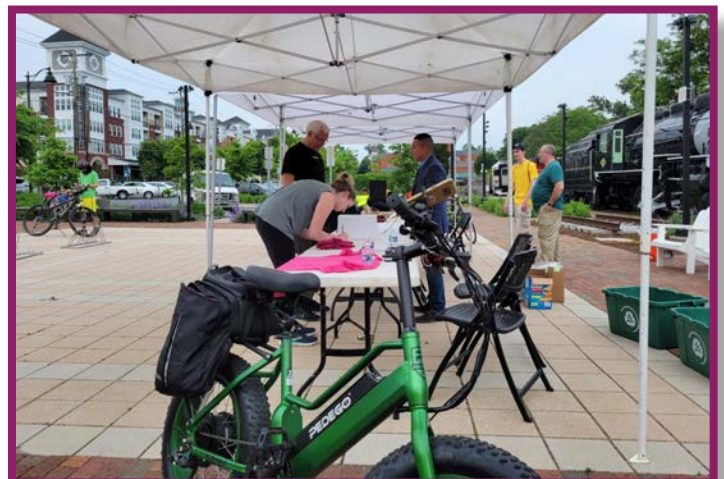
The City participated in the annual Bike to Work Day event on May 20, 2022, with two pit shops at the Kentlands and the Olde Towne Plaza.

# CITY INITIATIVES

Pavement resurfacing projects were completed for Olde Towne Avenue, Fulks Corner Avenue, Tschiffely Square Road, and Main Street. Pavement preservation (microsurfacing) projects were completed for Woodland Hills, Olde Carriage Hill, Hidden Creek, Fernshire Farms, and Hidden Orchards. The City implemented traffic safety and operational improvements at the intersection of MD 355 and Walker Avenue. Construction of a new sidewalk on Marsh Lane was completed in March of 2022.

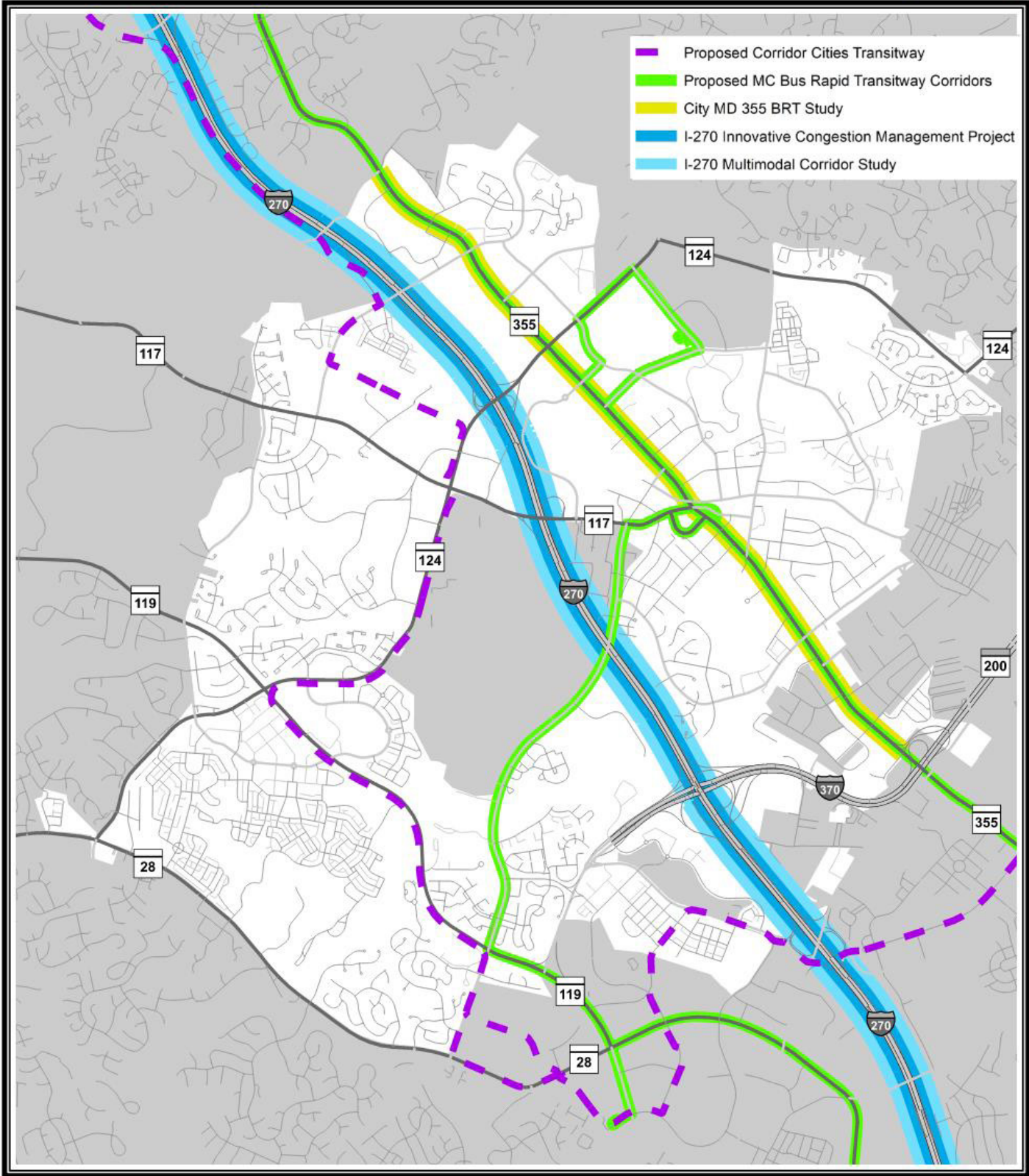
The City completed a comprehensive review of crash data at all major intersections, which included a ranking of the 30 intersections having the highest crash volumes. A bus ridership analysis was completed, which identified bus stops for possible future installation of bus shelters where needed. The City partnered with PEPCO for the installation of 12 new electric vehicle charging stations at various locations in the City.

Speed studies were conducted at various locations throughout the City in support of the Police Department's camera enforcement program.



*Bike to Work Day Event 2022.*

# CITY INITIATIVES



2022 Transportation Map

# CITY INITIATIVES

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## ENVIRONMENTAL SERVICES

In 2022, Phase 2 and Phase 3 of the LED street light conversion was completed. The street light conversion is a five phase project to convert existing City lights with LEDs. LEDs require less maintenance and are more energy efficient, which contributes to a significant reduction in greenhouse gas emission associated with their use. Streetlights are important to the safety of our City, and in addition to being more efficient, LEDs also create a more even spread of light, minimizing bright and dark spots. The light appears brighter and whiter, making it easier than traditional yellow looking lights to identify what's illuminated below. All the fixtures have a color temperature of no more than 3000k. This reduces the sharpness of the light and is deemed best practice by both the International Dark Sky Association and the American Medical Association. The new light fixture are similar in style to the existing fixtures.

All these factors contributed to the City's plan to convert over 3,450 City-owned street lights to LEDs. To complete this project in an economical and efficient manner, the conversion will occur in five phases over the five fiscal years being in FY21. This project is budgeted in the Capital Improvement Fund. To date, the City has received 421,000 dollars in grants and rebates for this project and is anticipating receiving at least another 218,475 dollars in rebates and grant funds.

The 2022 Green Month Celebration included fourteen different events hosted by various different departments in the City showcasing how sustainability is ingrained in everything we do. The new featured event this year was the City's first ever Fix It Fair. Residents signed up to have volunteers repair small appliances, lamps, clothes/textiles and even sharpened tools. Through community based repair work, residents saved money, material was saved from landfill or incineration and community relationships were built. There were over 34 fixing appointments and the fixers had a 95% success rate!

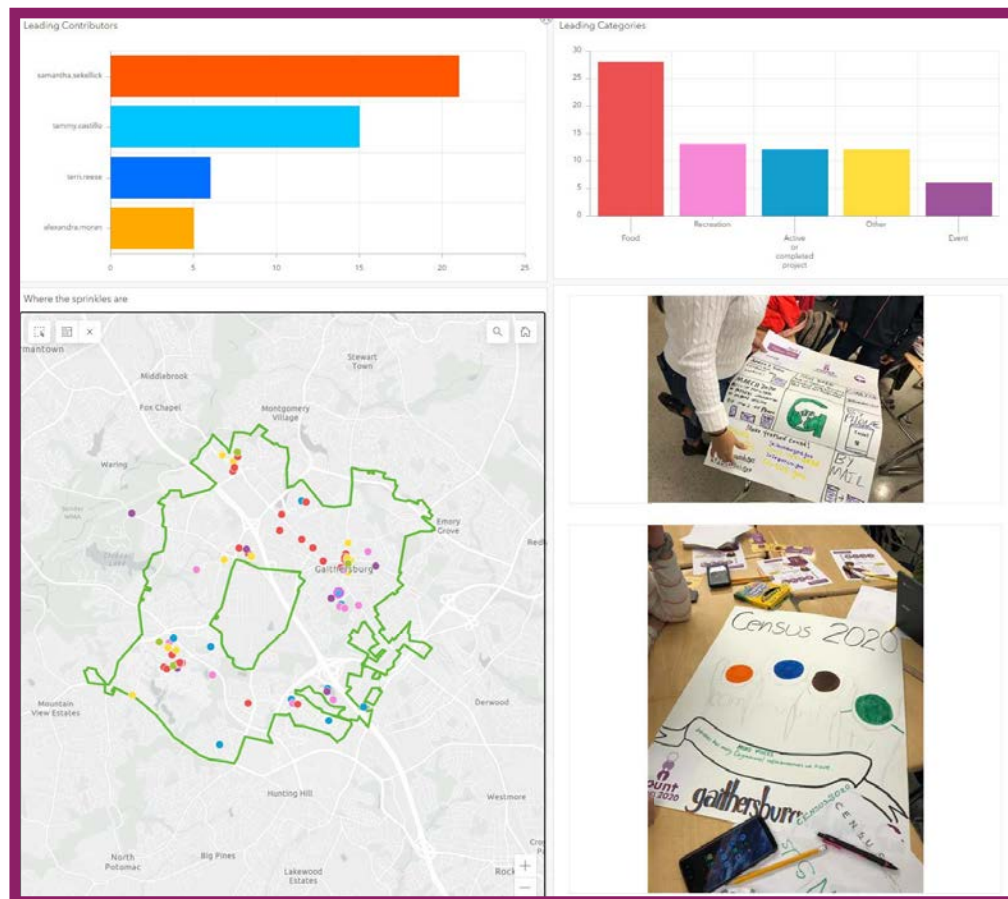
Our annual celebration included the annual Environmental Awards. The City's Environmental Affairs Committee recognized eight different individuals and organizations with environmental awards. Four Achievement Awards, three Appreciation Awards and one Green Friend of Gaithersburg Award. The demand for the community shredding event is still high. The City now hosts two events a year in the spring and fall. The 2022 fall event had another record breaking attendance year with 461 cars (110 more than the previous record).

# CITY INITIATIVES

## GEOGRAPHIC INFORMATION SYSTEMS

In 2022, the City held its ninth annual GIS Day celebration in a virtual format, which included a map exhibit, user presentations, and an interactive trivia game for staff. The City began its transition from the ArcMap/ArcCatalog suite of ESRI products to the ArcGIS Pro platform.

Planning Staff continued to maintain its core GIS layers of zoning, development plan index, addresses, population/households/jobs by parcel, sign packages, and design guidelines. Planning Staff created several new layers associated with Housing Element of the Master Plan. Planning Staff continues to assist the GIS Division on improving and enhancing the spatial and attribute accuracy of tax parcels, which serve as the basis for population, households, and jobs estimates and projections. Planning staff continued to provide assistance with data review for the City's recycling fee and stormwater program fee and impervious baseline calculation, both of which are billed as individual items on the annual real property tax bills. Planning Staff compiled an extract of the 2020 5-year ACS data tables and created a joined layer for each level of Census geography in GIS, for use in the Housing Element of the Master Plan and in preparation for a future web map that will allow staff and public access to the Census data.



*Virtual Donut Decorating Challenge*

# CITY INITIATIVES

## ECONOMIC DEVELOPMENT

Gaithersburg's Office of Economic Development continued its on-going activities at business attraction and retention, with the purpose of maintaining the commercial real property assessable base via marketing and investment.

As in previous years, the office awarded matching Toolbox grants, benefitting four companies and totaling \$118,000, all within Olde Towne. Incentives are generally directed toward existing businesses that exhibit growth potential and provide stable, well-paying jobs. Matching grants are available through the program for investments in tenant improvements, job training, commercial signage, interior/exterior demolition, ADA compliance and utility upgrades. Custom grants may be considered for investments not explicitly permitted within the program guidelines. Unlike previous years, the program heightened its focus on façade improvements of aging commercial properties.

Revitalization activities focused on Olde Towne, the Frederick Avenue corridor (including Lakeforest Mall) and Quince Orchard Road/Firstfield Road area. The office (1) oversaw on-going negotiations for the sale of a City-owned parcel for development as mixed-use, (2) administered the expanded State-designated Enterprise Zone, (3) supported due diligence of private commercial property transactions, (4) marketed Gaithersburg to new and expanding businesses, and (5) worked to bring undeveloped commercial parcels to market.

Retail properties, initially crushed by the impact of tenant operating restrictions created to protect public health, have rebounded. From 2021 to 2022, rents increased slightly, from \$26.04 to \$27.35 per square foot, and the vacancy rate dropped from 9.6% to 9%. Going forward, the closure of Lakeforest Mall will remove more than one million square feet of obsolete retail space from the citywide inventory and therefore a steep drop in vacancy is anticipated.

Online shopping's growth caused an increase in demand for flex/light industrial properties suitable for logistics uses in 2020-2021, compounded by business expansions in the Life Sciences sector. The increased demand prompted the vacancy rate to drop from 4.1% in 2021 to 3.1% in 2022; rents grew from \$12.84 to \$24.87 per square foot.



*Shake Shack at Kentlands*

# CITY INITIATIVES

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The office sector began exhibiting signs of delayed COVID impacts. The adoption of remote work led to a decline in the demand for office space, but the multi-year nature of commercial leases meant that tenants “spread the shrink,” forced to carry leases until expiration dates. The vacancy rate grew slightly, from 7.4% to 8%, and overall rents fell from \$28.01 to \$24.58 per square foot. The downward trend on office space performance indicators is expected to continue. Meanwhile, stronger market demand for Life Sciences and medical uses spurred developer interest in conversion of existing and planned office properties.



*Exterior Improvements at 2226 East Diamond Avenue*

# CITY INITIATIVES

## HOUSING AND COMMUNITY DEVELOPMENT

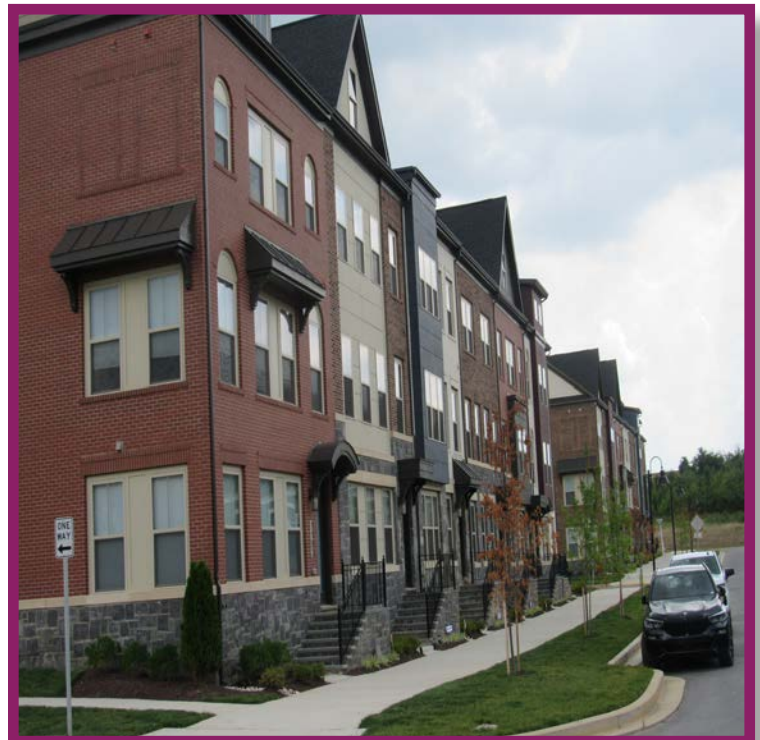
The Housing and Community Development Division oversees grant-funded programs that support many of the City's Strategic Directions. The Division also manages the Gaithersburg affordable housing programs. These include a homebuyer assistance loan program for income eligible first-time buyers, an inclusionary zoning ordinance, requiring Moderately Priced Dwelling Units (MPDU - households earning between 50% to 80% of Area Median Income (AMI) and Work Force Housing Units (WFHU- 80% to 120% of AMI) in new construction and conversion to residential use, and an emergency housing assistance program for low-income City residents at risk of eviction.

Funds from the City's Community Development Block Grant (CDBG) program, combined with City funds, are dedicated to the Gaithersburg Homebuyer Assistance Loan Program. The City issued 21 loans in 2022.

A trifecta of factors contributed to a lower number of first-time homebuyers in 2022: the Covid19 pandemic, a doubling of interest rates, and limited inventory of affordable options. However, all three factors confirmed the importance of the City's program to help its low and moderate-income residents call Gaithersburg "home".

Including units under construction, the City's MPDU and WFHU inventory consisted of 454 rental units and 89 ownership units. Although all of the units are located within the City boundaries, the City administers MPDUs under both the Montgomery County and Gaithersburg inclusionary zoning laws and regulations. Work Force Housing units are offered exclusively under the Gaithersburg program.

During 2022, the need for rental assistance for households affected by the pandemic increased significantly, but Federal Emergency Rental Assistance flowed through Montgomery County, serving those residents in need.



*Crown Neighborhood Three*



# ANNUAL REPORT WORKSHEET

# ANNUAL REPORT WORKSHEET

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## Annual Report Worksheet Reporting (Calendar) Year 2022

### INSTRUCTIONS

Each Planning Commission/Board must approve an Annual Report for the reporting calendar year 2022 (January 1, 2022 - December 31, 2022), as required under [§1-207\(b\)](#) of the Land Use Article. In addition, the Annual Report shall be filed with the local legislative body and the Maryland Department of Planning (MDP), via email to [david.dahlstrom@maryland.gov](mailto:david.dahlstrom@maryland.gov) and cc: to [mdp.planreview@maryland.gov](mailto:mdp.planreview@maryland.gov).

A jurisdiction may use the attached template form, or any of the previous Annual Report forms. The requirements have not changed for calendar year 2022, however, an optional survey is included in Section VII. We encourage all jurisdictions to respond.

**Section I- New Residential Permits**, and **Section II- Amendments and Growth-Related Changes**, are required by all local jurisdictions.

**Section III- Development Capacity Analysis**, is required every three years.

**Section IV- Locally Funded Agriculture Preservation**, is required for counties only.

**Section V – Measures and Indicators**, is required for jurisdictions reporting more than 50 new residential permits in Section I.

**Section VI- Adequate Public Facility Ordinances**, is required every two years for jurisdictions with adopted Adequate Public Facility Ordinances (APFOs).

**Section VII – Planning Survey Questions** is optional

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# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

### Section I: New Residential Permits Issued (Inside and Outside the PFA) (§1-208(c)(1)(i) and (c)(3)(ii))

(A) In Table 1, *New Residential Permits Issued (Inside and Outside the PFA)* below, enter the number of new residential building permits issued in calendar year (2022). Enter 0 if no new residential building permits were issued in 2022.

**Table 1: New Residential Permits Issued  
Inside and Outside the Priority Funding Area (PFA)**

Residential – Calendar Year 2022	PFA	Non - PFA	Total
New Residential Permits Issued	76	0	76
New Residential Units Included in Residential Permits Issued	319	0	319

### Section II: Amendments and Growth Related Changes In Development Patterns (§1-207(c)(1) through (c)(4))

*Note: Growth related changes in development patterns are changes in land use, zoning, transportation capacity improvements, new subdivisions, new schools or school additions, or changes to water and sewer service areas.*

(A) Were any new comprehensive plan or plan elements adopted? If yes, briefly summarize what was adopted. Y  N

(B) Were there any amendments to zoning regulations or zoning map? If yes, briefly summarize each amendment, include a map, or GIS shapefile, if available. Y  N

Adopted a school utilization premium payment (UPP) fee for new development that applies to school service areas that exceed 105% of student capacity or have a seat deficit that meets or exceeds a specified threshold (85 seats for elementary schools, 126 seats for middle schools, and 180 seats for high schools). The UPP fee is increased for school service areas that exceed 120% of student capacity and 135% of student capacity, as well as exceeding higher seat deficit thresholds. The UPP fee in addition to the school impact tax levied by Montgomery County for all residential permits to construct new residential units.

(C) Were there growth-related changes, including land use, annexations, zoning ordinance changes, new schools, changes in water or sewer service areas, municipal annexations that changed municipal or unincorporated area boundaries? If yes, describe or attach a map of the changes, and describe how they are consistent with internal, state, or adjoining jurisdiction plans. Y  N

# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

- Schematic Development Plan ASDP-9338-2022 was approved to reallocate office and retail density within the Watkins Mill Town Center Urban Core.
- Schematic Development Plan SDP-9269-2022 was approved to construct a 230 unit residential apartment building with an integrated parking garage at the Spectrum at Watkins Mill.
- Sketch Plan SK-9174-2022 was approved for the Stevenson-Metgrove properties, which will allow construction of up to 287 units, with a mix of townhouses, 2-over-2 stacked condominium townhouses, and potentially triplexes, depending on the market conditions.
- Concept Site Plan SP-8819-2021 was denied, which proposed to combine three lots on South Frederick Avenue at Central Avenue and construct a 5,617 square foot car wash and parking lot.
- The Montgomery County School Board approved design plans for the proposed high school on Crown Farm, at the intersection of Fields Road and Omega Drive.
- Zoning Map Amendment Z-8911-2021 and the associated Concept Plan SP-8910-2021 were approved for the Kimco-owned shopping center on North Frederick Avenue at Travis Avenue, allowing two multi-family residential buildings with up to 580 units and up to 48,000 square feet of ground floor retail (replacing the existing 87,808 square foot shopping center).
- Schematic Development Plan SDP-9073-2021 was approved for three additional commercial infill buildings totaling 21,700 square feet at the Kentlands Square Shopping Center.

(D) If yes to municipal annexations, have copies of each adopted resolution been submitted to: Georgeanne Carter, Legislative Counsel Municipal Resolution Reposition Department of Legislative Services, 90 State Circle, Annapolis MD, 21401-1991? Y  N

(E) Did your jurisdiction recommend improvements to the local planning and development process? If yes, please describe. Y  N

### Section III: Development Capacity Analysis (DCA)(§1-208(c)(1)(iii))

*Note: MDP provides technical assistance to local governments in completing development capacity analyses. Please contact your MDP regional planner for more information.*

(A) Has an updated DCA been submitted with your annual report or to MDP within the last three years? Y  N

1. If no, explain why not, such as, no substantial growth changes.

A development capacity analysis (DCA) was included with the Municipal Growth Element of the 2003 Master Plan and adopted on April 6, 2009. The DCA was based on a “strong growth” assumption that showed sufficient development capacity was available throughout the year 2030. Following the adoption of the Municipal Growth Element, the actual observed growth within the City (and Montgomery County generally) has been much lower than both the high and low “strong growth” scenarios used in the DCA. The adopted Round 9.0 forecasts show the City growing by 2045 to a population of 89,258, with 33,409 households and 65,684 jobs, which is similar to or less than the Municipal

# ANNUAL REPORT WORKSHEET

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## Annual Report Worksheet Reporting (Calendar) Year 2022

Growth Element DCA's low "strong growth" scenario for the City, which used population, household, and jobs figures of 85,420, 34,429 and 103,011, respectfully. Most importantly, there have been no significant changes to the availability of land and public facilities since the adoption of the Municipal Growth Element and, when combined with the observed slower growth and adopted forecasts, development capacity remains to meet the growth needs of the City for the foreseeable future.

In addition, the City of Gaithersburg is an established incorporated city surrounded by an established built-up area of Montgomery County. The City's Euclidean zones, such as R-A and R-90, include large areas that are used as parks, open space, utility corridors, and other public uses, and are either precluded from or unlikely to be developed as residential units. Thus, while some "greenfield" opportunities exist in the Euclidean zones, the majority of anticipated development within the City and Maximum Expansion Limits (MEL) will consist of the redevelopment of existing areas into a higher density of residential and nonresidential uses, utilizing mixed-use floating zones rather than Euclidean zoning. By design, these types of "floating zones" allow flexibility for future development and uses based upon market conditions, and such flexibility is not easily translated into a simple mathematical development capacity analysis based on a Euclidean-type by-right residential density cap. City staff continues to monitor growth patterns to ensure that they are not exceeding the development analyses included in the adopted Municipal Growth Element and will initiate an update of that Element or a separate DCA as part of a future Land Use Element, if the growth patterns begin to significantly deviate.

2. If yes, when was the last DCA submitted? Identify month and year: N/A

*Note: A DCA is not due if a comprehensive plan was updated in the past three years (2020-2022). MDP recommends that jurisdictions share DCAs with local school boards.*

Was the DCA shared with the local school board facilities planner? Y  N

- (B)** Using the most current DCA available, provide the following data on capacity inside and outside the PFA in *Table 2, Residential Development Capacity (Inside and Outside the PFA)*:

# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

Table 2: Residential Development Capacity (Inside and Outside the PFA), based on the adopted 2003 Master Plan Municipal Growth Element (MGE) and a 04/21/2022 GIS Query

Parcels & Lots w/ Residential Capacity [Euclidean Zones Only]	PFA (MGE)	Non – PFA	Total (MGE)	GIS Query 04/21/2022
Residentially Zoned Acres [Note: R-90/R-90 Cluster Zones are over capacity by 1,044.8 units]	2,645.1	0	2,645.1	2,538.8
Number of Residential Parcels, Lots, and Unplatted Lots	N/A	0	N/A	8,009 [11,032 tax accounts]
Potential Maximum Units, based on Zoning Density Limits [Note: R-90/R-90 Cluster Zones are over capacity by 1,044.8 units]	20,222.7	0	22,222.7	19,259.4
Existing Residential Units [Existing Units excluding those in excess of R-90/R-90 Cluster zoning limit]	15,506 [14,772.07]	0	15,506 [14,772.07]	15,234 [14,189.2]
Residential Capacity (Units) [Residential Capacity excluding those units in excess of R-90/R-90 Cluster zoning limit]	4,716.7 [5,450.63]	0	4,716.7 [5,450.63]	4,025.4 [5,070.2]

Revised 4/3/2023

# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

### Section IV: (Locally) Funded Agricultural Land Preservation & Local Land Use Goal (Counties Only) [\(§1-208\(C\)\(1\)\(iv and v\)\)](#)

*(Not applicable to the City of Gaithersburg)*

- (A) How many acres were preserved using **local** agricultural land preservation funding? Enter 0 if no land was preserved using **local** funds. Enter the value of local program funds, if available.

**Table 3: Locally Funded Agricultural Land Preservation**

Local Preservation Program Type	Acres	Value (\$)
Example: Transfer of Development Rights		
Example: Building Lot Retirement		
Example: Land Purchase		
Example: Local Land Trust		
Example: Easement		
Example: Other		
<b>Total</b>		

\*State funded agricultural land preservation acres and values are not required to be reported as state funding is documented.

- (B) What is the county's established local land use percentage goal? This percentage should include land uses within PFAs, not including PFA comment areas      %
- (C) What is the timeframe for achieving the local land use percentage goal?      Years.
- (D) Has there been any progress in achieving the local land use percentage goal?
- (E) What are the resources necessary (e.g. legislative actions (programs incentives), functional planning, and capital funding) for infrastructure inside the PFAs?
- (F) What are the resources necessary (e.g. legislative actions (program incentives and zoning changes), preservation planning, and easement funding) for land preservation outside the PFAs?

# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

### Section V: Measures and Indicators (§1-208(c)(1))

Note: Measures and Indicators, Section VII, is only required for jurisdictions issuing more than 50 new residential building permits in the reporting year, as reported in Table 1.

Table 4A: Amount of Residential Growth (Inside and Outside the PFA)

Residential – Calendar Year 2022	PFA	Non - PFA	Total
Total Minor Subdivisions Approved (excludes plats of correction)	3	0	3
Total Minor Subdivision Buildable Lots and Parcels Approved (excludes plats of correction)	5	0	5
Total New Residential Units Approved in Minor Subdivisions* (excludes plats of correction)	0	0	0
Gross Acres of All Approved Minor Subdivisions (excludes plats of correction)	6.19	0	6.19
Net Buildable Lot/Parcel Area** in Acres of All Approved Minor Subdivisions (excludes plats of correction)	6.19	0	6.19
Total Major Subdivisions Approved	0	0	0
Total Major Subdivision Buildable Lots and Parcels Approved	0	0	0
Total Residential Units Approved in Major Subdivisions	0	0	0
Gross Acres of All Approved Major Subdivisions	0	0	0
Net Buildable Lot/Parcel Area** in Acres of All Approved Major Subdivisions	0	0	0
Total Residential Units Constructed (Finaled with Use & Occupancy)	623	0	623
Total Residential Units Demolished***	1	0	1
Total Residential Units Reconstructed/Replaced***	0	0	0

\* The number of residential units may be greater than the number of lots if such units are duplexes, triplexes, or multifamily units

\*\*Net lot area is the sum of all developed lots, minus open spaces and right-of-way, and other publicly dedicated land.

\*\*\*Not required.

Table 4B: Net Density of Residential Growth (Inside and Outside PFAs)

Residential – Calendar Year 2022	PFA	Non – PFA	Total
Total Residential Units Approved (Major + Minor Subdivisions)	0	0	0
Total Approved Net Lot/Parcel Area (Major + Minor Subdivisions)	6.19	0	6.19

# ANNUAL REPORT WORKSHEET

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## Annual Report Worksheet Reporting (Calendar) Year 2022

Table 4C: Share of Residential Growth (Inside and Outside the PFA)

Residential – Calendar Year 2022	PFA	Non – PFA	Total
Total Units Approved (Major + Minor Subdivisions)	0	0	0
% of Total Units (Approved Residential Units)	100%	0%	100%

Revised 4/3/2023

# ANNUAL REPORT WORKSHEET

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## Annual Report Worksheet Reporting (Calendar) Year 2022

Table 4D: Amount of Commercial Growth (Inside and Outside the PFA)

Commercial – Calendar Year 2022	PFA	Non - PFA	Total
<b>Site Plans</b>			
<b>Total # of Commercial Site Plans Approved</b>	10	0	10
<b>Gross Acres of All Approved Commercial Site Plans</b>	46.76	0	46.76
<b>Gross Building Area Approved in Square Feet for Commercial Site Plans (excludes parking garages)</b>	1,792,059	0	1,792,059
<b>Building Permits</b>			
<b>Total Commercial Building Permits Issued (includes parking garages)</b>	14	0	14
<b>Gross Building Area Constructed in Square Feet for issued Building Permits (includes parking garages)</b>	574,301	0	574,301

Revised 4/3/2023

# ANNUAL REPORT WORKSHEET

## Annual Report Worksheet Reporting (Calendar) Year 2022

### Section VI: Adequate Public Facility Ordinance (APFO) Restrictions ([§7-104](#)) (Section VI is only required by jurisdictions with adopted APFOs)

*Note: Jurisdictions with adopted APFOs must submit a biennial APFO report. The APFO report is due by July 1 of each even year and covers the reporting period for the previous two calendar years. APFO reports for 2020 and 2021 are due July 1, 2022. However, jurisdictions are encouraged to submit an APFO report on an annual basis.*

- (A) What type of infrastructure is monitored and may trigger development approval restrictions or require a developer to address deficiencies? (List each for schools, roads, water, sewer, stormwater, health care, fire, police or solid waste.)

School Capacity, Traffic Impact, Fire and Emergency Response Time, Water and Sewer Service.

- (B) Has APFO impacted development approvals? Y/N

NO

- (C) If APFO has delayed, limited, or denied development, defined here as a “restriction”:

- a. Are there infrastructure or service facility deficiencies that have triggered denials of development requests, or held up development approvals? Y/N

NO

*Note: This does not include APFO required developer-funded projects, , or phased development approvals due to APFO limitations, or APFO required study areas for approval.*

- b. Can the impact area of facility deficiencies/ development restrictions, which temporarily delay development approvals, be mapped? Y/N

YES

- (D) If yes for (C)(b), where is each restriction located? (Identify on a map, including PFA boundary.)

City staff prepares an annual memo each July regarding the APFO restrictions that result from the published schools capacity in the Montgomery County Public Schools (MCPS) 5-year Capital Improvements Program (CIP). For school year 2021-2022 (ending in June 2022), one elementary school service area was in a residential development moratorium because the corresponding school exceeded 150% of capacity: Summit Hall Elementary School (within the Gaithersburg Cluster). All other areas of the City met the APFO requirement for schools for school year 2021-2022 and residential development could occur within those areas. For school year 2022-2023 (beginning in July 2022), all areas of the City met the APFO requirement for schools and residential development could occur within the entire City. The annual memos, including relevant maps, are available on the City’s web site at <https://www.gaithersburgmd.gov/services/planning-services/adequate-public-facilities>.

Traffic Impact Studies (TIS) are required for all development applications, unless exempted under the City’s Traffic Impact Studies Standards. Currently, only development applications that produce fewer than an additional 30 peak-hour trips are exempt from the TIS requirement.

# ANNUAL REPORT WORKSHEET

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## Annual Report Worksheet Reporting (Calendar) Year 2022

All areas of the City are currently served by an adequate fire and emergency full response time of 10 minutes from at least two stations.

All areas of the City are currently served by adequate public water and sewer service, subject to a final determination by the Washington Suburban Sanitary Commission (WSSC) at the time of WSSC permit review.

**(E) Describe what is causing each restriction.**

Under the schools capacity test, the City's APFO restricts the approval of preliminary site plans and schematic development plans that include non-age-restricted residential units if any individual school capacity exceeds 150% of programmed capacity five years in the future. The existence of the APFO restriction will prevent development of residential units in any areas of the City that are served by a school that exceeds the 150% capacity limit. As previously mentioned, one school service area within the Gaithersburg Cluster, Summit Hall Elementary, exceeded 150% capacity for school year 2021-2022 (July 1, 2021 through June 30, 2022) and was placed in a residential development moratorium for that time period. Beginning in July, 2022, Summit Hall Elementary no longer exceeded 150% capacity due to the construction of a new elementary school and related boundary study, and no areas of the City were subject to a residential building moratorium from July 1, 2022 through December 31, 2022.

**(F) If applicable, what is the proposed resolution of each restriction?**

The City does not have funding or operation authority over the public schools and thus does not have the ability to directly resolve school capacity issues. As part of its 2020 Subdivision Staging Policy update, Montgomery County re-instated its "facility fee" (now called a Utilization Premium Payment [UPP] fee) for schools exceeding 105% of program capacity, eliminated residential development moratoriums, and significantly changed the way residential impact taxes are calculated. In 2022, the City adopted a similar facility (UPP) fee, though retained its separate APFO test and residential development moratorium.

**(G) If applicable, what is the estimated date to resolve each restriction?**

The date for complete resolution of any underlying capacity deficiency is dependent upon population growth patterns, funding and operation by MCPS, and funding provided to MCPS by the Montgomery County Council and State of Maryland. The City will monitor the MCPS CIP, population growth patterns, revenue from County development impact fees (which the City collects for City-issued permits), and revenue from the County and City "facility" (UPP) fees, and may evaluate other school construction funding strategies if needed.

**(H) If a development restriction has been addressed, what was the resolution that lifted each restriction?**

For the school within the Gaithersburg Cluster that was in a residential development moratorium for part of calendar year 2022 (Summit Hall), MCPS constructed a new elementary school (Harriet R. Tubman), which opened in August 2022 for the 2022-2023 school year. The boundary study and assignment for the new and existing schools within the Gaithersburg Cluster was completed in November 2021, which reduced the enrollment at Summit Hall Elementary School to below the 150% capacity threshold for a residential development moratorium.

**(I) If a development restriction has been addressed, when was each restriction lifted?**

The residential moratorium development for the Summit Hall Elementary School service area was lifted on July 1, 2022.