

RESOLUTION NO. PCR-ASDP-9338-2022

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF GAITHERSBURG, MARYLAND GRANTING APPROVAL OF AMENDMENT TO SCHEMATIC DEVELOPMENT PLAN ASDP-9338-2022, KNOWN AS THE WATKINS MILL TOWN CENTER URBAN CORE, CONSISTING OF APPROXIMATELY 3.94 ACRES AND ZONED MIXED USE DEVELOPMENT (MXD)

ASDP-9338-2022

OPINION

Amendment to Schematic Development Plan (ASDP) application ASDP-9338-2022 (“Application”) for the properties located within the Watkins Mill Town Center Urban Core, consisting of approximately 3.94 acres of land zoned Mixed Use Development (MXD) (“Subject Properties”), has come before the City Planning Commission for approval. The Planning Commission’s authority in this matter is pursuant to § 24-198(c)(2) of the City of Gaithersburg Zoning Ordinance (Chapter 24 of the City Code), which authorizes the Planning Commission to approve applications that materially change the orientation or siting of any buildings from an originally-approved Schematic Development Plan (SDP), upon the Mayor and City Council making a finding that the application has a minor effect and thereby directing the Planning Commission to make a final decision on the amendment in accordance with the procedure set forth in § 24-198(c)(2).

The subject Application concerns an amendment regarding the development of the Subject Properties located within the Watkins Mill Town Center Urban Core. The Application was submitted to the City Planning and Code Administration on June 17, 2022 and designated as ASDP-9338-2022.

OPERATIVE FACTS

A. Background

The Subject Properties are part of the Watkins Mill Town Center development, which was annexed into the City of Gaithersburg as part of Annexation Application X-095 on May 31, 1968 by Resolution R-8-68. At the time of annexation, the Subject Properties was zoned I-3 (Industrial Office Park) by Resolution R-9-68. On April 1, 1996, Rezoning and Sketch Plan Application Z-278 was approved by Mayor and City Council by Ordinance O-5-96 to rezone the Subject Properties to the MXD Zone and to implement the Neighborhood 5 Land Use Plan. On April 18, 2005, the Mayor and City Council approved Amendment to Sketch Plan Application Z-297 by Ordinance O-1-05 which would implement Land Use Scenario C (Residential-Office-Commercial land use designation) from the 2003 Master Plan recommendation.

On August 1, 2005, the Mayor and City Council approved Schematic Development Plan Application SDP-05-002 by Resolution R-75-05 for a mixed-use project, which included 1,066 dwelling units including single-family detached, single family attached, two-over-two condominium and high-rise condominium, 259,939 square feet of mixed use commercial space, 936,650 square feet of office and 394 room hotel. The project was divided into the following three phases:

Phase 1: Watkins Mill Road Extended

- 472 attached and detached residential units
- 252 condominium units
- 106,639 sq. ft. mixed use (retail/commercial/cinema)
- 493,450 sq. ft. office
- 210 room hotel & related 38,000 sq. ft. meeting room & dining facilities; 65 penthouse condos

Phase 2: Watkins Mill Interchange

- 14,400 sq. ft. mixed use (bank/service)
- 80,600 sq. ft. mixed use (retail/restaurant)
- 360,000 sq. ft. office
- 184 room hotel & associated use

Phase 3: Corridor Cities Transitway

- 276 condominium units
- 20,300 sq. ft. mixed use (retail/restaurant/service)
- 83,200 sq. ft. office

On May 3, 2006, the Planning Commission approved Final Site Plan Application SP-05-0013 for the residential portion of the development, which included 94 single-family detached units, 180 townhouses, 142 two-over-two condominium units, 20 loft condominiums and street layout and paving for the urban core streets. On November 5, 2012, the Mayor and City Council approved Amendment to Schematic Development Plan Application ASDP-0641-2012 by Resolution R-79-12 to eliminate the commercial component of the 20 approved live/work units (known as the mid-town lofts urban lofts) and develop the parcels exclusively with residential townhomes. The amendment provided that the 10,000 square feet of commercial floor area would be reallocated to a hotel to be built in phase two of the development, reducing the total phase one mixed commercial floor area to 96,639 and increasing the phase two commercial floor area to a total of 465,000 square feet. The Planning Commission on November 28, 2012 approved Amendment to Final Site Plan application AFP-1270-2012 for approval of the 20 residential units that were converted exclusively to residential townhomes.

The development has received additional amendment approvals which include lot line and sidewalk location adjustments, revisions to the Design Guidelines, construction trailers, and minor revisions to residential building elevations.

B. Current Application

On June 17, 2022, Bill Brewer of TC Mid-Atlantic Development V. Inc., (“Applicant”) submitted the Application. The Applicant is proposing to reallocate 100,950 square feet of office density and 62,494 square feet of retail density between previously approved Buildings B1, B2, B3, C2, C3 and C5. Initially, the Applicant plan to construct Buildings C2 and C3 for a life sciences and biopharmaceutical office campus with integrated ground floor retail. The increase of the building footprints for C2 and C3 will eliminate Buildings C1 and C4. Buildings C2 and C3 will contain 357,200 square feet of office and 5,000 square feet of ground floor retail. To provide flexibility, the Applicant submitted revised plans which include an option to construct Buildings C1 and C4. The revised plans include a building restriction line and note height restrictions for each building in compliance with Sketch Plan Z-297. The final building footprint will be determined at final site plan in conformance with either proposed option. This revision does not change the reallocation of office and retail density as proposed, but the ground floor retail previously located within the new parking garage (C5) will be relocated within Buildings B1, B2 and B3. The amendment only proposes shifting density between the various blocks and buildings, and the overall total square footage previously approved for Watkins Mill Urban Core will remain constant.

The Application was presented to the Mayor and City Council as a courtesy review during their July 18, 2022 regular Mayor and City Council meeting, pursuant to § 24-198(c)(2) of the City Code. During the courtesy review, the Council, as permitted by § 24-198(c)(2), deemed the Application to have a minor effect and directed the Planning Commission to hold the public hearing and make a final decision on the Application.

The Planning Commission conducted a public hearing for application ASDP-9338-2022 on September 7, 2022. The public hearing was advertised in the August 18, 2022 and August 25, 2022 issues of the Washington Post. The property was posted with notice on August 15, 2022. The public hearing was also advertised on the City of Gaithersburg website and notices were sent out through U.S. mail on August 16, 2022. During the public hearing, twenty nine (29) exhibits were presented, including the Applicant’s statement and proposed site plan amendment. Testimony was given by the Applicant concerning the proposed application. There was one testimony from the public during the course of the hearing. At the conclusion of the hearing, the Planning Commission announced, by motion, the closing of their record on October 13, 2022 with final action scheduled for October 19, 2022. On October 19, 2022, the Planning Commission reopened the record until October 27, 2022, with anticipated final action on November 2, 2022. This provided additional time for the Applicant and Stormwater Management Staff to work to get associated preliminary stormwater management plan approved prior to Planning Commission final action. On November 2, 2022, the Application was defer final action until November 16, 2022. One additional written testimony from the public was submitted while the record remained open.

C. Evaluation and Findings

The Planning Commission, upon careful review of the evidence of record, including the exhibits submitted and the Applicant's testimony, agrees with the findings, conclusions and the recommendation of approval for the Application by City Staff. The Planning Commission finds those recommendations to be well reasoned and adopts and incorporates those findings as part of this action. The Planning Commission further agrees that the procedures governing the application of the MXD Zone and approvals necessary to seek building and/or use and occupancy permits are subject to a multi-step process and that this approval is only one of several steps of the permit process.

Furthermore, the Planning Commission finds from the evidence presented that the Application, as currently amended, fulfills the findings required under City Code § 24-160D.10(b):

(1) The plan is substantially in accord with the approved sketch plan:

The plan is consistent with approved Amendment to Sketch Plan application Z-297. Sketch Plan Z-297 was approved with an Option 4 that consist of single-family attached and detached residential units, 2-over-2 condominium units, high rise condominium units, commercial, offices and hotel uses, each with mixed commercial/retail use on the first floor and cinema. Option 4 is also consistent with the recommendations in the 2003 Master Plan.

(2) The plan meets or accomplishes the purposes, objectives and minimum standards and requirements of the zone:

- (a) The Subject Property will be developed with office and retail uses, which are in conformance with approved Sketch Plan Z-297.
- (b) The Application will reallocate office and retail density that was approved as part of Schematic Development Plan application SDP-05-002. The total square footage allowed for the urban core will remain changed from SDP-05-002
- (c) The Application will continue development of the existing mixed-use community and will be the first development within the Urban Core.
- (d) The Application will be developed in two phases and there will be adequate public facilities to support the overall development.
- (e) The Application will provide office and retail buildings which will be compatible and harmonious with the surrounding neighborhoods and buildings.

- (3) The plan is in accord with the area master plan and any accompanying special condition or requirements in said master plan for the area under consideration:

The Watkins Mill Development was included in the 2003 Master Plan as a Special Study Area 6 (Casey-Metropolitan Grove) of the City's Land Use Element. The Special Study Area recommended three Land Use Options. The approval of Schematic Development Plan SDP-05-002 utilized Option C of the 2003 Master Plan which recommended a Mixed Use Office-Residential with a Commercial Component. The master plan further recommended the area remain as mixed use residential-office-commercial with a zoning classification of MXD (Mixed Use Development). The proposed plan reallocates previously approved office and retail density within previously approved buildings and lots within the Urban Core as part of Schematic Development Plan SDP-05-002. Therefore the plans remains consistent and in conformance with the 2003 Master Plan and accompanying special conditions as granted as part of SDP-05-002.

- (4) The plan will be internally and externally compatible and harmonious with existing and planned uses in the MXD zoned area and adjacent areas:

The Application is compatible and harmonious with the existing and planned land uses in the MXD zone and adjacent areas. The proposed office/retail buildings will be located within a community that is approved as mixed use consisting of commercial, office and residential uses.

- (5) That existing or planned public facilities are adequate to service the proposed development contained in the plan:

This Application complies with the City's adequate public facilities requirements, as follows:

1. **Traffic Impacts-** The Application is reallocating approved office and retail density within the Urban Core. The proposed roads and building density will be in conformance with Schematic Development Plan SDP-05-002, therefore no additional traffic study is needed, and the Application complies with the requirement for the Adequate Public Facilities requirement for traffic impacts.
2. **Adequacy of School Capacity-** The Application is for retail and office uses, and therefore will have no impact on the school system. Therefore, the proposed development is exempt from the school test of the Adequate Public Facilities Ordinance.
3. **Water and Sewer Services and Public Utilities-** The Subject Properties are currently located in water and sewer categories W-3 and S-3 respectively. W-3 and S-3 WSSC categories are areas where

improvements will be given immediate priority and service will generally be provided within two years or as development and request for community service are planned and scheduled. Therefore, the application complies with the requirement of the adequate public facilities requirements for water and sewer services.

4. Fire and Emergency Services- The City's Adequate Public Facilities Ordinance (APFO) requires that any development project be served by at least two fire stations within a ten-minute response time. The Crown development, including the Subject Properties, is located within a ten-minute response time of the following fire stations:

- Station 8 (Gaithersburg/Washington Grove- Montgomery Village Avenue)
- Station 22 (Germantown/Kingsview)
- Station 31 (Rockville)

Therefore, the Application complies with the requirements for the Adequate Public Facilities requirements for Emergency Services

(6) That the development staging or phasing program is adequate in relation to the provision of public facilities and private amenities to service the proposed development:

The previously approved Schematic Development Plan, SDP-05-002, outlined the phasing for the overall Watkins Mill development into three phases. The proposed plan is in conformance with phase two, which was allowed to commence once construction of the Watkins Mill Road Interchange started. The proposed plan will be integrated within the existing road networks and utility infrastructures that was approved as part of SDP-05-002.

(7) That the plan, if approved, would be in the public interest:

The plan will be the first development within the Urban Core, which was envisioned to contain office and commercial uses. The plan advances the overall Watkins Mill development vision by providing a vibrant and walkable mixed use community. Lastly, the plan will not have any adverse impacts to existing development and adjacent properties.

AMENDMENT TO SCHEMATIC DEVELOPMENT PLAN ASDP-9338-2022

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Planning Commission of Gaithersburg, Maryland, on this 16th day of November, 2022, that the Applicant's proposed Schematic Development Plan Amendment, designated Application ASDP-9338-2022, be approved with the following condition:

1. Applicant must receive final storm water management approval for all streets providing access to the improvements proposed in the SDP application, prior to final site plan approval.

ADOPTED by the Planning Commission of the City of Gaithersburg, Maryland this 16th day of November, 2022. Commissioners Bauer, Wessell, Hopkins and Cantrell and being present and voting in favor of the action.



John Bauer, Chair
Planning Commission

THIS IS TO CERTIFY, that the foregoing Resolution was adopted by the City Council in public meeting assembled on the 16th day of November, 2022.



John Schlichting, Director of the
Planning and Code Administration