
PLANNING COMMISSION RECOMMENDATION

REPORT DATE: November 26, 2025

RESPONSIBLE STAFF: Laura Mehfoud,
Long Range Planner

RECOMMENDATION MEETING DATE

December 3, 2025

APPLICATION NUMBER

Z-10030-2025

SUMMARY OF REQUEST

The Applicant, Rodgers Consulting, Inc., has submitted Zoning Map Amendment Application Z-10030-2025, to rezone 2 parcels totaling 9.4 acres from the R-18 (Medium Density Planned Residential) and R-20 (Medium Density Residential) zone to the CD (Corridor Development) zone, and to establish a schematic development plan for 3 parcels (14.6 acres), in accordance with City Code § 24-4.4 (H) "Application for CD Zone and schematic development plan approval."

APPLICANT

Rodgers Consulting, Inc.

SUBJECT PROPERTY ADDRESS

2 O'Neill Drive, 3 Nancy Place, and
Parcel P940

ZONE

R-18 & R-20 to CD

EXISTING LAND USE

Residential

STAFF RECOMMENDATION

Staff recommends that the Planning Commission, based upon the findings presented in the staff analysis and the evidence in the record, recommend approval of Z-10030-2025 to the Mayor & City Council with four (4) conditions.

Approve

Approve With Conditions

Deny

Defer

Enclosures:

Staff Analysis

Index of Memoranda (Exhibits in **BOLD**)

MEMORANDUM TO: Mayor and City Council
Planning Commission

FROM: Laura Mehfoud, Long Range Planner

DATE: November 25, 2025

SUBJECT: Consolidated Staff Analysis:
Z-10030-2025 Zoning Map Amendment with Schematic
Development Plan and AB-10054-2025 Abandonment
2 O’Neill Dr, 3 Nancy Place, and Parcel P940

APPLICANT

Rodgers Consulting, Inc.
19847 Century Blvd
Germantown, MD 20874

OWNER

The Eugene B Casey Foundation
16803 Crabbs Branch Way
Rockville, MD 20855

TAX MAP REFERENCE

Tax Map: FS 63, Parcels: N738, N881, P940

TAX ACCOUNT NUMBER

160900818176
160900818187
160900768787

REQUEST

The Applicant, Rodgers Consulting, Inc., has submitted Zoning Map Amendment Application Z-10030-2025, to rezone two parcels totaling 9.4 acres from the R-18 (Medium Density Planned Residential) and R-20 (Medium Density Residential) zone to the CD (Corridor Development) zone, and to establish a schematic development plan (“SDP”), in accordance with City Code Section 24-4.4 (H), titled “Application for CD Zone and schematic development plan approval.” The SDP applies to the two parcels subject to the rezoning as well as a third parcel that is already zoned CD. The SDP proposes a new mixed-income multi-family residential development with up to 434 units. The owner, the Casey Foundation, proposes to restrict 75% of the units to occupancy by low- and moderate-income residents, with the remaining units available as market-rate. The provision of affordable housing aligns with the Casey Foundation’s philanthropic mission. The Applicant also submitted an associated Tree Removal Variance request ENV-10050-2025, Environmental Waiver request ENV-10078-2025, and an affordable housing waiver request to facilitate the proposed redevelopment. An abandonment application, AB-10054-2025, has also been submitted requesting to abandon approximately 37,430 square feet of O’Neill Drive and Nancy Place right-of-way. Abandonment Application AB-10054-2025 is related to Zoning Map Amendment Application Z-10030-2025 and is necessary to facilitate the SDP, therefore the two applications will be reviewed concurrently. In support of these requests, the Applicant has included a statement of justification and support (“Statement”), included as exhibit 73.

LOCATION

The subject properties (“Site”) include three parcels: 2 O’Neill Dr, 3 Nancy Place, and the unaddressed parcel P940. The Site is bound by South Frederick Ave (MD 355) to the northeast, I-370 to the east and south, and Casey Community Center to the northwest. Two roads, O’Neill Drive and Nancy Place, facilitate conveyance through the Site from the signalized intersection at MD 355 to the rear of the Casey Community Center parking lot.



Location Map

BACKGROUND

The 14.6-acre Site is currently split between three zones: R-18 for 2 O'Neill Drive, R-20 for 3 Nancy Place, and CD for parcel P940. A portion of the Site is developed with six garden-style apartment buildings containing 192 units (Rosedale Apartments) built in the 1970s. These units currently serve as naturally occurring, market-rate affordable units. The remainder (parcel P940) is an undeveloped wooded area.

The Applicant submitted Zoning Map Amendment Application Z-10030-2025 to bring the entire Site under the CD zone, along with an associated schematic development plan (SDP) proposing to redevelop the existing apartments with a new mixed-income multi-family residential community. The Applicant also submitted an associated Abandonment Application AB-10054-2025, Tree Removal Variance request ENV-10050-2025, Environmental Waiver request ENV-10078-2025, and an affordable housing waiver request to facilitate the proposed redevelopment. A joint public hearing before the Mayor and City Council and the Planning Commission was held on October 20, 2025. During

the course of the hearing, the Applicant presented an overview of the applications, including the following aspects:

- Current conditions and Site context
- Schematic development plan overview, including layout, number of units, affordability aspect, and Site access and circulation
- Conceptual architecture and renderings
- Amenity space plan
- Environmental waiver and affordable housing waiver requests
- Abandonment plan
- Phasing
- Master Plan and City Code compliance.

During the joint public hearing, the Mayor and City Council and Planning Commission posed questions and made comments regarding the following topics:

- Parking
- Indoor amenity spaces
- Recordation of a restrictive covenant in conjunction with the affordable housing waiver
- Noise impacts
- Bike facilities
- Potential for solar and EV charging
- Logistics of relocating tenants.

One member of the public testified during the hearing regarding noise impacts from nearby roads.

At the conclusion of the hearing, the Planning Commission announced, by motion, the closing of their records on November 19, 2025 with recommendation scheduled for December 3, 2025. Subsequently, the Mayor and City Council announced, by motion, the closing of their records on December 12, 2025 with policy discussion and final action anticipated for January 5, 2026.

Following the joint public hearing and prior to the closing of the Planning Commission record at 5:00 p.m. on November 19, 2025, staff received one additional public comment in writing, which was requesting information on the timeline of the new development.¹

The Applicant submitted a separate supplementary statement responding to the main comments raised during the joint public hearing, which is included as exhibit 71. Items unchanged from the joint public hearing, including Master Plan recommendations, zoning and site plan history, and APFO requirements, can be found in the Preliminary

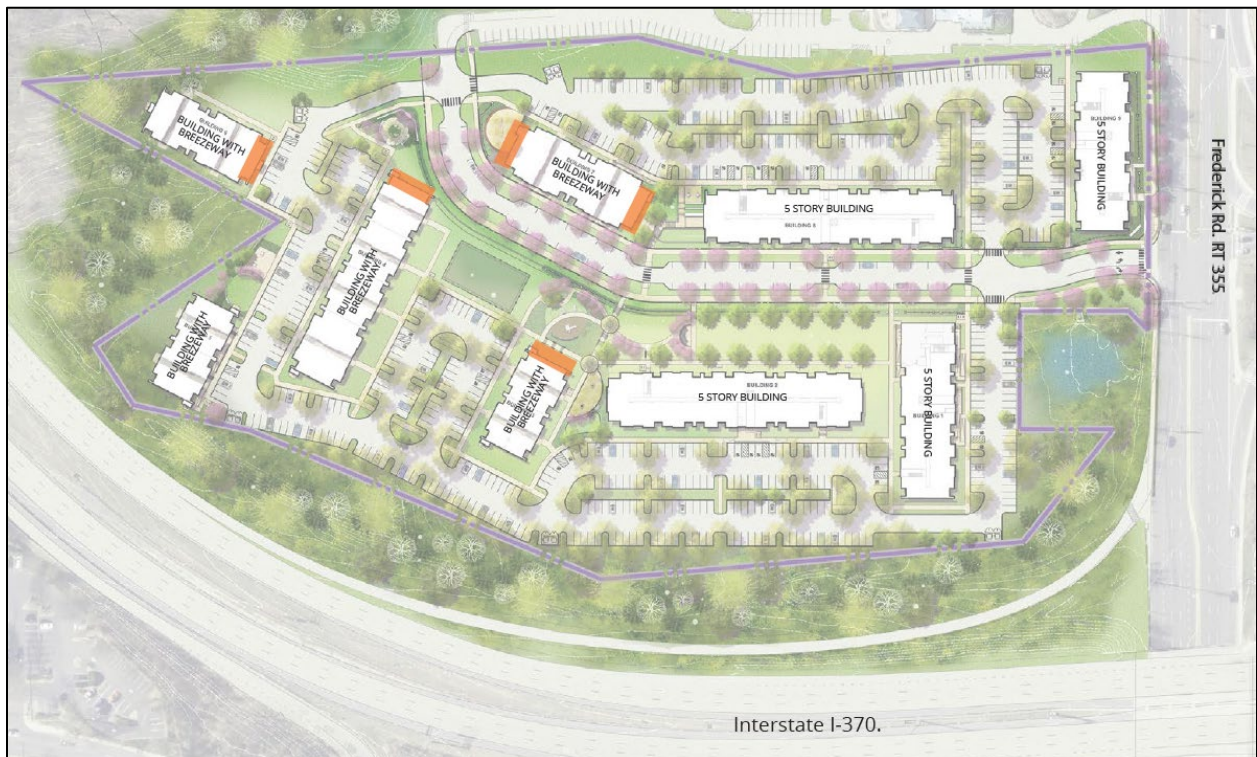
¹ Exhibit 83

Background Report.² The following analysis provides an overview of the Application and the Applicant’s response to the joint public hearing comments.

Z-10030-2025 PROPOSAL

Schematic Development Plan

As required by City Code Section 24-434(H)(1), the Applicant has submitted a schematic development plan (SDP) as part of the zoning map amendment application.³ The SDP proposes to redevelop the existing Rosedale Apartments with a new multi-family rental residential community containing up to 434 units spread across 9 buildings, built in two phases. The buildings will be 3 to 5 stories tall and include both open breezeway walk-up buildings and interior corridor elevator buildings. Approximately 65,000 square feet of outdoor amenity space will be provided throughout the development, including a 25,000 square foot common green, an active play area, and seating areas for passive enjoyment. The maximum building height proposed is 75 feet, and setbacks are provided in compliance with the CD zone, including a 25-foot setback from the northern adjacent property (Casey Community Center). O’Neill Drive and Nancy Place will be realigned and constructed as one new road (“O’Neill Drive”) connecting MD 355 to the rear of the Casey Community Center parking lot.



SDP Excerpt, Exhibit 57

² Exhibit 69

³ Exhibit 74

Of the 434 units proposed, 218 (50%) will be one-bedroom, 166 (38%) will be two-bedroom, and 50 (12%) will be three-bedroom. The project will be operated by the Casey Foundation through a Section 501(C)(3) charitable mixed-income housing entity that will restrict 75% of the units to occupancy by qualified low- and moderate-income residents (50-80% AMI as defined by IRS Rev. Proc. 96-32). The remaining 25% of units may be provided as market-rate units for residents with incomes in excess of the above-referenced income limits to ensure there are opportunities for upward mobility within the project.

The SDP proposes 603 surface parking spaces for residents and guests, equating to an overall ratio of 1.39 spaces per unit. This is 21 spaces less than would be required per the City's Parking Ordinance; however, City Code Section 24-4.4(F) allows the City Council to establish parking ratios at the schematic development plan stage for CD zone properties. Once completed, O'Neill Drive will include 41 on-street spaces in addition to the 603 surface lot spaces.

Applicant's Response

A question was raised during the hearing regarding the number of on-street parking spaces, and it was noted that parking should not overflow into the Casey Community Center parking lot. The Applicant included a discussion of the proposed parking in their response letter, noting the following:

- The Applicant is requesting an overall parking ratio of 1.39 spaces per dwelling unit, pursuant to City Code Section 24-4.4(F).
- The shortage of 21 spaces is a shortfall of only 3%, and in addition, 41 on-street parking spaces will supplement the surface lot parking.
- Tenant parking will be monitored by on-site staff to prevent tenants and guests from parking at the Casey Community Center.
- The Site's proximity to existing bus routes, a planned Bus Rapid Transit (BRT) station, and Metro service reduces reliance on on-site parking. The proposed parking supply is consistent with the project's residential character and anticipated tenant profile, which is expected to generate moderate parking demand given the unit mix and proximity to transit.
- Site constraints and the need to provide modern stormwater management facilities as well as adequate amenity space limit the ability to expand surface parking. The proposed parking balances residents' needs with environmental goals and livability.

A question was raised during the hearing regarding sustainable design features such as solar panels and electric vehicle (EV) charging stations. The Applicant noted that the design guidelines submitted with the Application allow roof-top solar, and inclusion of solar panels will be determined at final site plan. The Applicant also noted that the project is self-funded by the Casey Foundation and will restrict rents of 75% of the units, limiting the financial feasibility of EV charging stations and/or solar panels. To the extent that the Casey Foundation is able to secure a subsidy or grant to implement these sustainability

design components, it will pursue implementation of these design elements at the time of final site plan application.

Questions were also raised regarding the impact of roadway noise on the future development. The Applicant provided the following response:

- The development is buffered from I-370 by an existing soundwall and tree plantings, and the layout has been designed to minimize noise exposure by locating parking areas between the buildings and I-370. The proposed buildings will be further from I-370 than the existing improvements.
- A Phase I noise study⁴ was submitted with the Application and included the following conclusions:
 - While all nine (9) buildings have some areas with future noise impact exceeding 65 dBA Ldn⁵, all buildings also have areas that are not impacted by noise exceeding 65 dBA Ldn.
 - Even the buildings with the most/highest noise impact will not require further analysis for every unit in that building.
 - Depending upon the noise level specific to each impacted unit, modifications may include increased window/door STC ratings. Where noise impact is significantly above 65 dBA Ldn, exterior wall modifications may also be necessary. As noise impact increases into the mid 70-s dBA Ldn, brick exterior construction should be considered where possible. Further analysis to determine the precise mitigation designs necessary will be conducted once architectural plans (building elevations, window/door schedule, unit plans) are further developed.

Staff Comments

Staff is supportive of the proposed schematic development plan overall and is of the opinion that the parking proposed is adequate to serve the development. Staff acknowledges the Site constraints and is of the opinion that the enhanced livability that the ample amenity space affords justifies the minor parking shortage. Staff notes that the City's *Environmental Standards for Development* require compliance with Montgomery County's *Staff Guidelines for the Consideration of Transportation Noise Impacts In Land Use Planning and Development*. Further analysis will be required at final site plan to determine which building treatments will be necessary for those units subject to higher noise levels to ensure compliance with the County's regulations.

Phasing

The project will be completed in two phases to avoid the displacement of current residents. Three new buildings on the vacant portion will be constructed in phase 1.

⁴ Exhibit 15

⁵ According to Montgomery County's *Staff Guidelines for the Consideration of Transportation Noise Impacts In Land Use Planning and Development*, residential buildings exposed to future transportation noise levels above 65 dBA Ldn require further evaluation and mitigation to reduce interior noise levels.

- **2029:** Occupancy and re-location of tenants to Phase 1 units.
- **2030:** Commencement of construction of units in Phase 2.
- **2031:** Occupancy of Phase 2 units.

Staff Comments

Staff notes that pursuant to City Code Section 13-38, the Applicant must comply with any relocation assistance required by Chapter 53A of the County Code. Compliance with Chapter 53A of the County Code would be enforced by the County's Department of Housing and Community Affairs. Staff notes Neighborhood Services would monitor compliance with any relocation assistance requirements at the appropriate time.

Design Guidelines and Architecture

The Applicant has submitted design guidelines⁶ that include conceptual architecture. The project includes two building types: open breezeway walk-up buildings and interior corridor elevator buildings. The proposed materials for the residential buildings include brick, vinyl siding, and cementitious siding and panel. Porches and stoops with canopies will highlight building entrances. Balconies will add further articulation, breaking up the facades.



Exhibit 57 Excerpt, Breezeway Building

⁶ Exhibit 57

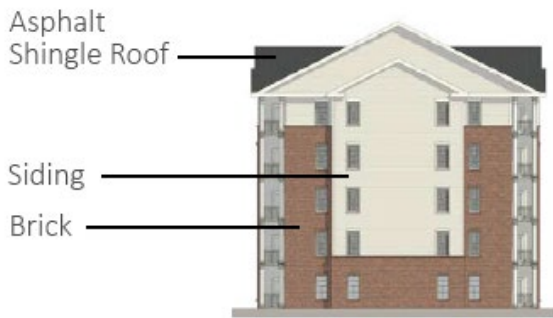
The Designs Guidelines also denote high-visibility facades with enhanced treatment for the breezeway buildings, shown in orange below. The 5-story interior corridor buildings do not have designated high-visibility facades as they have four-sided architecture.



Exhibit 57 Excerpt



Typ 5-ST Building Front Elevation (Interior corridor building)



Typ 5-ST Building Side 1 Elevation (Interior corridor building)

In addition to architecture, the design guidelines also establish standards for the following:

- Signage
- Screening, fencing, and retaining walls
- Landscape plantings
- Open space and amenity areas.

Staff Comments

Staff is supportive of the proposed architecture and notes that it will be further refined at final site plan. Staff notes that while the Design Guidelines show mostly vinyl siding for the low-visibility facades, some facades may require enhanced treatment using different materials, such as brick, for noise abatement, pending the results of the noise study at final site plan.

Tree Removal Variance

The Application includes a variance request to remove eight (8) trees and impact three (3) trees' critical root zones in accordance with Section 22-12 of the City Code.⁷ Staff has reviewed the Applicant's request and justification and notes the following:

- The Rosedale Apartments were constructed in 1972 and require substantial upgrades to support the needs of the residents.
- Without the tree variance, and the removal of the 8 variance trees and impact to 3 others, the Applicant would not be able to develop the Site with a functional development that would meet all legal requirements and replace the aging complex.
- The variance is requested due to the equipment and space needed to construct the proposed buildings and other infrastructure, including:
 - Demolition Related Impacts
 - Grading Related Impacts
 - Utility Related Impacts.
- Designing around all the variance trees would impose an undue financial burden on the Applicant and would jeopardize the viability of the redevelopment.



Exhibit 55 Excerpt

Staff Comments

Staff concurs that the variance request is based upon necessary construction and demolition and the impacts shown are unavoidable if the City supports the proposed

⁷ Exhibit 55

redevelopment plan. Staff further supports and agrees to the findings made by the Applicant pursuant to Section 22-12 of the City Code. The Applicant has mitigated impacts to the greatest extent possible without risking the feasibility of the project. Staff supports approval of the variance request.

Environmental Waiver

The Applicant has submitted a request for an environmental waiver⁸ in association with the rezoning and SDP, in accordance with Section 38 of the *Environmental Standards for Development Regulation*. The waiver is being requested for impacts to the stream valley buffer (SVB) as a result of removal of existing infrastructure, installation of necessary storm drain outfalls and sewer line connections, installation of a new water line as required by WSSC, the improvement of an existing roadway connection, and area to conduct and satisfy any mitigation required for impacts to the stream buffer. The impacts include:

- Proposed improvements within the stream valley buffer (~0.5 acres):
 - Impacts due to a storm drain needed to maintain existing drainage divides as well as two (2) necessary outfalls:
 - Permanent: 1,699 square feet (SF) of SVB; 55 linear feet (LF) of stream
 - Temporary: 4,880 SF of SVB
 - Impacts due to the improvement of a roadway connection to the adjacent community center parcel, a storm drain outfall, and WSSC water line to connect to existing infrastructure:
 - Permanent: 5,333 SF of SVB
 - Temporary: 8,446 SF of SVB; 21 LF of stream
 - Impacts due to the removal of the existing parking lot pavement and installation of a sewer line that connects to existing infrastructure.
 - Temporary: 4 SF of SVB for the connection to the sewer main.
- Mitigation Impact Area:
 - Area of mitigation subject to the impacts determined at final engineering.

The overall impact area totals 2.26 acres. This is the maximum extent possible of impacts and includes all proposed improvements and mitigation efforts to offset any impacts to the stream valley buffer. The Applicant is proposing mitigation for any impacts to the stream valley buffer at a 1:1 ratio through a combination of enhancement of existing environmental features and reforestation all to be done within the stream buffer being impacted. The details and final acreage of mitigation will be determined with consultation with City staff through the final engineering and agency permitting process, completed at the final site plan stage. The necessary area of mitigation may be reduced at final site plan; however, the Applicant is requesting a waiver for the maximum limits of disturbance possible.

⁸ Exhibit 59

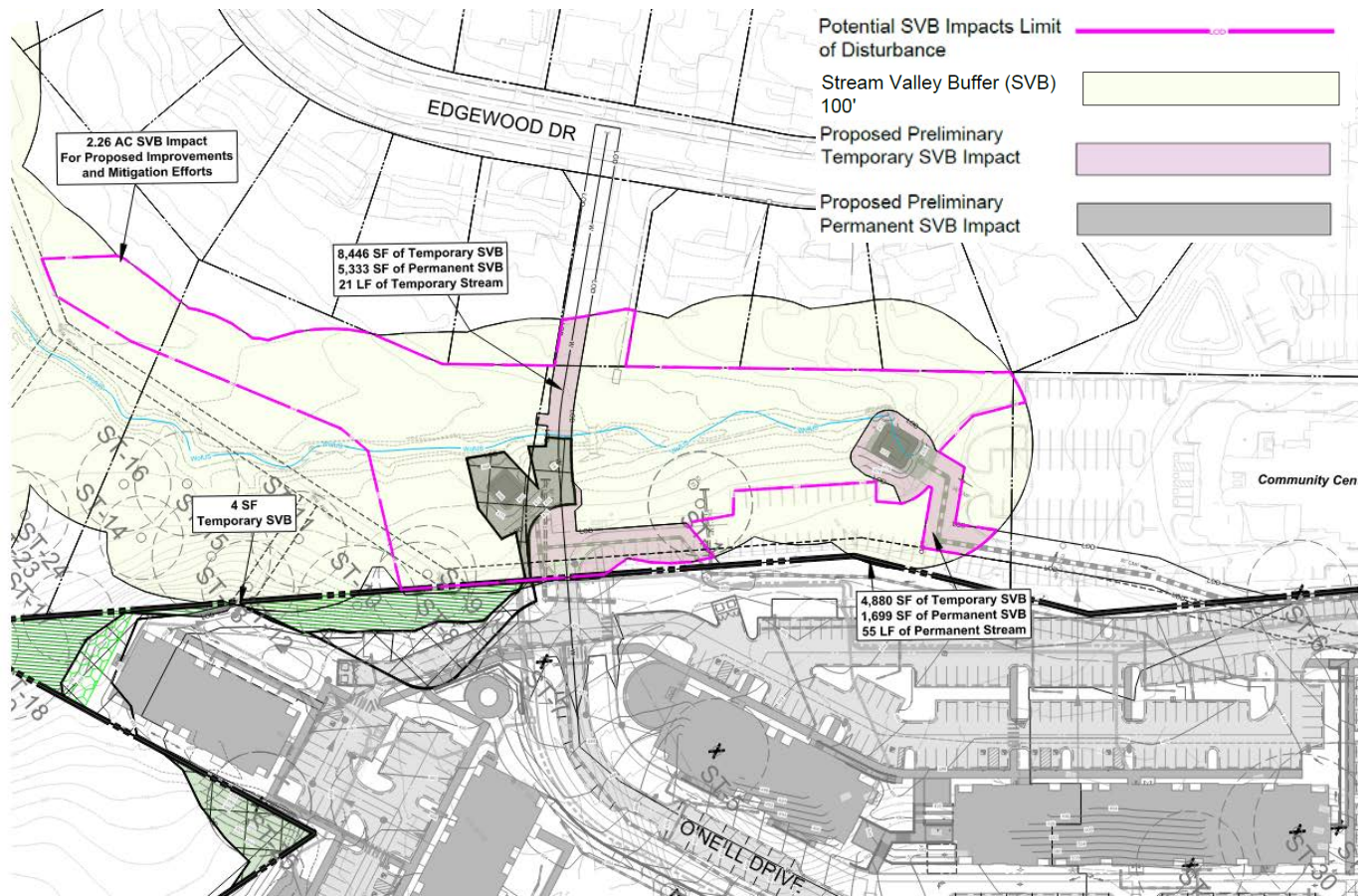


Exhibit 59 Excerpt

Staff Comments

Many of the impacts being presented in this waiver request are due to the need for updated utility infrastructure in the form of a water line required by WSSC, sewer line, and improved stormwater management systems that will bring the Site up to current City codes. The proposed concept has been designed specifically to minimize the impacts to natural resources by limiting development to the maximum extent practicable and prioritizing the preservation of the higher quality forest stand, integrating reforestation to the maximum extent feasible, and incorporating site enhancement opportunities such as existing invasive plant removal, introduction of stormwater treatment facilities (where previously none existed), and street tree plantings. Overall, the post-construction conditions of the Site will include residential living spaces with park-like settings, creating livable spaces with access to facilities and nature. The proposed preliminary design integrates well with the surrounding neighborhood and enhances livability for both residents and visitors. The waiver request has demonstrated good and sufficient cause to meet Environmental Site Design to the maximum extent possible with the use of green design practices. Environmental Services staff recommend approval of the environmental waiver request.

Affordable Housing Waiver

The Applicant has submitted a request for an affordable housing waiver⁹ in association with the rezoning and SDP, in accordance with Section 24-13.5 of the City Code. The waiver is being requested due to the lack of a reasonable relationship or nexus between the Application and the City's Affordable Housing Ordinance. As discussed in the Applicant's request, the "Project will be operated by the Foundation through a Section 501(c)(3) charitable mixed-income housing entity that will restrict 75% of the units to occupancy by qualified low- and moderate-income residents per the IRS Code [(50-80% AMI as defined by IRS Rev. Proc. 96-32)]." As such, the Casey Foundation is "alternatively meeting and exceeding the City's affordable housing intentions, policies, and requirements established in the Affordable Housing Ordinance...." Additionally, the waiver would allow affordable housing to be administered uniformly across the Site. The annexation agreement that applies to parcel P940 exempts that parcel from the City's rental affordable housing requirements, provided at least 15% of the rental units are maintained as affordable. However, that agreement only applies to the units constructed on that one annexed parcel. Given the Site is being developed as one holistic community, the Applicant requests the waiver to bring the entire Site under one regulatory framework (the IRS guidelines as opposed to the City's MPDU regulations).

Staff Comments

Housing and Community Development staff support the housing waiver request, provided a restrictive covenant is recorded addressing the provision of affordable units on the entire Site. Specifically, the covenant must include:

- A provision that if the number of affordable units falls below 15%, then the City's affordable housing requirements apply, and
- A provision allowing the City to audit the number of affordable units upon request in order to ensure compliance.

The Applicant has provided a draft Declaration of Covenant that includes the above provisions and includes the City as a signatory.¹⁰ Once recorded, the covenant will run with land so all subsequent owners will be bound by it, and it cannot be amended without the City's approval.

Staff is of the opinion that the draft covenant provided by the Applicant is sufficient and includes all necessary provisions. A proposed condition of approval is included on the Application requiring the covenant to be recorded prior to issuance of any building permits.

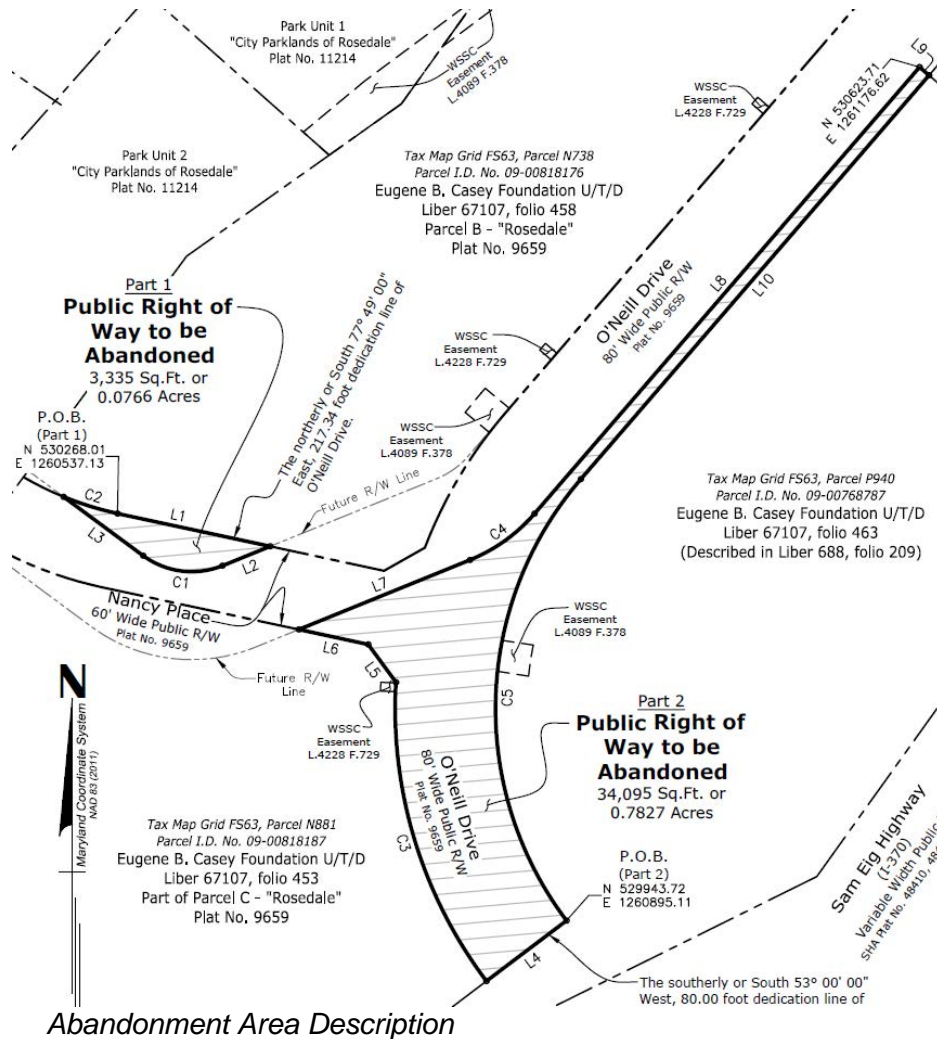
Abandonment

The Applicant has submitted an abandonment application (AB-10054-2025) in conjunction with the rezoning and SDP. The Application requests the abandonment of

⁹ Exhibit 13

¹⁰ Exhibit 72

approximately 37,430 square of O'Neill Drive and Nancy Place right-of-way. The abandonment would reduce the existing O'Neill Drive right-of-way from eighty (80) feet to seventy (70) feet, abandon the extension of O'Neill Drive that was never built, and realign Nancy Place.



The SDP proposes dedicating new right-of-way to facilitate the realignment of the existing roadway.

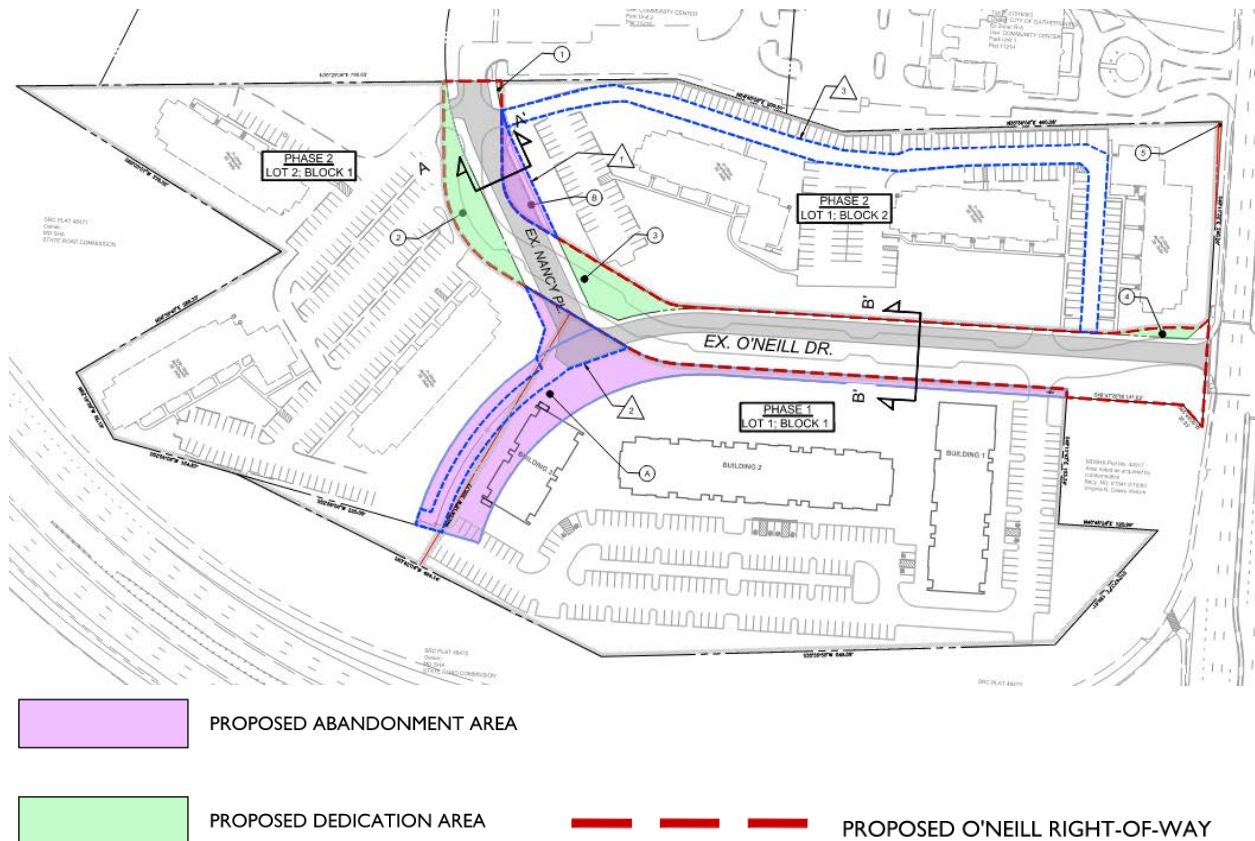


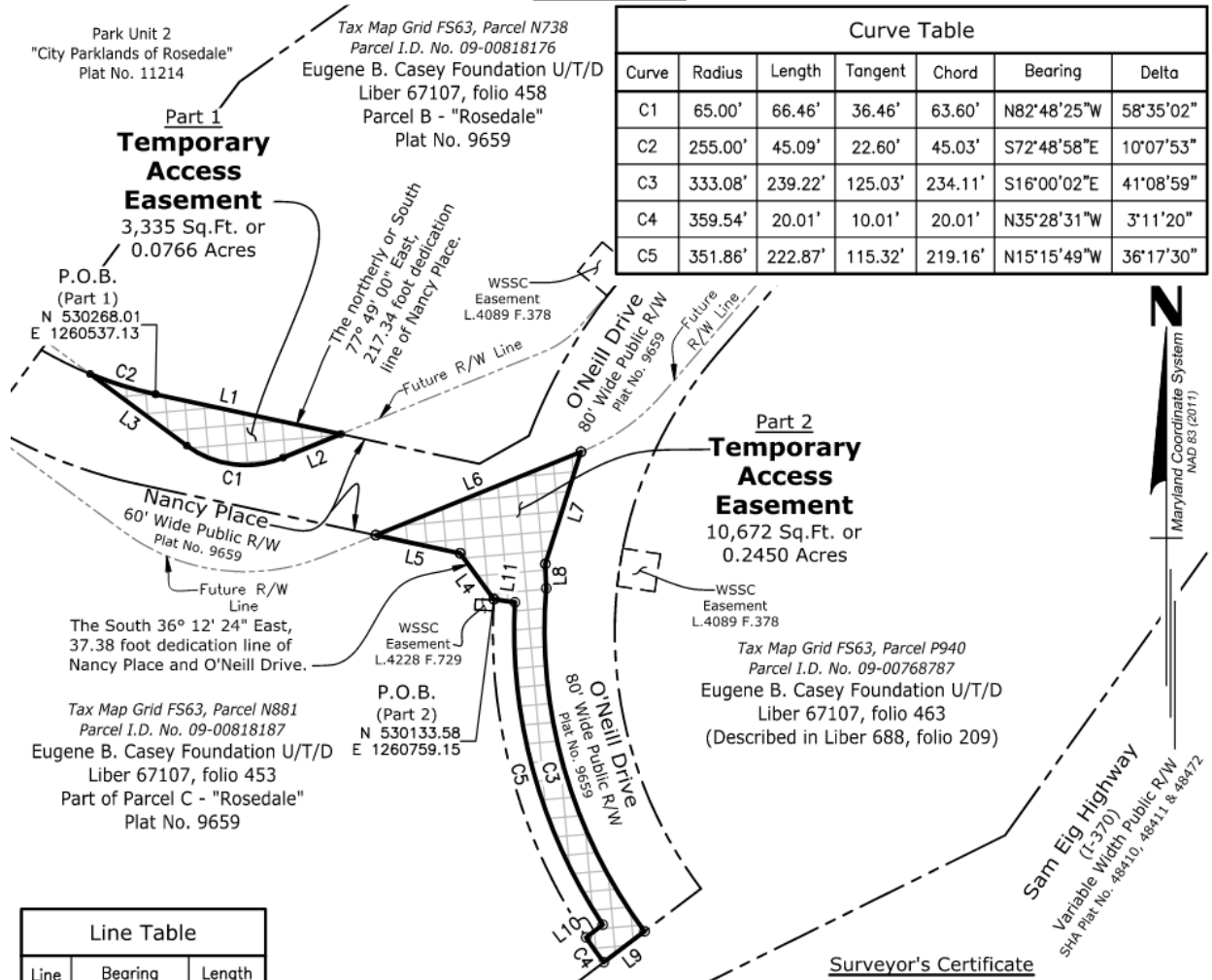
Exhibit 78 Excerpt

Staff Comments

Staff supports the abandonment request. If granted, the abandonment and subsequent dedication will accommodate the minimum right-of-way as a Neighborhood Residential Street typology in compliance with the *City's Street Design Standards and Traffic Calming Best Practices* regulations. The abandonment and subsequent realignment afford the Applicant the ability to provide ample open and amenity space for future residents and a more efficient layout. The newly aligned O'Neill Drive will still provide connectivity from the signalized intersection at MD 355, through the new development and to the rear of the Casey Community Center parking lot.

Staff has requested and the Applicant is proposing temporary access easements for existing sections of O'Neill Drive and Nancy Place that will be abandoned but will still be needed to access the existing Rosedale Apartments. The temporary access easements will be recorded in the Land Records and will be made to expire upon construction of the new road. A proposed condition of approval is included on the Application requiring City staff to review and approve the recordation of any access easements prior to recordation of the abandonment.

Exhibit D



Temporary Access Easements Description

STAFF FINDINGS ANALYSIS AND RECOMMENDATIONS

City Code Section 24-4.4 (H) lays out the requirements for CD zone map amendments:

(H) Application for CD Zone and schematic development plan approval.

(1) An applicant shall file, together with the prescribed application fee, an application for the establishment of the CD Zone, to be processed pursuant to the provisions of Section 24-12.3– Zoning Map Amendments, and as part of this application for separate approval, a schematic development plan pursuant to the provisions of Section 24-4.2 – Floating Zones and Section 24-12.5 – Schematic Development Plans.

(2) An application to establish CD zoning must receive approval of both the rezoning and schematic development plan. The city council cannot approve such application without approving both the rezoning and schematic development plan.

As noted in Section 24-4.4(H)(2), the zoning map amendment and schematic development plan are part of one application and both must be approved - the City Council cannot approve the application without approving both the rezoning and the SDP.

Although it is a single application, two distinct sets of findings must be satisfied for approval: one pertaining to the rezoning and the other to the schematic development plan.

Rezoning Findings

Approval of the rezoning to CD is dependent upon the findings required under Section 24-4.2(B). The following outlines the required findings and justifications for City Council approval of the rezoning in Zoning Map Amendment Application Z-10030-2025:

Sec. 24-4.2(B) – Affixing floating zones

(4) Decision criteria for establishment of a floating zone by map amendment. The city council may approve the mapping of a CBD, CD, MCD, or MXD zone by map amendment only upon finding that:

(a) The rezoning application meets or accomplishes the purposes, objectives, and minimum standards and requirements of the zone; and

➤ *Section 24-4.4(A) – Purpose*

(1) Encourage development, redevelopment and renovation of declining or underutilized properties along the corridor.

Application Z-10030-2025 requests rezoning to CD to facilitate the redevelopment of aging, outdated apartments on an underutilized site. The age and condition of the existing Rosedale Apartments necessitate substantial upgrades to support the needs of the current residents. Parcel P940 was zoned CD upon annexation. It is currently vacant and, due to its location and roadway access, presents a valuable infill development opportunity. Rezoning the remaining two parcels (2 O'Neill Drive and 3 Nancy Place) to CD will allow a uniform, phased redevelopment of the Site with upgraded housing and new outdoor amenity space for existing and future residents.

(2) Create a more sustainable development pattern and enhance the city's sense of place.

Application Z-10030-2025's rezoning to CD will bring all three parcels under one zone, allowing uniform redevelopment on an underutilized site along a major transportation corridor. Rezoning to CD will facilitate the associated schematic development plan (SDP) which proposes replacing aging apartments with a denser, mixed-income housing development. The existing Rosedale Apartments were constructed in the 1970's without current stormwater management facilities or adequate green and amenity space. The SDP allows expansion of mixed-income housing while providing substantial

environmental upgrades including modern stormwater management facilities, tree canopy coverage across the parking areas, and upgraded recreational amenities. The creation of new outdoor amenity space framed by new, mixed-income multi-family buildings in a walkable community will enhance the community's sense of place. The rezoning and SDP will result in an upgraded and improved community that can serve as a new gateway into the City.

(3) Promote revitalization within the Corridor by encouraging new private investment that also fosters equity and livability.

Application Z-10030-2025 facilitates the associated schematic development plan that redevelops outdated apartments with a denser, mixed-income residential community. Rezoning to CD allows the phased redevelopment of the existing Rosedale Apartments, thus facilitating new investment on the corridor. The associated SDP locates new residential units near a mix of commercial uses and a variety of transit options (bus, metro, and planned BRT), and incorporates significant green areas and amenities that will enhance livability. Rezoning to CD facilitates a project that the market would not typically provide. The Casey Foundation's commitment to a minimum of 75% affordable units fosters equity, while maintaining a portion of units as market-rate allows upward mobility for residents. Additionally, the phasing plan for the project will prevent displacement of current residents during the construction process by providing sufficient new units in Phase I to allow for relocation of tenants who desire to remain on the property.

(4) Create clearly defined regulations that provide more certainty of what is feasible on a property and create opportunities to add value through density and mix of uses.

Application Z-10030-2025 will allow for the Site to be redeveloped in a staged, orderly, and comprehensive fashion with additional residential density. The rezoning of 2 O'Neill Drive and 3 Nancy Place to the CD zone allows for uniform zoning across the entire Site, making the development options more clearly defined than they would be if the Site were to remain split between multiple different zones. Rezoning to CD facilitates the associated SDP that proposes a higher density residential community than what is currently there. The associated SDP proposes replacing outdated apartments with upgraded housing units and the addition of substantial outdoor amenity space in a walkable community, thus adding value to the Site.

(5) Promote quality development through flexible development standards and a proactive design approach.

Application Z-10030-2025 will allow for a phased redevelopment that replaces aging and outdated improvements with a higher quality development that includes ample amenity space, upgraded pedestrian infrastructure, and modern stormwater management facilities. The associated SDP includes a proactive design approach that balances the need to upgrade the aging apartments with modern units while preserving and expanding on the level of affordable units through a phased redevelopment. The requested rezoning

will allow for uniform CD zoning across the entire Site, which provides greater flexibility and better design options for the project. The rezoning facilitates a better site layout with upgraded pedestrian infrastructure and open space that will enhance the residents' experience and complement the Frederick Avenue Corridor and neighboring Casey Community Center.

➤ *Section 24-4.4(B) - Minimum location requirements*

The Site meets the minimum locational requirements as it was identified for CD zoning under the 2009 Master Plan Land Use Element as Map Designation 22.

➤ *Section 24-160G.4. – Development standards*

The required associated schematic development plan meets the applicable development standards:

- The proposed FAR of 0.81 on 2 O'Neill Drive and 3 Nancy Place complies with the maximum 3.0 FAR permitted in the zone. The proposed FAR of 1.015 on parcel P940 complies with the maximum 1.125 FAR permitted with annexation X-9683-2023.
- The proposed maximum 5-story or 75-foot building height complies with the maximum 10-story or 120-foot building height permitted in the zone.
- The proposed 15 and 25-foot setbacks comply with the minimum setbacks required for this Site.
- The Application requests a parking ratio of 1.39 spaces per unit pursuant to Section 24-4.4(F) of the Zoning Ordinance. While the proposed off-street parking is 21 spaces short of the requirements of the City's parking ordinance (Article 7 of the Zoning Ordinance), the City Council, as part of the SDP review, shall determine the appropriate approximate number of spaces or parking ratios.
- The proposed uses are allowed uses under the CD zone.
- The proposed Design Guidelines include architectural standards as well as standards for: signage; screening, fencing, and retaining walls; landscape plantings; and open space and amenity areas, in compliance with the requirements for Design Guidelines.

(b) The rezoning application is in accord with recommendations in the applicable land use master plan for the property and is consistent with any special conditions or requirements contained in said land use master plan; and

This Site is identified as Map Designation 22 in the 2009 Master Plan Land Use Element. The Master Plan recommends rezoning the property to CD and adopting a commercial-office-residential land use designation. Application Z-10030-2025 complies with these recommendations by rezoning to CD, and the associated schematic development plan proposes residential uses.

(c) The rezoning application will be internally and externally compatible and harmonious with existing and planned land uses in the areas within the proposed rezoning and adjacent areas; and

Application Z-10030-2025 and the associated schematic development plan are compatible and harmonious with the surrounding existing and planned land uses. Rezoning to CD facilitates a unique mixed-income project that the market typically does not produce on an underutilized site in an Equity Emphasis Area with adequate existing infrastructure and surrounding supportive uses. The associated SDP proposes additional residential density along a major transportation corridor with access to transit, including the potential future MD 355 BRT. This new residential development will be in close proximity to neighborhood serving commercial uses and community programming offered at the Casey Community Center.

(d) That the rezoning, if approved, would reflect the goals and intent of the city’s strategic plan.

Application Z-10030-2025’s proposed CD zoning will reflect the following strategies of the City’s FY 22 Strategic Plan:

- 10. Implement strategies that encourage reinvestment in aging commercial and multi-family properties.
 - Rezoning to CD facilitates the redevelopment of aging apartments with a new residential mixed-income community.
- 11. Pursue strategies to provide a mix of housing options for a variety of income levels.
 - Rezoning to CD facilitates the phased redevelopment of aging apartments with new affordable units. The phasing will prevent displacement of current tenants and allow additional density to increase the City’s supply of housing units affordable to those at 50%-80% AMI.

Schematic Development Plan Findings

Approval of the associated schematic development plan is dependent upon the findings required under Section 24-12.5(F) of the City Code. The following outlines the required findings and justifications for City Council approval of the schematic development plan in Zoning Map Amendment Application Z-10030-2025:

Sec. 24-12.5(f)(2) – Decision criteria for CD schematic development plan. The city council may approve a schematic development plan either as part of a zoning map amendment or standalone only upon the finding that:

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

➤ Section 24-4.4(A) – Purpose

- (1) Encourage development, redevelopment and renovation of declining or underutilized properties along the corridor.*

Application Z-10030-2025 proposes redevelopment of aging, outdated apartments on an underutilized site on the corridor. The age and condition of the existing Rosedale Apartments necessitate substantial upgrades to support the needs of the current residents. Parcel P940 is currently vacant and, due to its location and roadway access, presents a valuable infill development opportunity. The SDP proposes a phased redevelopment of the Site with upgraded housing and new outdoor amenity space for existing and future residents.

- (2) Create a more sustainable development pattern and enhance the city's sense of place.*

Application Z-10030-2025 proposes replacing aging apartments with a denser, mixed-income housing development on an underutilized site with access to transit on MD 355. The existing Rosedale Apartments were constructed in the 1970's without current stormwater management facilities or adequate green and amenity space. The SDP allows expansion of mixed-income housing while providing substantial environmental upgrades including modern stormwater management facilities, tree canopy coverage across the parking areas, and upgraded recreational amenities. The creation of new outdoor amenity space framed by new, mixed-income multi-family buildings in a walkable community will enhance the community's sense of place. The rezoning and SDP will result in an upgraded and improved community that can serve as a new gateway into the City.

- (3) Promote revitalization within the Corridor by encouraging new private investment that also fosters equity and livability.*

Application Z-10030-2025 facilitates reinvestment in an existing, outdated residential community. The SDP proposes a new denser, mixed-income residential community near a mix of commercial uses and a variety of transit options (bus, metro, and planned BRT), and incorporates significant green areas and amenities that will enhance livability. The SDP proposes a project that the market would not typically provide. The Casey Foundation's commitment to a minimum of 75% affordable units fosters equity, while maintaining a portion of units as market-rate allows upward mobility for residents. Additionally, the phasing plan for the project will prevent displacement of current residents during the construction process by providing sufficient new units in Phase I to allow for relocation of tenants who desire to remain on the property.

- (4) Create clearly defined regulations that provide more certainty of what is feasible on a property and create opportunities to add value through density and mix of uses.*

Application Z-10030-2025 will allow for the Site to be redeveloped in a staged, orderly, and comprehensive fashion and proposes a higher density residential community than what is currently there. The SDP proposes replacing outdated apartments with upgraded

housing units and the addition of substantial outdoor amenity space in a walkable community, thus adding value to the Site. The additional residential density will be in close proximity to existing neighborhood goods and services along the corridor and immediately adjacent to the Casey Community Center.

(5) Promote quality development through flexible development standards and a proactive design approach.

Application Z-10030-2025 proposes a phased redevelopment that replaces aging and outdated improvements with a higher quality development that includes ample amenity space, upgraded pedestrian infrastructure, and modern stormwater management facilities. The SDP includes a proactive design approach that balances the need to upgrade the aging residential units with modern units while preserving and expanding on the level of affordable units through a phased redevelopment. The CD zone provides greater flexibility and better design options for the Site. The SDP proposes a more efficient site layout with upgraded pedestrian infrastructure and open space that will enhance the residents' experience and complement the Frederick Avenue Corridor and neighboring Casey Community Center.

➤ *Section 24-4.4(B) - Minimum location requirements*

The Site meets the minimum locational requirements as it was identified for CD zoning under the 2009 Master Plan Land Use Element as Map Designation 22.

➤ *Section 24-160G.4. – Development standards*

Application Z-10030-2025 meets all applicable development standards:

- The proposed FAR of 0.81 on 2 O'Neill Drive and 3 Nancy Place complies with the maximum 3.0 FAR permitted in the zone. The proposed FAR of 1.015 on parcel P940 complies with the maximum 1.125 FAR permitted with annexation X-9683-2023.
- The proposed maximum 5-story or 75-foot building height complies with the maximum 10-story or 120-foot building height permitted in the zone.
- The proposed 15 and 25-foot setbacks comply with the minimum setbacks required for this Site.
- The Application requests a parking ratio of 1.39 spaces per unit pursuant to Section 24-4.4(F) of the Zoning Ordinance. While the proposed off-street parking is 21 spaces short of the requirements of the City's parking ordinance (Article 7 of the Zoning Ordinance), the City Council, as part of the SDP review, shall determine the appropriate approximate number of spaces or parking ratios.
- The proposed uses are allowed uses under the CD zone.
- The proposed Design Guidelines include architectural standards as well as standards for: signage; screening, fencing, and retaining walls; landscape plantings; and open space and amenity areas, in compliance with the requirements for Design Guidelines.

(b) The plan is in accord with the area master plan and any accompanying special condition or requirements contained in said master plan for the area under consideration; and

This Site is identified as Map Designation 22 in the 2009 Master Plan Land Use Element. The Master Plan recommends rezoning the property to CD and adopting a commercial-office-residential land use designation. Application Z-10030-2025 complies with these recommendations by rezoning to CD and the associated schematic development plan proposes residential uses. The Land Use Element acknowledges that the Site's location affords future redevelopment opportunities and states that a mixed-use project would be appropriate. The Casey Foundation has studied the opportunity to add a smaller scale commercial or institutional use on the Site closer to MD 355 and I-370 and concluded that such a use will not be supported by the market. More specifically, the Casey Foundation owns 72,000 square feet of commercial space on this block in the Eugene S. Casey Building (800 S. Frederick Avenue). This commercial space is approximately 38% vacant ($\pm 28,000$ sq. ft. is available for lease). Given that it has been challenging to secure tenants and reduce the vacancy at this nearby building, the Casey Foundation does not see a clear path toward establishing a viable commercial or institutional use as part of this project. Further, there are lease restrictions with various tenants at the office building that precludes the Casey Foundation from providing certain uses on the Site and further compromises the viability of a commercial component. In this respect, a mixed-income housing development is more appropriate for the Site. Application Z-10030-2025 substantially complies with the intent of the Master Plan Land Use Element as the design of the project leverages and complements the surrounding mix of uses, including the planned BRT station, the adjacent retail centers (e.g., Walnut Hill), various medical office uses, and various public and institutional uses (e.g., Rosemont Elementary School and the Casey Community Center). Since the Casey Foundation owns and operates the office building that abuts the Casey Community Center to the west, this Application helps to provide a greater mix of uses by increasing the number of residential units within proximity to its nearby commercial site.

The 2018 Master Plan Housing Element, adopted in 2023, addresses the need for low-income and affordable housing in the City while also laying out general housing policies and goals for the future. The Housing Element includes goals to preserve existing affordable homes and create opportunities for new housing for residents of all income levels. Application Z-10030-2025 complies with recommendations in the Housing Element, including creating new housing opportunities on underutilized sites near transportation corridors and addressing housing needs in Equity Emphasis Areas.

(c) The plan will be internally and externally compatible and harmonious with existing and planned land uses in the CD zoned area and adjacent areas; and

Application Z-10030-2025 and the associated schematic development plan are compatible and harmonious with the surrounding existing and planned land uses. The SDP proposes a unique mixed-income project that the market typically does not produce at an underutilized site in an equity emphasis area with adequate existing infrastructure

and surrounding supportive uses. The SDP proposes additional residential density along a major transportation corridor with access to transit, including the potential future MD 355 BRT. This new residential development will be in close proximity to neighborhood serving commercial uses and community programming offered at the Casey Community Center.

(d) The existing or planned public facilities are adequate to service the proposed development contained in the plan; and

Application Z-10030-2025 meets this finding by satisfying the City's Adequate Public Facilities Ordinance (APFO) for fire response time, water and sewer service, traffic impacts, and school capacity, as follows:

Water and Sewer Services and Public Utilities-

The Site is currently developed with or adjacent to both public water and public sewer service and has Washington Suburban Sanitary Commission (WSSC) categories of W-1 and S-1. These category designations indicate that the Site is currently served by both public water and public sewer service, and any development could utilize and expand those services. Staff notes that for the proposed development, WSSC is requiring the installation of a new water line that connects through the Casey Community Center parking lot to Edgewood Drive to satisfy their second feed and looping requirements. The SDP proposes a new water line that satisfies this requirement.

Fire and Emergency Services-

The Site is within the ten (10) minute response area of Montgomery County Department of Fire and Rescue Services Stations 3 (Rockville), 8 (Gaithersburg-Washington Grove), 28 (Gaithersburg-Washington Grove/Redland), and 32 (Travilah).

Schools-

The Site is located in the Gaithersburg Cluster and is currently served by Rosemont Elementary School, Forest Oak Middle School, and Gaithersburg High School. No residential development moratoriums are currently in place according to the City's 2026 Schools Capacity Memo. Additionally, none of the schools serving the Site are currently subject to the utilization premium payment (UPP) fee.

Traffic Impacts-

The Applicant submitted a Traffic Impact Study (TIS), designated as application number TRF-10047-2025, performed by Wells and Associates, Inc. The analysis concludes that all studied intersections will continue to operate within the CLV standard of 1,450 during both the AM and PM peak hours under buildout conditions without further improvements. The analysis notes that the MD 355/Shady Grove Road intersection currently operates beyond capacity during the PM peak hour according to the delay-based methodology. Minor traffic signal timing adjustments as recommended would "improve operations and reduce queuing at this intersection." The proposed development of the Site would have "only a minor impact on overall delay and operations at the study area intersections with

overall increases of delay of less than five (5.0) seconds.” The Department of Public Works has reviewed and approved the traffic impact study.

(e) That the plan, if approved reflect the goals and intent of the city’s strategic plan.

Application Z-10030-2025 will reflect the following strategies of the City’s FY 22 Strategic Plan:

- 10. Implement strategies that encourage reinvestment in aging commercial and multi-family properties.
 - The SDP proposes the redevelopment of aging apartments with a new residential mixed-income community.
- 11. Pursue strategies to provide a mix of housing options for a variety of income levels.
 - The SDP proposes a phased redevelopment of aging apartments with new affordable units. The phasing will prevent displacement of current tenants and allow additional density to increase the City’s supply of housing units affordable to those at 50%-80% AMI.

STAFF RECOMMENDATION

Staff is supportive of the subject Z-10030-2025 Application. The Application meets and accomplishes the purposes, objectives and minimal standards and requirements of the CD zone and furthers the goals of the City’s Master Plan and Strategic Plan. The schematic development plan proposes an infill redevelopment on an underutilized site and will be compatible with existing surrounding uses. The introduction of new affordable housing in an Equity Emphasis Area fosters equity, and the proposed design creates a livable community with substantial amenity space that is accessible to transit options on MD 355.

Staff recommends that the Planning Commission, based upon the evidence in the record and the findings presented in the staff analysis, recommend approval of Zoning Map Amendment Z-10030-2025 to the Mayor and City Council with four (4) conditions:

- 1) With the final site plan, the Applicant must provide an exhibit to be approved by City staff showing how temporary access will be maintained between the Casey Community Center site and the project site including access to the signalized intersection of O’Neill Drive and MD 355.
- 2) With the final site plan, the Applicant must provide a plan to be approved by City staff covering all proposed construction encroachments onto the Casey Community Center site, including but not limited to: access, utilities, paving, tree protection, and site restoration. Specific dates for the proposed construction

encroachments shall be submitted for City staff's review and approval prior to issuance of any permits associated with any work on the Casey Community Center site. The Applicant may request amended dates subject to City staff approval prior to commencement of any work.

- 3) Prior to recording the abandonment of any right-of-ways, City staff must review and approve the timing for the recording of any associated access easements.
- 4) Applicant must provide a final Declaration of Covenants requiring the provision of affordable housing units on the project site to be approved and recorded by the City prior to issuance of any building permits.

Staff recommends that the Planning Commission, based upon the evidence in the record and the findings presented in the staff analysis, recommend approval of Abandonment AB-10054-2025 to the Mayor and City Council.