Ordinance No.: 19-26

Zoning Text Amendment No.: 21-07 Concerning: Density and Height

Allocation –

Development with Moderately Priced Dwelling Units

Draft No. & Date: 3 - 10/27/2021 Introduced: October 5, 2021

Public Hearing: November 9, 2021

Adopted: January 18, 2022 Effective: February 9, 2022

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

Lead Sponsors: then-Council President Hucker and Councilmember Riemer Co-Sponsor: Councilmember Rice

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

- exempt applications with 100% moderately-priced dwelling units (MPDUs) or 9% Low-Income Housing Tax Credit (LIHTC) from mapped FAR limits; and
- generally amend the density provisions for MPDUs <u>and other income-restricted</u> <u>housing.</u>

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

Division 4.5 "Commercial/Residential Zones" Section 4.5.2. "Density and Height Allocation"

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

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

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

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

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

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

## **OPINION**

Zoning Text Amendment (ZTA) 21-07, Density and Height Allocation – Development with Moderately Priced Dwelling Units, lead sponsors then-Council President Hucker and Councilmember Riemer, co-sponsor Councilmember Rice, was introduced on October 5, 2021. ZTA 21-07 will allow projects in the CR or CRT zones to have residential density up to 2.5 FAR if 100% of the units are income-restricted for at least 30 years as MPDU's or 9% Low-Income Housing Tax Credits (LIHTC).

The Planning Board reviewed ZTA 21-07 at its regular meeting on November 4, 2021 and unanimously (5-0) recommended approval with amendments.

The County Council held a public hearing on November 9, 2021. One speaker testified in support, stating that increased density would help affordable projects compete with market-rate developers. The Council received one letter in support and one letter in opposition. The letter in support, from a developer, stated that ZTA 21-07 would encourage the development of affordable housing while limiting projects to densities compatible with surrounding uses. The letter in opposition, from the Office of Agriculture, expressed concern that this ZTA would deemphasize the use of transferable development rights (TDRs) and building lot terminations (BLTs).

The PHED Committee held a worksession on December 13, 2021. At the suggestion of Planning and Council Staff, the PHED committee recommended amendments to: 1) add "Other Income-Restricted Housing" to the title of the section; 2) explicitly limit the ZTA to MPDU's and 9% LIHTC; and 3) exclude properties in the TDR Overlay zone.

At a District Council session on January 18, 2022, the Council agreed with the recommendation of the Committee.

For these reasons, and because to approve this amendment will assist in the coordinated, comprehensive, adjusted, and systematic development of the Maryland-Washington Regional District located in Montgomery County, Zoning Text Amendment No. 21-07 will be approved as amended.

## **ORDINANCE**

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

2	*	*	*			
3	Section 4.5.2. Density and Height Allocation					
4	*	*	*			
5	C.		Deve	lopment with Moderately Priced Dwelling Units and Other		
6			Incor	me-Restricted Housing		
7			For a	ny application that includes more than 12.5% of the gross residential		
8			floor	area as Moderately Priced Dwelling Units (MPDUs), qualified under		
9			Chap	ter 25A, the following provisions apply:		
10			1.	Except in the Bethesda Overlay zone, residential density may be		
11				increased above the mapped residential FAR by:		
12				a. 0.88% for each 0.1% increase in MPDUs above 12.5%, up to		
13				and including 15%;		
14				b. 22% plus 0.16% for each 0.1% increase in MPDUs above 15%,		
15				up to and including 20%; or		
16				c. 30% plus 0.1% for each 0.1% increase in MPDUs above 20%.		
17			2.	In the Bethesda Overlay zone, residential density may be increased		
18				above the mapped residential FAR by 17.5% plus 0.1% for each 0.1%		
19				increase in MPDUs above 17.5%.		
20			3.	Total density may be increased above the number following the		
21				zoning classification on the zoning map by an amount equal to the		
22				residential density achieved under Sec.4.5.2.C.1.		
23			4.	Any increase in density allowed under this section must be calculated		
24				after the base density of the property has been increased under		
25				Sec.4.5.2.B for development using FAR averaging.		
26			5.	To achieve an increase in density under Section 4.5.2.C, at least one		
27				more MPDU than would be required at 12.5% must be provided.		

Sec. 1. DIVISION 59-4 is amended as follows:

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28	6.	The floor area counted as MPDU floor area includes a proportional	
29		share of the gross floor area not devoted to residential units.	
30	7.	The height limit of the applicable zone and master plan does not apply	
31		to the extent required to provide the MPDUs. The additional height is	
32		calculated as the floor area provided for MPDUs above 12.5% divided	
33		by the average residential floor plate area, where each whole number	
34		and each remaining fraction allows an increase of 12 feet.	
35	<u>8.</u>	In the CR or CRT zones an application is exempt from the total FAR	
36		limits of the underlying zone, provided the maximum residential	
37		density does not exceed 2.5 FAR and maximum commercial density	
38		does not exceed the mapped commercial FAR of the property,	
39		[[with]]if 100% of the units are income-restricted for at least 30 years	
40		under a government regulation or binding agreement developed	
41		per[[that limits for at least 30 years the price or rent charged for each	
42		unit such that the average cost of all units is affordable to households	
43		earning less than 60% of the area median income (AMI), adjusted for	
44		family size,]]:	
45		<u>a.</u> <u>the MPDU requirements of Chapter 25A; or</u>	
46		<u>b.</u> <u>an award of 9% Low-Income Housing Tax Credits (LIHTC).</u>	
47		This exemption does not apply in the TDR Overlay zones.	
48	* * *		
49	Sec. 2	2. Effective date. This ordinance becomes effective 20 days after the	
50	date of Council adoption.		

Ordinance No.: 19-26

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This is a correct copy of Council action.

Selena M. Singleton, Esq.

Clerk of the Council