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## HEARING EXAMINER'S REPORT AND RECOMMENDATION

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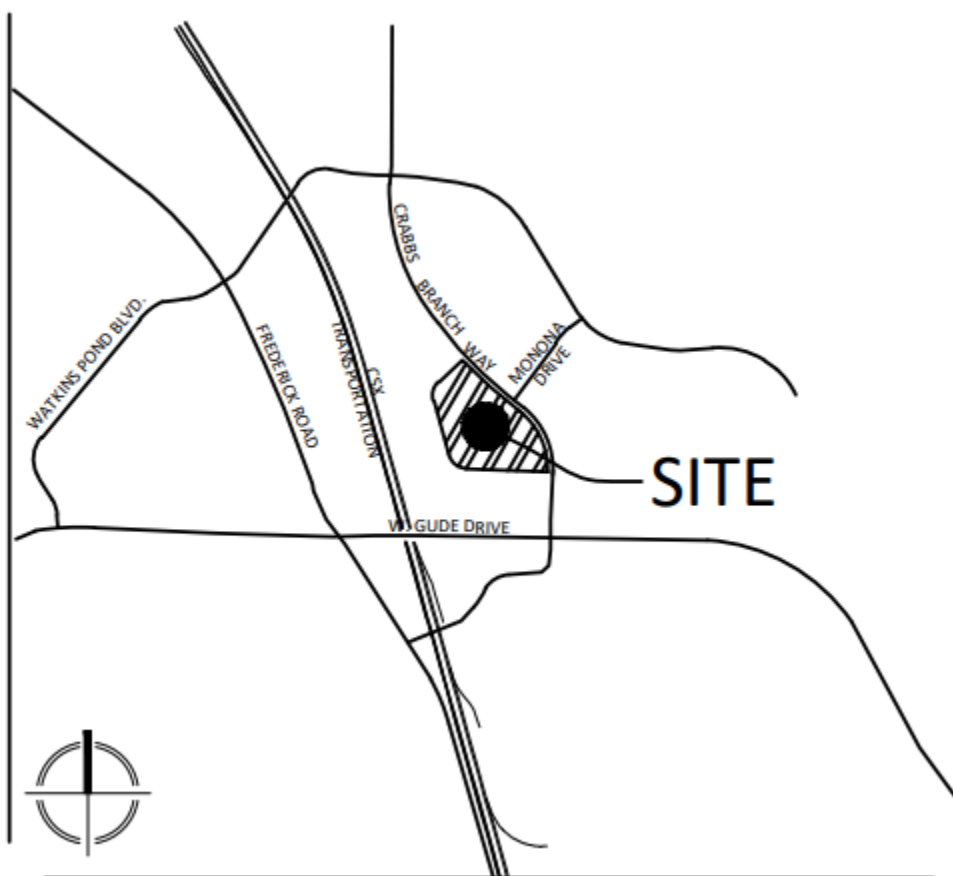
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## I. CASE SUMMARY

Applicant: TriPointe Homes DC Metro Inc.

LMA No. & Date of Filing: H-156, filed August 19, 2025.

Location: 7501-7515 Standish Place, 7519 Standish Place, 7529 Standish Place and 7609-7623 Standish Place (shown below).



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Current Zone: Industrial Moderate Zone (IM-2.5, H-50').

Current Use: 48,810-square-foot, four-story office building with a surface parking lot.

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<sup>1</sup> Depiction taken from Applicant's Floating Zone Plan prepared by Applicant's Engineers, Vika Maryland, LLC. (Exhibit 45).

Requested Zone:	Commercial Residential Neighborhood – Floating Zone (CRNF-1.25, C-0.0, R-1.25 H-60 Zone).
Proposed Use:	Construction of up to 210 dwelling units on the Property.
MPDUs:	Binding element requiring a minimum of 15 percent (15%) Moderately Priced Dwelling Units (MPDUs) as approved by the Montgomery County Department of Housing and Community Affairs (DHCA), consistent with the requirements of Chapter 25A of the Montgomery County Code.
Consistency with Master Plan:	Located within the 2006 Shady Grove Sector Plan, as amended by the 2021 Shady Grove Minor Master Plan Amendment. Consistent with the Master Plan.
Neighborhood Response:	None on record.
Planning Board Recommends:	Approval
Technical Staff Recommends:	Approval
Hearing Examiner Recommends:	Approval
District Council Votes Needed to Approve:	6

## II. STATEMENT OF THE CASE

Tri Pointe Homes DC Metro Inc (the “Applicant”), by and through its attorneys, Lerch, Early & Brewer, Chtd., submitted Local Map Amendment (Floating Zone) (“LMA”) application number H-156 on August 19, 2025<sup>2</sup>. The Application sought to rezone the approximately 13.86-acre site located at 7501 Standish Place, Derwood, Maryland, Tax Account Number 02224811 (the “Property”). The Applicant more specifically identified the Property as “Parcel D” in the “Gude

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<sup>2</sup> The Application was certified by Maryland-National Capital Park and Planning Commission staff (“Staff” or “Technical Staff”) on July 23, 2024, and accepted for filing by OZAH on August 19, 2024. (Exhibit 1).

North" Subdivision, recorded in the Land Records of Montgomery County, Maryland in Plat Book 118 as Plat No. 13905. Specifically, the Applicant's proposal is to rezone the Property from its current IM-2.5 H-50 (Moderate Industrial) zoning classification to the CRNF-1.25, C-0, R-1.25, H-60' (Commercial Residential Neighborhood Floating Zone) zoning classification (the "Application"). According to the Applicant, the Application is intended to allow future redevelopment of the Property with a cohesive mix of townhomes and two-unit condominiums located within a new, organized street block system featuring common and public open space, as well as various residential amenities (the "Project"). (Exhibit 38).

The subject property is owned by IP DSC Moco Metro Park LLC. Applicant provided a Letter of Authorization signed by Nicholas R. Smith, Vice President, authorizing the filing of this application by TriPointe Homes DC Metro Inc. (Exhibit 2).

Applicant provided an Affidavit of Posting confirming that signs were posted around the perimeter of the subject property in accordance with requirements of the Zoning Ordinance and OZAH procedures. (Exhibit 41). Notice of the public hearing was mailed and posted on OZAH's website on December 24, 2024, setting a hearing date for February 6, 2025. Exhibit 29. The public hearing proceeded as scheduled on February 6, 2025. The Applicant presented four witnesses: Giovanni Esposito, Applicant's Land Entitlements Manager; Mr. Sachin Kalbag and Michael Goodman, Applicant's land planner and civil engineer respectively, with VIKA Maryland; and Nick Driban with Lenhart Traffic Consulting Incorporated, Applicant's Traffic Engineer and Transportation Consultant. T. 10, 11.<sup>3</sup>

At the public hearing, the Applicant submitted revisions to its Floating Zone Plan (FZP)<sup>4</sup>. On January 28, 2025, Applicant substituted prior submissions with an Amended Recreation Plan;

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<sup>3</sup> References to the Transcript of the hearing are denoted with T. (page number).

<sup>4</sup> The original submission of the FZP was subsequently replaced by Exhibit 31 on January 28, 2025, and then again at the February 6, 2025 hearing with Exhibit 45 which was introduced as a hard copy at the hearing and the electronic

Amended Grading and Utility Plan; Amended Fire Department Access Plan; Amended Open Space Plan; Amended Circulation Plan (Exhibits 32, 33, 34, 35 and 36 respectively). On February 3, 2025, Applicant substituted its prior submission with an Amended Concept Storm Water Plan. (Exhibit 37). On February 4, 2025, Applicant substituted prior submissions with an Amended Statement of Justification; Amended Traffic Statement and Amended Preliminary Forest Conservation Plan (PFCP) Composite. (Exhibits 38, 39 and 40).

### **III. FACTUAL BACKGROUND**

#### **A. Subject Property**

The subject property is comprised of approximately 13.86 acres total and recorded as Parcel D in the "Gude North" Subdivision among the Land Records of Montgomery County, Maryland (the "Land Records") at Plat No. 13905. The current zoning is IM-2.5, H-50', and the Applicant is requesting to change the zone to CRNF-1.25, C-0.0, R-1.25, H-60'. T.24. Applicant's Counsel clarified at the hearing that the total acreage is 13.86 although there are parts of the application that refer to 12.72 acres which is the net land area. Id.

According to Technical Staff, the eastern portion of the Property is located along Crabbs Branch Way, approximately 500 feet north of its intersection with East Gude Drive. The Property is bounded by a private road Standish Place to the north, west, and south. The site is irregularly shaped – rounded along the three sides that border Standish Place, with right-angle intersections where Standish Place meets Crabbs Branch Way on the eastern side of the Property. (Exhibit 27 p. 7).

The Property is currently developed with four office buildings that range from one- to three-stories in height and an associated surface parking lot with 649 spaces. The existing offices are occupied by tenants such as FedEx, an electrical equipment supplier, a data center, an engineering

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copy was submitted with the Hearing Examiner's permission on February 12, 2025 prior to closing of the Record.

firm, an insurance agency, among others. According to the Maryland State Department of Assessments and Taxation ("SDAT") records, the existing office complex was built in 1984 and has approximately 177,126 square feet of above grade floor area. The existing buildings are angled away and setback from the roadways (Crabbs Branch Way and Standish Place), with the surface parking located between the buildings and the street on all sides. The Property's current vehicular access is provided via four curb cuts off Standish Place. (*Id.* p.10).

On the following pages are images and photographs of the subject property from the Staff Report.



Figure 3: Aerial view of the Property

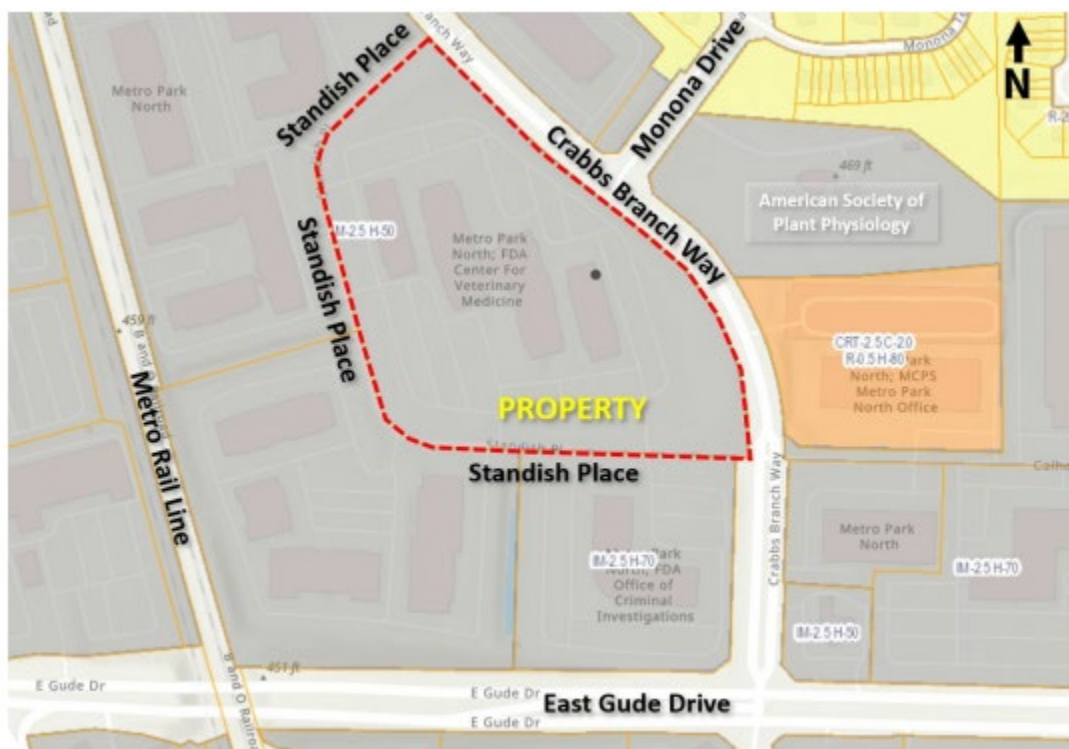


Figure 4: Zoning Property Map



Figure 6: Subject Property existing conditions, looking northeast towards Crabbs Branch Way





*Figure 7: Subject Property existing conditions, looking northwest towards Standish Place*



*Figure 8: Key map of existing Site conditions photos*

## **B. Surrounding Area**

The surrounding area is typically identified and characterized in a Floating Zone case. The boundaries are defined by those properties that will experience the direct impacts of the use. This area is then characterized to determine whether the FZP will be compatible with the impacted area.

The Staff-defined Neighborhood (Neighborhood) is bordered by Indianola Drive and the homes that front onto Indianola Drive to the north and east, East Gude Drive to the south, and the Metro Rail Line to the west (Figure 1). The neighborhood contains predominantly moderate industrial (zoned IM-2.5, H-50' and IM-2.5, H-70') and single-family detached residential (zoned R-90 and R-200) uses as illustrated in Figure 1 (Vicinity/Staff Delineated Neighborhood); Figure 2 (Zoning Vicinity Map) and Figure 4 (Zoning Property Map) of the Technical Staff Report reproduced below (Exhibit 27, p. 5 and 6).



Figure 1: Vicinity/Staff-Defined Neighborhood





Figure 2: Zoning Vicinity Map

Exhibit 27, p. 6

Technical Staff provided a detailed description of the surrounding area as follows:

**North:** Directly north of the Site, across Crabbs Branch Way, is the American National Red Cross building (zoned IM-2.5, H-50'). To the north, across Standish Place, there are additional moderate density industrial office parks, with tenants such as a software company, a medical equipment supplier, a cleaning service, and engineering consultants. Further north along Crabbs Branch Way are industrial office parks up to Indianola Drive and part of the Derwood Station single-family residential neighborhood (zoned R-90). The Shady Grove Metro Station and associated mixed-use development in the CR zone are approximately one mile northwest of the Subject Property.

**East:** To the east of the Property, along Crabbs Branch Way, is the American Society of Plant Physiology building (zoned IM-2.5, H-50') and an office building (zoned CRT-2.5, C-2.0, R-0.5, H-80') with tenants such as a fingerprinting service, a real estate office, and a house cleaning service. Further east is a continuation of the Derwood Station single-family neighborhood (zoned R-90 and R-200).

**South:** Immediately south of the Property, along Standish Place, are industrial uses (zoned IM-2.5, H-50' and IM-2.5, H-70'), such as an FDA office, a publisher, and a media office.

**West:** Directly west of the Property across Standish Place are additional industrial uses (zoned IM-2.5, H-50') with tenants such as a media company, telehealth services, and an

engineering consultant. One block west of the Property is the rail line for WMATA Metro.  
Id. p. 5.

### **C. The Applicant's Proposal**

The Applicant is proposing to rezone the Property from approximately 13.86 acres of land from the Moderate Industrial (IM-2.5) Zone to the Commercial Residential Neighborhood Floating (CRNF-1.25, C-0.0, R-1.25, H-60') Zone to accommodate the redevelopment of the existing suburban office complex and surface parking lot to a new residential community with up to 210 dwelling units, constructed within a single phase. According to Staff, at this time, the dwelling unit types are anticipated to be two-over-twos and rear-loaded townhouses, with the final unit mix to be determined at the time of Site Plan. As currently proposed, the two over-twos are dispersed along the northern and southern portions of the Property along Standish Place, and the townhouses are interior to the site. (Exhibit 27, p. 12). The Applicant's proposed plans are outlined in detail in Applicant's Land Planning Report which further explains that a maximum of 210 dwelling units can be accommodated on the site, which amounts to 754,818 gross square feet of development and a FAR of 1.25 of development. The number of dwelling units and mix of units will be established during the Site Plan phase and will not exceed 210 or the FAR allowed for the site. (Exhibit 19, p.8).

Applicant called Mr. Sachin Kablag a Land Planner with Vika Maryland LLC, as an expert witness, who testified that he has 25 years of experience in land planning, development architecture and urban design. T. 28. Mr. Kablag explained that the property is currently sited with approximately four office buildings between one and three stories, two of which are interconnected and mostly vacant. It is surrounded by a parking lot - about 600 parking spaces - which he described as "...a very typical development from the Seventies where the office building is located towards the center and surrounded by a parking lot". T. 34. He explained that the proposed development

will improve the character of the surrounding neighborhood and support some of the single-family and townhome communities towards the north and will enhance the immediate vicinity by taking this very large property and reducing it to more compact, walkable blocks of street facing condominiums and townhomes. T. 36, 37. The Staff report explains that the Project is organized around a grid of private streets and alleys that create small blocks, with residences positioned close to the streets. The exact location of the access points will be based on sight distance and finalized at the time of Site and Preliminary Plan. Vehicular access will be restricted to Standish Place, but the Project will be accessible via Crabbs Branch Way to pedestrians. The Applicant is proposing to consolidate the current four access points into three access points, maintaining two of the existing and adding one on the northern boundary of Standish Place. An activated one-acre central park space is located directly off Crabbs Branch Way. A pedestrian promenade frames the western side of the central park. (Exhibit 27, p. 12).

### **1. Floating Zone Plan**

Under Zoning Ordinance §59.7.2.1.B.2.g., every application for rezoning to a Floating Zone must be accompanied by a Floating Zone Plan (FZP) that contains required information and often a list of “binding elements” that restrict future development of the property. The Applicants have submitted the required plan. Exhibit 45. An excerpt of the FZP showing the proposed building layouts, drive aisles, road reservations, and forest conservation areas is reproduced on the following page.



Exhibit 27, Figure 10 at p. 13

## 2. Binding Elements and Process

The Applicant's Floating Zone Plan has the following four (4) binding elements:

1. The development must provide a minimum of 15 percent (15%) Moderately Priced Dwelling Units (MPDUs) as approved by the Montgomery County Department of Housing and Community Affairs (MCDHCA), consistent with the requirements of Chapter 25A.
2. The development must provide at least 10 percent (10%) of the site area as open space, allocated proportionally by use (townhouse and multifamily) between Common and Public Open Space.

3. The Central Park open space, identified illustratively on the Floating Zone Plan, must be made accessible to the public. The final size, design, and programming of the Central Park will be determined at time of Site Plan.
4. Vehicular access to the Site will be limited to Standish Place.

Consequently, and consistent with these binding elements, Staff recommended that regarding process, at the time of Preliminary Plan and/or Site Plan approval, the Applicant must address the following:

- a) The final design and amenities of the Central Park and open spaces throughout the site, consistent with the Open Space Exhibit included in the Floating Zone Plan.
- b) The distribution of the MPDUs across unit types, as approved by MCDHCA.
- c) The Crabbs Branch Way Street design in compliance with the Complete Streets Design Guide.
- d) The alignment and location of site access points on Standish Place.
- e) The delivery of a noise study due to proximity to Crabbs Branch Way and the rail line to the west of the Subject Property.

(Exhibit 27, p. 3).

### **3. Access**

The Staff Report outlines how the Project is organized around a grid of private streets and alleys that create small blocks, with residences positioned close to the streets. The exact location of the access points will be based on sight distance and finalized at the time of Site and Preliminary Plan. Vehicular access will be restricted to Standish Place, but the Project will be accessible via Crabbs Branch Way to pedestrians. The Applicant is proposing to consolidate the current four access points into three access points, maintaining two of the existing and adding one on the northern

boundary of Standish Place. An activated one-acre central park space is located directly off Crabbs Branch Way. A pedestrian promenade frames the western side of the central park. The pedestrian promenade has been incorporated in the site's Fire Department Access plan and will also serve as a fire access lane in times of emergency. (Exhibit 27, p. 12; T. 41).

Vehicular access to the Site is provided via Standish Place, a private, two-lane road that connects to Crabbs Branch Way on both ends and surrounding the Subject Property. Standish Place serves the Site and several adjacent properties. As currently proposed, three access points will connect to Standish Place. Private Street A will replace an existing access along the south side of the Property and create a new access connection on the north side of the Property. This street provides both north to south and east to west circulation within the Property. Several private alleys will also connect to Private Street A and provide access to parking for the proposed residences. Private Street B, which runs east to west between Standish Place and Private Street A, will replace an existing driveway access on the west side of the Property. (Id., p. 17).

As noted earlier in this Report, the proposed Floating Zone Plan has a binding element that limits vehicular access to the Site to Standish Place. The following pages contain Applicant's illustrations of vehicular and non-motorized circulation.



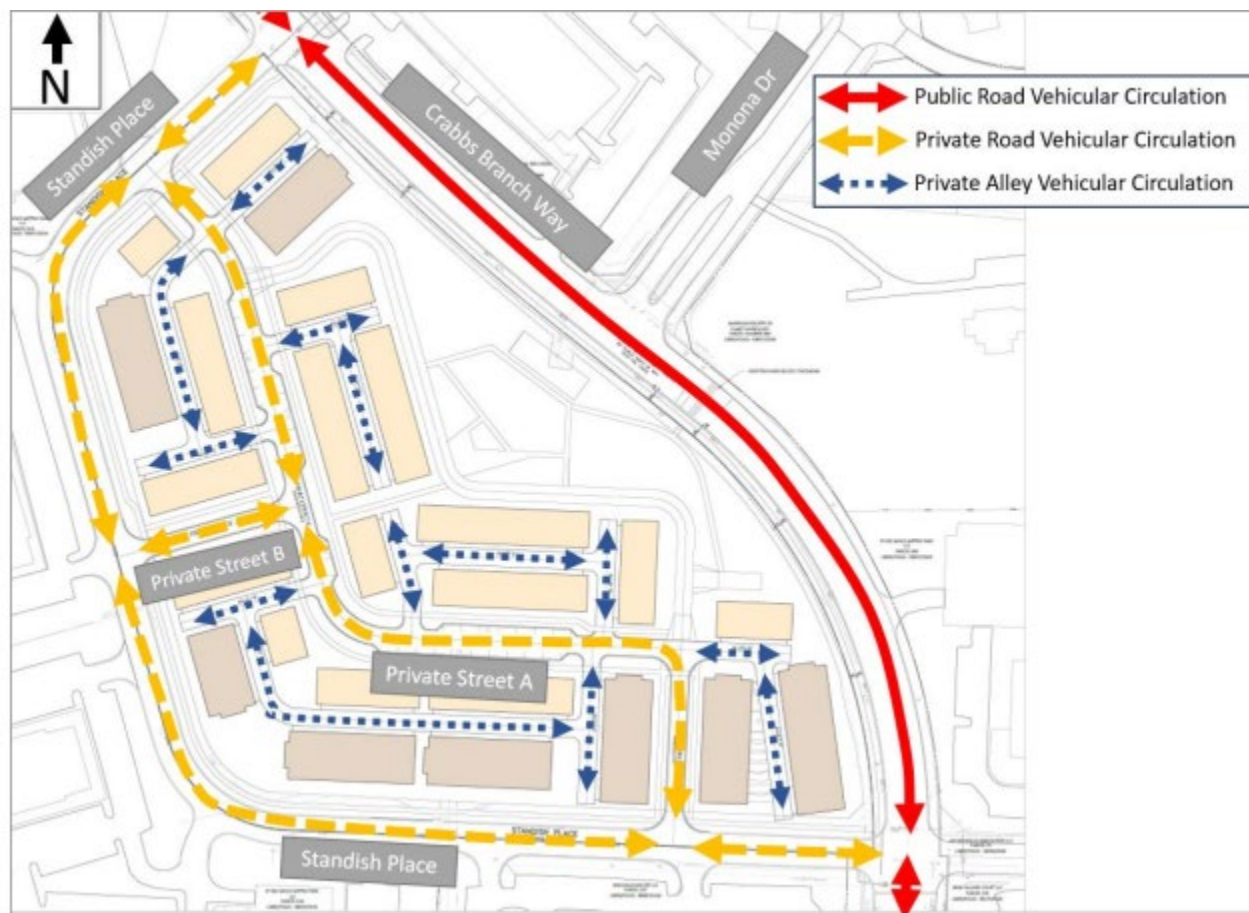


Exhibit 27, p. 18. Figure 15  
Vehicular Circulation

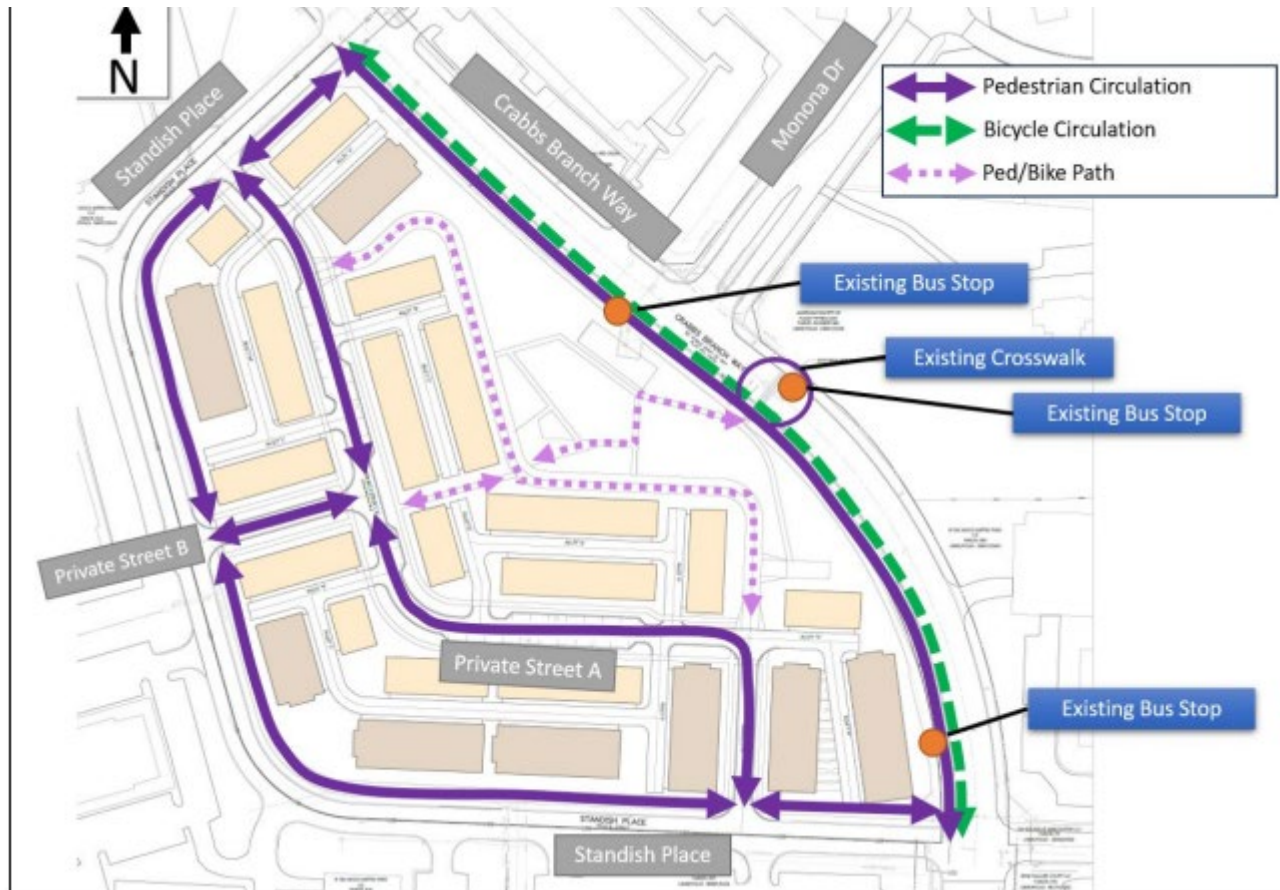


Exhibit 27, p. 18. Figure 16  
Non-motorized Circulation

#### 4. Environment

Planning Staff outlined in the Technical Report (Exhibit 27 at p. 31) that this Application satisfies all the applicable requirements of the Forest Conservation Law, Montgomery County Code, Chapter 22A and is in compliance with the Montgomery County Planning Department's Environmental Guidelines.

The Staff Report outlines that a Natural Resources Inventory<sup>5</sup>/Forest Stand Delineation<sup>6</sup> No. 420241620 was approved on April 9, 2024. The Site includes no streams, stream buffers, wetlands, forests, or other environmental features. The Property is in the Rock Creek Watershed, a Use Class IV Stream. (*Id.* p. 19). The NRI/FSD identifies areas of steep slopes 25% and greater located primarily on the northern and eastern boundaries. The Property contains several specimen trees. There are no known occurrences of rare, threatened, or endangered species on the Property. The Application is in conformance with the Environmental Guidelines as there is no disturbance proposed within any environmental features. The Subject Property is currently developed and contains no forest, streams, stream buffers, or other environmental features. (*Id.* p. 31)

A Preliminary Forest Conservation Plan No. F20250010 was reviewed and approved by the Planning Board. (Exhibit 28). The Subject Property is proposed to be zoned CRNF-1.25, C-0.0, R-1.25, H-60', which according to Staff is classified as Mixed-Use Development Area as defined in Section 22A-3 of Chapter 22A of the Montgomery County Forest Conservation Law (FCL) and specified in the Trees Technical Manual. The afforestation requirement is 15% of the net tract area and the conservation threshold is 20%. With the addition of 0.46 acres of off-site disturbance, the Net Tract Area is 13.19 acres. There is no forest on the Property and the forest

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<sup>5</sup> Hereafter NRI

<sup>6</sup> Hereafter FSD

conservation requirement is 1.98 acres, which will be met off-site or by payment of fee-in-lieu. (Exhibit 27, p. 31).

Applicant also presented to the Planning Board an application for a tree variance for the removal of six (6) specimen trees from the property. (Exhibit 27, Attachment C).

The following table from Applicant's tree variance application lists the six (6) specimen trees for which Applicant sought a variance to impact or remove:

Tree No.	Botanical Name	Common Name	D.B.H. (in.)	CONDITION	RECOMMENDATION
6	<i>Quercus phellos</i>	Willow Oak	30.5	Good	Remove (77% CRZ Impact)
13	<i>Quercus phellos</i>	Willow Oak	31	Fair	Remove (82% CRZ impact)
14	<i>Quercus phellos</i>	Willow Oak	30.5	Good/Fair	Remove (98% CRZ impact)
28	<i>Fagus grandifolia</i>	American Beech	35.5	Good/Fair	Remove (78% CRZ impact)
33	<i>Quercus rubra</i>	Northern Red Oak	31	Good	Remove (100% CRZ impact)
36	<i>Quercus phellos</i>	Willow Oak	30	Good/Fair	Remove (100% CRZ impact)

\* Diameter at Breast Height

Exhibit 24, p. 1

Following Planning Board action, Applicant submitted an Amended Preliminary Forest Conservation Composite Plan. (Exhibit 40)

#### **D. Community Concerns**

There were no appearances at the public hearing from anyone expressing concern about this application. The Planning Staff's Technical Report stated that no correspondence was received from the public in connection with this application, and that the Applicant had met all signage and notice requirements. (Exhibit 27, p. 20). Staff did not receive correspondence about the Subject Application. (Id). Per Section 59.7.5.1, the Applicant is not required to hold a pre-application

community meeting for a Local Map Amendment application.

#### **IV. FINDINGS AND CONCLUSIONS**

A floating zone is a flexible device that allows a legislative body to establish development standards and uses for a particular district before “attaching” to individual properties. The zone may be applied to individual properties with the approval of a Local Map Amendment.

For approval, the District Council must find that the proposal will meet the standards required by the Zoning Ordinance and that it will be consistent with a coordinated and systematic development of the Regional District. See, Md. Land Use Art., §21-101(a) and (b). While many of the site-specific requirements for development are addressed by later approvals, the Zoning Ordinance contains various standards, or “Necessary Findings” that the Council must make. These standards incorporate the requirements of other sections of the Zoning Ordinance, as set forth below.

##### **A. The “Necessary Findings” Required by Zoning Ordinance §59.7.2.1.E.2.**

###### **1. Substantial Conformance with the Master Plan**

Several sections of the Zoning Ordinance require an applicant to demonstrate that the proposed rezoning conforms to the applicable Master Plan:

***Section 7.2.1.E.1.a. For a Floating zone application the District Council must find that the floating zone plan will:***

***a. substantially conform with the recommendations of the applicable master plan, general plan, and other applicable County plans;***

\* \* \*

***Section 59.7.2.1.E.1.b: ...further the public interest...***

\* \* \*

***Section 59.7.2.1.c: ...satisfy the intent and standards of the proposed***

***zone...***

\* \* \*

***Section 59.5.1.2.A.1. (Intent of Floating Zones): Implement comprehensive planning policies by...furthering the goals of the general plan, applicable master plan, and functional master plan...***

Applicant's expert witness, Mr. Michael Goodman, a Civil Engineer and Executive Vice President of VIKA Maryland, testified on Applicant's behalf that the property is located within the 2006 Shady Grove Sector Plan, which was also subject to the 2021 Minor Master Plan Amendment and that he is familiar with this project having served as the Civil Engineer on the application. T. 89. This is confirmed by Technical Staff. (Exhibit 27, p. 20-21).

According to the Staff Report, the office park property at 7501 Standish Place is in the Crabbs Branch Office Park District in the 2021 Shady Grove Minor Master Plan Amendment (Master Plan) area. The Master Plan notes that the Crabbs Branch Office Park is an "office park with a broad array of technology, biotechnology, industrial/flex, and office development uses in the 100-acre area" (p. 64). The Master Plan confirmed the Moderate Industrial (IM 2.5, H-50') Zone or similar IM zones for several properties in the office park. According to the Staff Report, residential development was not specifically recommended or addressed for properties in the office park. The proposed rezoning seeks to change the Property's zone from the Moderate Industrial (IM 2.5, H-50') to the Commercial Residential Neighborhood Floating (CRNF 1.25, C0.0, R-1.25, H-60'). Although the Master Plan does not provide property-specific recommendations, the Project advances the Master Plan's broader vision for the Shady Grove area as a mixed-use and pedestrian-oriented environment with attractive streetscapes, distinctive architecture, and a sense of place that is complemented with amenities and mobility options (p. 1). This vision is achieved by the redevelopment's proposed varying housing typologies, internal network of private streets and

alleys creating a smaller and more compact development pattern, and the new central park area that will serve as an amenity for the future residents and surrounding community members. (*Id.*) Staff analysis is that the Master Plan envisions the future of the Shady Grove Metro Station area as a mixed-use and pedestrian-oriented environment with “attractive streetscapes, distinctive architecture, and a sense of place that is complemented by public facilities and amenities, and new mobility options” (p. 1). The Project conforms with the Master Plan’s overall vision of creating a mix of residential uses within a walkable neighborhood format. (*Id.*)

Regarding the County’s General Plan, Thrive Montgomery 2050 which is the County’s long-range planning guide for development and growth, Staff concluded that the proposed rezoning is strongly aligned with two of the General Plan’s overarching objectives – promoting compact growth along corridors<sup>7</sup> and diversifying and adding to the housing stock for the county<sup>8</sup>. (Exhibit 27, p. 23). Staff further provided the following analysis of this rezoning proposal in light of Thrive:

“Compact Growth: Corridor-Focused Development

The map on page 71 of the General Plan identifies Shady Grove (where the Subject Property is located) as a “large activity center,” meaning it is envisioned as the highest intensity area generally characterized by significant residential and/or commercial density, either existing or planned, and typically close to high-quality transit. This suggests that the Shady Grove area generally has the infrastructure to support additional development to “maximize the efficiency of land use and public investment” (p. 73). This project in particular proposes infill residential development on a property where the existing suburban office space has been largely vacant over a significant period of time. “Specific policies from the Compact Growth chapter addressed by the Application include:

- Improve the environmental sustainability of growth by encouraging infill and redevelopment to curb sprawl and bring areas built out in an era with little or no environmental regulations up to robust standards for stormwater management and other state-of-the-practice environmental standards.
- Limit growth beyond corridors to compact, infill development and redevelopment in Complete Communities to prevent sprawl (p. 73).

“Housing for All

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<sup>7</sup> At page 70

<sup>8</sup> at page 121

Page 131 of the General Plan states:

Montgomery County has an insufficient supply of housing. The current supply does not meet the needs of current or future households. A significant mismatch of supply and demand exists, where demand exceeds supply, raising the price of housing for both renters and those who want to own their home.

“The proposed redevelopment would provide up to 210 additional dwelling units to Montgomery County residents, helping to address the insufficient supply of housing. One of the primary recommendations of the Housing chapter is to encourage the production of more housing to better match supply with demand (p. 132). Another key recommendation is to diversify the housing stock across incomes, building types, and geography, which this development achieves through its diversity of unit types (townhouses and two-over-tvos) and will achieve through its unit sizes, which will be refined during subsequent regulatory reviews.

“Specific policies the Application addresses from the Housing for All chapter include:

- Expand opportunities to increase residential density, especially along major corridors and in locations where additional housing can assist in the development of Complete Communities.
- Facilitate the development of a variety of housing types in every part of the county but especially in areas near transit, employment, and educational opportunities (p. 132)”

(Exhibit 27, p.23 – 24).

Staff concluded that the Project would further the public interest by providing more housing within the county, yielding up to 210 additional residential units, at a convenient, transit-accessible location along a compact growth corridor. (Exhibit 27, p.24). In addition, the Project will provide government regulated units (a minimum of 15% MPDUs) where none currently exist. The Property is adjacent to many industrial employment establishments, creating a central and desirable location for housing approximately one mile south of the Shady Grove Metro Station. Additionally, the integration of housing into the existing underutilized office and surface parking complex supports the Master Plan's vision for a mixed-use and pedestrian-oriented community with “attractive streetscapes, distinctive architecture, and a sense of place that is complemented by public facilities and amenities, and new mobility options” (*Id*).

The Planning Board concluded that the proposed CRNF-1.25, C-0.0, R-1.25, H-60' Zone



and the associated Floating Zone Plan are consistent with the 2021 Shady Grove Minor Master Plan Amendment; satisfy all applicable requirements and findings for approval of a Local Map Amendment as specified in the Montgomery County Zoning Ordinance, and that the applicant has met the burden of proof by showing that the proposed zone is in the public interest and will not alter the character of the surrounding neighborhood. (Exhibit 28).

The Hearing Examiner finds that the proposed FZP is consistent with and furthers the goals of the plans and the public interest.

## **2. Compatibility<sup>9</sup>**

Several sections of the Zoning Ordinance require the District Council to analyze the compatibility of the proposed FZP with adjacent uses and the surrounding area. The application must:

***Section 7.2.1.E.1.c.: satisfy the intent and standards of the proposed zone and, to the extent the Hearing Examiner finds it necessary to ensure compatibility, meet other applicable requirements of this Chapter;***

\* \* \*

***Section 5.1.2.C. (Intent of Floating Zones). Ensure protection of established neighborhoods by:***

- 1. establishing compatible relationships between new development and existing neighborhoods through limits on applicability, density, and uses;***
- 2. providing development standards and general compatibility standards to protect the character of adjacent neighborhoods; and***
- 3. allowing design flexibility to provide mitigation of any negative impacts found to be caused by the new use.***

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<sup>9</sup> Section 59.7.2.1.E.1.d also addresses compatibility, but only when the existing zone is a Residential Detached Zone: “...when applying a non-Residential Floating zone to a property previously under a Residential Detached zone, not adversely affect the character of the surrounding neighborhood.” The IM-2.5 zone is not a residential detached zone. *Zoning Ordinance*, §59.2.1.3.C.1. For this reason, the Hearing Examiner need not address this standard.

***Section 5.3.2.C. (Purpose of Commercial/Residential Zones). The purpose of the Commercial/Residential Zones is to ... provide mixed-use development that is compatible with adjacent development.***

***Section 7.2.1.E.1.d. be compatible with existing and approved adjacent development...***

Staff determined that the project would be compatible with adjacent and surrounding development. Applicant's experts testified that to proceed the project would have to undergo site plan approval as well, which is where most of the development standards are set. T. 54.

Staff opined that the Project achieves compatibility with its surrounding context through deliberate building placement (lot size, setbacks, overall density) and appropriate siting of proposed residential uses. The maximum FAR of 1.25 is consistent with the current zone's FAR, and the proposed height increase of 10 feet (from 50 to 60 feet) is consistent with the surrounding buildings – the office property directly east is 80 feet, and the office property immediately south is 70 feet. Massing is strategically located orthogonal to the street to foster a consistent neighborhood character and provide direct and primary access to each dwelling unit.

Redevelopment of the Property replaces four aging, low-rise office buildings—featuring significant setbacks evocative of 1980s era office parks and expanses of surface parking located between the buildings and streetscape—with a compatible, walkable residential community. Density is regulated by applicable zoning limitations on contiguous dwelling units in a building group and required vehicular circulation and access. The development standards, discussed below, will produce a compatible site design and layout that is harmonious with the character of the existing context.

The addition of residential uses to the area will not cause a negative impact on the surrounding neighborhood. (Exhibit 27, p. 27-28).

Conclusion: Based on this record, the Hearing Examiner agrees with Staff that the Project will

transform this aging office park and expanses of surface parking on-site into a high-quality residential community organized around a series of smaller compact, tree-lined street blocks. The new street grid, proposed perimeter landscaping, and strategically sited dwelling units fronting along Standish Place will promote compatibility and appropriately transition the Site into the surrounding community. The office heights directly surrounding the Subject Property are between 50 and 80 feet, making the proposed 60 feet compatible with the surrounding uses. The planned location of the open space (Central Park Space) on Crabbs Branch which is a public street provides interconnectivity between this development and surrounding properties. Furthermore, the residential use would be appropriately integrated with the Derwood Station residential neighborhood just east of Crabbs Branch Way. This standard has been met.

### **3. Adequate Public Facilities/Public Interest**

Several sections of the Zoning Ordinance require an applicant for a Floating Zone to demonstrate that public facilities will be adequate to serve the property. The Council must find that the application meets the following standards:

***Section 7.2.1.E.1.e: generate traffic that does not exceed the critical lane volume or volume/capacity ratio standard as applicable under the Planning Board's LATR Guidelines, or, if traffic exceeds the applicable standard, that the applicant demonstrate an ability to mitigate such adverse impacts; and...***

\* \* \*

***Section 7.2.1.E.1.b: further the public interest...***

\* \* \*

***Section 7.2.1.E.1.c.: satisfy the intent and standards of the proposed zone and, to the extent the Hearing Examiner finds it necessary to ensure compatibility, meet other applicable requirements of this Chapter;***

\* \* \*

***Section 5.1.2.A.2: (Intent of the Floating Zones). “...implement comprehensive planning objectives by...ensuring that the proposed uses are in balance with and supported by the existing and planned infrastructure...”***

Technical Staff analyzed this Project against the 2020-2024 Growth and Infrastructure Policy which requires mode-specific adequacy tests for any project estimated to generate 50 or more net new peak hour person trips. (Exhibit 27, p. 30). The current use on the Site is a 180,058 square foot office building. The proposed maximum of 210 residential units, consisting of 120 single-family attached units and 90 multifamily housing units (two-over-twos) are estimated to generate a net decrease of 199 person trips in the morning peak hour and a net decrease of 161 person trips in the evening peak hour. Therefore, the LATR review is satisfied. A summary of the trip generation analysis is provided in Table 3 of the Staff Report reproduced on the next page:

*Table 3: Trip Generation Analysis*

		ITE Trip Generation Vehicle Rates		Adjusted Vehicle Rates Derwood Policy Area		Total Person Trips	
		AM	PM	AM	PM	AM	PM
Existing	Office (180,058 square feet)	278	225	261	255	366	357
Proposed	Single Family Attached Housing (120 units)	57	68	54	64	88	105
	Low Rise Multifamily Housing (90 units)	51	59	48	55	79	91
Net Change						-199	-161

Source: Transportation Exemption Statement from Lenhart Traffic Consulting, Inc., October 28, 2024, modified by staff

Exhibit 27., p. 30

Mr. Michael Goodman testified that the site is currently served by water sewer, electric and communication which are all immediately adjacent to the property and that even though the office building at the site does not use gas, there is gas adjacent to it as well. T. 92. He further testified that these utilities are adequate to support the propose new housing, and that they had some initial coordination with the Washington Suburban Sanitary Commission, and they have expressed that there's no capacity issues for water and sewer and have also been working with the Applicant's dry utility consultant who specializes with the electric and gas and they have also stated that there are no capacity issues. Id.

#### **B. The Intent and Standards of the Zone (Section 59.7.2.1.E.2.c)**

As already stated, Section 59.7.2.1.E.2.c of the Zoning Ordinance requires the District Council to find that the FZP “satisfy the intent and standards of the proposed zone.” The Zoning Ordinance includes an “intent” clause for all Floating Zones and a “purpose” clause” for any particular zone requested. Several of these have already been analyzed earlier in this Report. The balance of the intent findings for Floating Zones and the purposes of the ILF Zone are discussed below.

##### **1. Intent of Floating Zones (Section 59.5.1.2)**

The intent of Floating Zones is in Section 59.5.1.2 of the Zoning Ordinance. The Hearing Examiner has already discussed whether the application has met the intent Sections 59.5.1.2.A.1 and 2. This section discusses whether the FZP meets the remaining intents of the CRF Zone.

***Section 59.5.1.2.A.3 ... The intent of the Floating zones is to:***

***A. Implement comprehensive planning objectives by...***

***3. allowing design flexibility to integrate development into circulation***

***networks, land use patterns, and natural features within and connected to the property...***

Staff found that the FZP meets this standard because the Project, among other things, "...capitalizes on the Project's convenient and transit-accessible location to increase the amount of housing available in an area with the infrastructure to support it. The Project represents efficient and sustainable land use by redeveloping an underutilized site that will connect future residents to the surrounding community and regional destinations". (Id. p. 26.)

Mr. Sachin Kalbag, Planning and Design Leader with VIKA testified on Applicant's behalf about the infrastructure and buildings in the surrounding area. He testified that south of the subject property are some industrial warehouses, with the same IM-2.5 H-50' zoning as what is on the site now; that to the north of Crabbs Branch there is a two-story American Red Cross building, and further north of that there are some single-family homes that are zoned R-200 and R-90. Mr. Kalbag further testified that about a mile north of the property is the Shady Grove Metro Station, and further to the west of the property is MD 355 or Rockville Pike. He testified that this project takes this very large property with approximately four office buildings between one and three stories surrounded by a 600-space parking lot, and break them down into more compact blocks and then orients the buildings to be street facing. T. 38. The project seeks to locate a public space at the intersection of Monona and Crabbs Branch anchoring the property at that intersection. T.

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***B. Encourage the appropriate use of land by:***

- 1. providing flexible applicability to respond to changing economic, demographic, and planning trends that occur between comprehensive District or Sectional Map Amendments;***
- 2. allowing various uses, building types, and densities as determined by a property's size and base zone to serve a diverse and evolving population; and***
- 3. ensuring that development satisfies basic sustainability requirements including:***

- a. locational criteria,*
- b. connections to circulation networks,*
- c. density and use limitations,*
- d. open space standards,*
- e. environmental protection and mitigation;*

Mr. Kalbag testified that this project meets the housing for all goals of the general plan by providing a wider variety of housing stock in this area which is also crucial to reducing environmental impacts. T. 46. He described this type of housing stock as the “missing middle” because they are not exactly single-family homes, nor are they luxury condos. They are townhouses with a higher number of moderately priced housing units than is required by the County. T. 50. He also explained that the project will utilize existing water and sewer lines that will not require off-site upgrades and will also meet all applicable adequacy of public facilities requirements as demonstrated by school and transportation tests. T.47.

Conclusion: The Hearing Examiner agrees with Staff and finds that this rezoning supports the County's objective of providing a range of housing types, including affordable housing, near a major transit facility that will improve the environment and will not overburden public facilities with vehicle trips. The proposed residential uses are in balance with and are supported by the existing and planned infrastructure with flexible applicability to changing economic, demographic, and planning trends as supported by Thrive 2050, which was approved after the Master Plan.

The Project meets the intent of the CRNF Floating Zone to serve a diverse and evolving population with multiple unit types and a neighborhood design that is built on compact street blocks to encourage pedestrian activity. Proposed building groups are sited orthogonal to the street and modulated so not to exceed eight dwelling units in length in order to maintain appropriate

pedestrian scale.

The Project proposes tree-lined compact street blocks featuring continuous sidewalks, strategically sited around a central park area and pedestrian promenades that promote walkability and healthy living. Modern stormwater management will be implemented on-site through environmental site design to advance sustainability on-site and within the surrounding neighborhood. This standard has been met.

## **2. Purpose of the Commercial Residential Floating Zones (Section 59.5.3.2)**

In addition to meeting the intent of Floating Zones, the FZP must meet the purpose of the specific zone requested because a floating zone was not specifically recommended by the Master Plan.<sup>10</sup> Per Section 59.5.3.1 of the Zoning Ordinance there are three (3) categories of Commercial/Residential Floating zones. These zones are mapped using the zone's initials followed by the maximum allowed total, commercial, and residential densities and maximum allowed height as limited by Division 5.3. Zones are established at density increments of 0.25 FAR and height increments of 5 feet:

Commercial Residential Neighborhood – Floating (CRNF# C# R# H#)

Commercial Residential Town – Floating (CRTF# C# R# H#)

Commercial Residential – Floating (CRF# C# R# H#).

Applicant here seeks to rezone the subject property to CRNF-1.25, C-0.0, R-1.25 H-60 Zone.

The purposes of the CRNF Zone are in Section 59.5.3.2. The Hearing Examiner has already discussed the Section.

### ***Section 5.3.2. Purpose***

***The purpose of the Commercial/Residential Floating zones is to:***

- A. allow development of mixed-use centers and communities at a range of densities and heights flexible enough to respond to various settings;***

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<sup>10</sup> Zoning Ordinance Section 59.5.3.5.A.2



- B. allow flexibility in uses for a site; and***
- C. provide mixed-use development that is compatible with adjacent development.***

Staff concluded that the FZP met this standard, restating that the FZP. The proposed development capitalizes on the Project's convenient and transit-accessible location to increase the amount of housing available in an area with the infrastructure to support it. The Project represents efficient and sustainable land use by redeveloping an underutilized site that will connect future residents to the surrounding community and regional destinations. (Exhibit 27, p. 26).

Mr. Kalbag testified to how the proposed project meets these purposes. He testified that the project has been strategically designed to respond to the demand for housing with the County, within the Derwood Community by providing a compatible transition to the neighborhood, with a building design where the fronts of the houses face the street with parking spaces and garages internal to the development. T. 54 to 56.

Mr. Kalbag while conceding that the design details will be set at site plan, pointed out that the binding element<sup>11</sup> that requires that the Central Park open space, identified illustratively on the Floating Zone Plan, must be made accessible to the public was set to meet the above goals of this zone. He acknowledges some topographical challenges posed by the 8 to 10 foot drop from Crabbs Branch to the park, that will need to be addressed at site plan in order to make this happen, however, the fact that access to the park is stated in a binding element is sufficient for purposes of reviewing the zoning change.

Conclusion: The Hearing Examiner already found that the FZP furthers the purpose of §5.3.2.C in Part IV.A.2 of this Report (relating to compatibility of the use with surrounding development). The remaining purposes listed here are redundant given the findings already made. The FZP uses

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<sup>11</sup> See binding element number 3 in Section III.C.2 earlier in this Report.

the proximity to the Shady Grove metro station to accomplish the County's goal of increasing housing near mass transit and seeks to improve this project transition the surrounding neighborhood through the provision of public open space. This standard has been met.

### **C. Applicability of a Floating Zone (§59.5.1.3)**

Section 59.5.1.3 of the Zoning Ordinance has some specific applicability requirements. A. A Floating zone must not be approved for property that is in an Agricultural or Rural Residential zone.<sup>12</sup> This provision does not apply because the subject problem is not in an agricultural or rural residential zone. If a Floating zone is recommended in a master plan, there are no prerequisites for an application.<sup>13</sup> Similarly this provision does not apply because the applicable Master Plan did not recommend a Floating Zone. Therefore, the specific requirements and prerequisites outlined in Section 59.5.1.3.C of the Zoning Ordinance must be analyzed instead.

***1. The maximum allowed density is based on the base zone and on the size of the tract as stated in Division 5.2 through Division 5.5. Any density bonus requested under Chapter 25A may be added to the density allowed under Division 5.2 through Division 5.5 and included in the units per acre or FAR of the zone requested;***

According to Staff, no density bonus (MPDU or otherwise) is proposed as part of the Project. The Project is proposed at 1.25 FAR and 60-feet in height, which is within the maximum density for the current IM-2.5, H-50' zone, excluding the height. The Project will comply with (1) the maximum allowable residential density of 1.25 FAR and (2) the maximum 60-foot height of the requested CRNF 1.25, C-0.0, R-1.25, H-60' Floating Zone. (Exhibit 27, p. 25).

***3. Non-Residential Base Zone – When requesting a Floating zone for a property with a non-Residential base zone there are no prerequisites for an application.***

Staff correctly point out that the Property is currently located in a Moderate Industrial (IM)

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<sup>12</sup> Subsection A.

<sup>13</sup> Subsection B.

zone, which is a non-residential base zone. Accordingly, there are no prerequisites for this Application.

#### **D. Development Standards and Uses Permitted in the CRF Zone (Div. 59.5.3)**

Section 59.5.1.3 of the Zoning Ordinance provides states that if a Floating Zone is recommended in a master plan, there are no prerequisites for an application. Instead, according to Staff, the following density limits apply:

*Table 1: CR Floating Zones Development Standards (Density Allowed)*

Pre-Existing Euclidean Zone	Maximum Density Allowed in FAR Based on Size of Tract in Acres			
	Greater than 3 acres			
	Total Density (Permitted)	C or R Density (Permitted)	Total Density (Proposed)	C or R Density (Proposed)
IL, IM	1.5	1.25	1.25	1.25

(Exhibit 27, p. 25).

#### **B. Setback and Height**

***2. Setbacks from the site boundary and maximum height are established by the floating zone plan. All other setbacks are established by the site plan approval process under Section 7.3.4.***

The proposed setback from the Crabbs Branch Way site boundary is 10 feet. The proposed setback from Standish Place is 30 feet. The proposed maximum height is 60 feet. The proposed setbacks and height comply with the Zoning Ordinance requirements. (Exhibit 45).

***3. Height must satisfy the compatibility standards for the applicable building type under Section 4.1.8.B.***

According to Staff, the proposed 60 feet height meets the compatibility standards under Section 4.1.8.B for any building type in a Floating Zone. At the time of Site Plan, the project must take its height measurement from the average grade along the building facing the applicable

abutting or confronting property, per Section 59.4.1.8.B.3. of the Zoning Ordinance. (*Id.* p. 26).

**1. Uses and Building Types Permitted (§§59.5.1.3)**

Section 59.5.3.3 of the Zoning Ordinance limits the land uses allowed in the Commercial/Residential Floating Zones (CRNF) to “only” those uses allowed in the CRN Zone. Multi-unit living is permitted in the CRN Zone and this standard is met. Any building type is allowed in the Commercial/Residential Floating Zone, thus, the multi-family buildings are permitted in the requested zone.

**3. Development Standards for CRNF-1.25, C-0.0, R-1.25, H-60' Zone (Section 59.5.1.3.C)**

According to Staff, the design of the development will be finalized and reviewed by the Montgomery County Planning Board at the time of subsequent Preliminary Plan and Site Plan review. The Project will meet the Development Standards for the CRNF-1.25, C-0.0, R-1.25, H-60' Zone as illustrated in the tables from the Staff report shown on the following two pages:

*Table 2: Development Standards and Parking Requirements for the CRNF-1.25, C-0.0, R-1.25, H-60' Zone*

	<b>Site</b>	
	<b>Required/Permitted</b>	<b>Proposed</b>
Tract Area	N/A	12.73 ac (554,435 sf)
Previous ROW Dedications	N/A	1.13 ac (49,420 sf)
Proposed ROW Dedications	N/A	0.0 ac
Lot Area	N/A	13.86 ac (603,855 sf)
<b>Density (max.)</b>		
Total	1.25 FAR (754,819 sf)	1.25 FAR (754,819 sf)
Commercial	0.0 FAR (0 sf)	0.0 FAR (0 sf)
Residential	1.25 FAR (754,819 sf)	1.25 FAR (754,819 sf)
<b>Open Space</b>	10% (55,444 sf) <sup>4</sup>	10% (55,444 sf) <sup>5</sup>
<b>Lot Coverage (max.)</b>	Set at Site Plan	To be determined at Site Plan
<b>Building Height (max.)</b>	60 feet	60 feet

(Id. p. 29)

<b>Principal Building Setbacks (min.)</b>				
	<b>Required/ Permitted (Apartment/Two- Over-Two)</b>	<b>Proposed (Apartment/Two- Over-Two)</b>	<b>Required/ Permitted (Townhouse<sup>6</sup>)</b>	<b>Proposed (Townhouse)</b>
Front setbacks from public street	Set at Site Plan	To be determined at Site Plan	5 feet	To be determined at Site Plan
Side street setback	Set at Site Plan	To be determined at Site Plan	5 feet	To be determined at Site Plan
Side setback, end unit	Set at Site Plan	To be determined at Site Plan	2 feet	To be determined at Site Plan
Rear setback, alley	Set at Site Plan	To be determined at Site Plan	4 feet	To be determined at Site Plan
Rear setback between lot and site boundary	Set at Site Plan	To be determined at Site Plan	5 feet	To be determined at Site Plan

(Exhibit 27, p. 29).

### **3. Requirements of Article 59.6**

Article 59.6 of the Zoning Ordinance contains general development standards for most developments. These standards regulate the number and design of parking spaces, drive aisles, landscaping, lighting, and public and private open space. Based on the undisputed evidence at this stage, the Applicant's proposal will be able to meet these standards, subject to review and modification of the particulars during site plan review.

## **V. RECOMMENDATION**

For the foregoing reasons, the Hearing Examiner concludes that the proposed reclassification and Floating Zone Plan will meet the standards set forth in the Zoning Ordinance and that it will be consistent with a coordinated and systematic development of the Regional

District, under State law. Therefore, I recommend that Local Map Amendment Application No. H- 156, requesting reclassification from the existing Industrial Moderate Zone (IM-2.5) to the Commercial Residential Neighborhood – Floating Zone (CRNF-1.25 C-0.0 R-1.25 H-60 Zone) of Parcel “D” in the subdivision known as “Gude North” as per plat thereof filed among the land records of Montgomery County, Maryland in Plat Book 118 as Plat No.13905, and identified as 7501-7515 Standish Place, 7519 Standish Place, 7529 Standish Place and 7609-7623 Standish Place. (Tax Account No. 02224811), be approved as requested and subject to the specifications and requirements of the Floating Zone Plan (Exhibit 45), provided that the Applicant files an executed Declaration of Covenants (Exhibit 44) reflecting the binding elements in the land records and submits to the Hearing Examiner for certification a true copy of the Floating Zone Plan approved by the District Council within 10 days of approval, in accordance with §§59.7.2.1.H.1.a. and b. of the Zoning Ordinance.

Issued April 7, 2025.

Respectfully submitted,



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Khandikile Mvunga Sokoni  
Hearing Examiner