

**MEMORANDUM**

January 22, 2014

TO: Planning, Housing, and Economic Development and Transportation, Infrastructure, Energy and Environment Committees

FROM: Marlene Michaelson, <sup>TMM</sup> Senior Legislative Analyst

SUBJECT: Ten Mile Creek Area Limited Amendment to the Clarksburg Master Plan and Hyattstown Special Study Area

This is the Planning, Housing, and Economic Development (PHED) and Transportation, Infrastructure, Energy and Environment (T&E) Committees' third joint worksession on the Planning Board Draft of the Ten Mile Creek Area Limited Amendment to the Clarksburg Master Plan and Hyattstown Special Study Area (hereafter referred to as the Ten Mile Creek Amendment). This worksession will provide an introduction to land use and transportation issues and a presentation of the retail study conducted by a consultant to the Planning Department. The meeting on January 27 will focus on drinking water and the reservoir, and the meeting on January 29 will focus on property-specific issues. A separate memorandum from Glenn Orlin addresses transportation issues.

**Councilmembers should bring their copy of the Plan to the meeting.**

**BACKGROUND ON LAND USE ISSUES**

This section provides background information on Clarksburg population, previous land use decisions impacting the Ten Mile Creek Watershed, and the policies approved as part of the 1994 Master Plan. Attached on © 1 to 2 is a chronology of actions related to Ten Mile Creek.

**Population of Clarksburg**

The 1994 Master Plan estimated the population of Clarksburg at build out at 43,000. Planning Department staff indicate that there are approximately 20,000 residents in Clarksburg today, and there will be another 20,000 once the first three stages are completed. Stage 4, with the zoning recommended by the Planning Board, could result in approximately 4,000 additional residents.

<b>POPULATION ESTIMATES FOR CLARKSBURG</b>				
	units	est hh	avg hh size	population
2014 Clarksburg built units and population	6,556	6,265	3.28	20,549
2014 Clarksburg built plus approved development	10,465	10,000	3.28	32,800
1994 Plan Clarksburg end state development stages 1, 2, and 3	12,920	12,347	3.28	40,498
Planning Board Limited Amendment stage 4 development <sup>1</sup>				
detached	539	515	3.46	1,782
attached	269	257	2.74	704
multi-family	850	812	1.82	1,478
total	1,658	1,584		3,964
<b>Note</b>				
1. Assumes Pulte development under the Planning Board Draft would be 50% attached and 50% detached, Egan would be entirely detached, and Miles-Coppola would be entirely multi-family.				

## 1994 CLARKSBURG MASTER PLAN

In June 1993, the Planning Board submitted to the Council the Draft Clarksburg Master Plan and Hyattstown Special Study Area. The Planning Board Draft Master Plan, in the area that is the subject of the Amendment that is now before the Council, would have significantly downzoned much of the area west of I-270 to Rural Density Transfer (RDT) and Rural zoning and increased density on the east side of I-270 in the area around the Town Center. Maps showing the pre-1994 zoning and the zoning recommended in the 1994 Master Plan are attached at © 3 to 4.

After almost a year of discussion and 26 Planning, Housing, and Economic Development (PHED) Committee and Council worksessions, the Council approved the Master Plan in May 1994. The Master Plan confirmed the 1968 Plan recommendation that Clarksburg develop as a town, not a “corridor city” (as earlier contemplated in the General Plan) and made several recommendations to create a pedestrian-oriented town center and protect the environment, including recognizing the Ten Mile Creek Watershed as an environmentally sensitive area of County-wide significance.

The Council made numerous changes to the Draft Plan submitted by the Planning Board, recorded in a record long 95-page adoption resolution. Most notable, in the geographical area that is the subject of this Master Plan Amendment, it significantly increased both commercial (office) and residential development potential, while also adding staging that would delay development:

- It changed the land use on the properties between I-270 and MD 355 in the Ten Mile Creek Watershed from high density residential to mixed-use to allow for an employment use along I-270.
- It allowed for two employment sites west of I-270 in the Ten Mile Creek Watershed.
- It increased residential density in the area west of I-270 and east of the Ten Mile Creek main-stem ten-fold (from one unit per 5 acres to 2 units per acre).
- It added a 15% impervious surface area cap that applied only to commercial development west of I-270.
- It added a staging plan and indicated that development in the fourth stage could not proceed until certain triggers related to environmental quality were met.

The changes made by the Council on a property-by-property basis are summarized in the chart on © 5.

## 1994 VISION AND POLICIES

The Master Plan established a vision for Clarksburg as a transit- and pedestrian-oriented community surrounded by open space and emphasized that it would be a corridor town, rather than a corridor city. It included 10 key policies to achieve the vision for Clarksburg:

1. **Town Scale of Development.** Envision Clarksburg as a town, at a larger scale than proposed in the 1968 Clarksburg Master Plan but smaller than a corridor city such as Germantown (with a population of approximately 43,000).
2. **Natural Environment.** Recommend that Clarksburg's natural features, particularly stream valleys, be protected and recommend Ten Mile Creek and Little Seneca Creek be afforded special protection as development proceeds.
3. **Greenway Network.** Recommend a multi-purpose greenway system along stream valleys.
4. **Transit System.** Propose a comprehensive transit system that will reduce dependence on the automobile.
5. **Hierarchy of Roads and Streets.** Propose a street network which clearly differentiates between highways needed to accommodate regional through traffic and roads which provide subregional and local access.
6. **Town Center.** Propose a transit-oriented, multi-use Town Center, which is compatible with the scale and character of the Clarksburg Historic District.
7. **Transit- and Pedestrian- Oriented Neighborhoods.** Development clustered into a series of transit- and pedestrian- oriented neighborhoods.
8. **Employment.** Emphasize the importance of I-270 as a high-technology corridor for Montgomery County and the region and preserve key sites adjacent to I-270 for future employment options.
9. **Farmland Preservation:** Support and reinforce County policies which seek to preserve a critical mass of farmland.
10. **Staging:** Development should be staged to address fiscal concerns and be responsive to community building and environmental protection objectives.

## ARE THE 1994 VISIONS STILL RELEVANT?

The Planning Board has indicated that as they prepared this Master Plan Amendment, they considered the visions and key policies in the 1994 Master Plan, assumed that they should still guide their decisions,

and chose land use and zoning options that would reflect those visions and policies. Staff believes it is worthwhile for the Committees to consider whether these visions should still guide Council decisions. Unless the Council chooses to add a new staging provision to this Amendment, the policy recommending the use of staging would no longer be valid. It appears that the policy promoting Clarksburg as a center for office employment may also no longer be valid. (Staff has asked the Planning Department's consultant to describe changes in the market for office development and how it impacts the policy recommending Clarksburg as a major employment center.)

Staff believes that each of the other policies continue to be relevant and important for the future development of Clarksburg. **This does not mean that Councilmembers may not choose to place greater importance on one policy over another, but that they should all be considered as the Council debates the merits of alternative land use and zoning options.**

## **BALANCE OF LAND USE AND ENVIRONMENTAL ISSUES**

One of issues brought up repeatedly in testimony is whether the 1994 Plan represented a satisfactory balance between land use and the environment. At the time the Planning Department Draft Plan was before the Council, the Planning Board, Planning Department Staff, and County Department of Environmental Protection did not believe the Master Plan densities proposed and ultimately adopted by the Council provided that balance, and very strongly advocated for the lower density zoning submitted by the Planning Board. A slim majority of the Council disagreed and voted to change the zoning as shown in the table on © 5. Even those Councilmembers who supported the higher density zoning had enough doubts about environmental issues to recommend that Stage 4 properties not be allowed to immediately have access to sewer and water, that staging be added to the Master Plan to allow for a reevaluation of environmental protection measures, and that the Master Plan indicate that the Council would have the option of reconsidering the land use to better protect the environment.<sup>1</sup>

To Staff's knowledge, this may be the only master plan to stage development and indicate that the Council may reconsider land use actions recommended in a master plan based on a future environmental assessment. In 1994, some Councilmembers believed that the future assessment would prove that best practices required during development would protect water quality and validate the zoning decisions in the Plan, while others believed that the assessment would indicate that the Plan recommended densities in Ten Mile Creek would not protect the watershed and that the only option would be to reconsider the zoning and land use recommendations in the Master Plan. **The history of the Council discussion and the final Master Plan language is relevant, since it both clarifies that the Council did not know if the zoning would adequately protect the environment and that the Council put property owners on notice that they may not be able to develop under the zoning in the adopted Master Plan.**

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<sup>1</sup> The Master Plan indicated that sewer and water should not be provided in the Ten Mile area until further environmental analysis was completed and the Council determined "if the methods, facilities, and practices then being utilized by applicants as part of the water quality review process then in place are sufficient to protect Ten Mile Creek." The Master Plan then identified four options for the Council to consider:

- Option 1: Grant water and sewer category changes without limiting conditions.
- Option 2: Grant water and sewer category changes with conditions related to water quality measure.
- Option 3: Defer action on a Water and Sewer Plan category change.
- Option 4: Consider other land use actions as are deemed necessary.

## RETAIL STUDY

Attached on © 6 to 15 is a retail study of the Clarksburg area prepared by Bolan Smart Associates, Inc., serving as consultants to the Planning Department. The focus of the study was on the prospects for neighborhood serving retail in Clarksburg and the potential impact of an outlet mall on neighborhood serving retail. The consultant will present their findings at the Committee meeting and will be available to answer Committee questions.

Some of the key findings in their study are as follows:

- Clarksburg is a very strong candidate for outlet mall retailing.
- While the outlet mall may displace some of the demand for traditional neighborhood local serving retail, there is also the potential for regional destination shoppers to patronize non-outlet mall retailing, with each source more or less offsetting the other.
- There is unlikely to be significant competition between the types of stores most likely to locate in an outlet mall and the types of retail most likely to locate in neighborhood retail centers.
- The neighborhood retail environment in Clarksburg has changed significantly since approval of the 1994 Master Plan (see © 8).
- There may be too great a supply of neighborhood-oriented retail by a factor of 20 to 30 percent.

Regarding the addition of new residential units, their study indicates the following:

“In relatively small proportions (compared with the total Clarksburg build out), changes in the number of planned residential units and their location does not convey significant impacts on the potential for overall planned neighborhood retailing in Clarksburg.” (See © 8 – 9.)

They continue to indicate that single-family homes tend to account for substantially higher per unit levels of demand for neighborhood based retail as compared to multi-family homes (due to family size, household age, and income) and that hotel and destination based retail (i.e., an outlet mall) are variables that can add to the general level of activity in Clarksburg. Staff has asked them to elaborate on these points at the meeting to help the Committee’s review of different land use and zoning options for the properties in the Master Plan Amendment.

Staff has asked the consultants to comment on the following questions in their presentation to the Committees, noting that some questions are beyond the scope of their study for the Planning Department (e.g., although the formal study focused on retail, Staff has asked them to describe trends in office development that may be relevant to Clarksburg):

1. How has the demand for employment land uses changed since 1994 and how might that change affect the 1994 vision, as I-270 being a major employment corridor? If not I-270 – where are employees and employers being attracted?
2. How has the neighborhood retailing environment in Clarksburg changed since the initial master plan vision of the early 1990s?
3. How does the existing and planned supply of neighborhood retail match up with potential demand?

4. How great is the demand for an outlet mall at a Clarksburg location? If there is sufficient demand, could two such uses be supported?
5. How will outlet mall development impact the rest of the Clarksburg retail marketplace?
6. Will outlet development compete with neighborhood-serving retail?
7. How would the addition of new homes on the Pulte, Miles-Coppola, and/or Egan properties impact the success of Town Center, and to what extent?
8. What future land uses on the Miles-Coppola properties are most likely to support Town Center and contribute to its success (while also being viable from a market perspective)?

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**Chronology of Actions Related to the Ten Mile Creek in Clarksburg**  
**(Prepared by Planning Department Staff 1/9/14)**

June 1993 - Planning Board Draft of Clarksburg Master Plan recommends 1 unit per 5 acres west of I-270 and medium density residential for most of Egan and Miles/Coppola properties.

June 1994 – County Council approves light industrial for both sides of I-270 near the 121 interchange with 2-4 units/acre for the properties further west and medium density residential for the remainder of the Miles/Coppola and Egan properties respectively. Staging added to the plan to assure that the decision of how to proceed in Stage 4 rested with the County Council after evaluating the impact of Stages 1-3 on Little Seneca Creek.

October 2005 – Sewer and Water Category Change Request received for Miles/Coppola. Deferral requested by the applicant.

2007 – Staging triggers were met for consideration of monitoring data.

2008 - Montgomery County adopts changes to the regulations to require Environmental Site Design (ESD) in conformance to the State Law.

January 2009 – Special Protection Area Annual Report for the monitoring year 2007 analyzes impact of development on Little Seneca Creek and other Special Protection areas. The report gives no definitive findings that will predict the impact of development on Ten Mile Creek.

May 2009 - Sewer and Water Category Change Request received for Pulte & King properties. Request returned due in part to the Council's decision to establish the Stage 4 *ad hoc* working group.

May 2009 – Pulte & King Water and Sewer Category Change application returned due in part to the Council's decision to establish the Ad Hoc Water Quality Working Group.

July 2009 – County Interagency Workgroup expresses concern about potential for impact on Ten Mile Creek and Planning Board reports to Joint T&E and PHED Committees that an amendment to the Master Plan is necessary, due primarily to the fact that construction was still in its active phase. Final protective measures were not yet in place and temporary impacts had not yet stabilized.

October 2009 – Council establishes an Ad Hoc Water Quality Working Group representing all the stakeholders and local agencies to “collect information on all new and pending State and Federal regulations regarding water quality, stormwater management, and sediment control; analyze how these new requirements could impact future development in Clarksburg, especially in Stage 4; seek input from Clarksburg stakeholders as to the methods they propose for minimizing development impacts on water quality in the Ten Mile watershed, and advise the Council on the steps necessary to preserve water quality in Stage 4.”

May 2010 – ESD Regulations take effect in Montgomery County.

July 2010 - Sewer and Water Category Change Request received for Egan/Mattlyn properties. Action is delayed awaiting Council reaction to the Ad Hoc Water Quality Working Group report and the master plan amendment process.

July 2010 - The Ad Hoc Water Quality Working Group report results in split opinion where the majority (environmental, civic and agency representatives) recommended an examination of the land use options in a master plan amendment and the property interests and industry groups recommended moving ahead with development. Joint PHED and T&E Committee hear report results and take no action.

May 2012 – Special Protection Area Annual Report for the monitoring year 2010 reports a slowing of water quality degradation within the SPA and in certain areas, slight increases in water quality. However more time is needed to definitively assess the effectiveness of the water quality protection measures for newly developed areas.

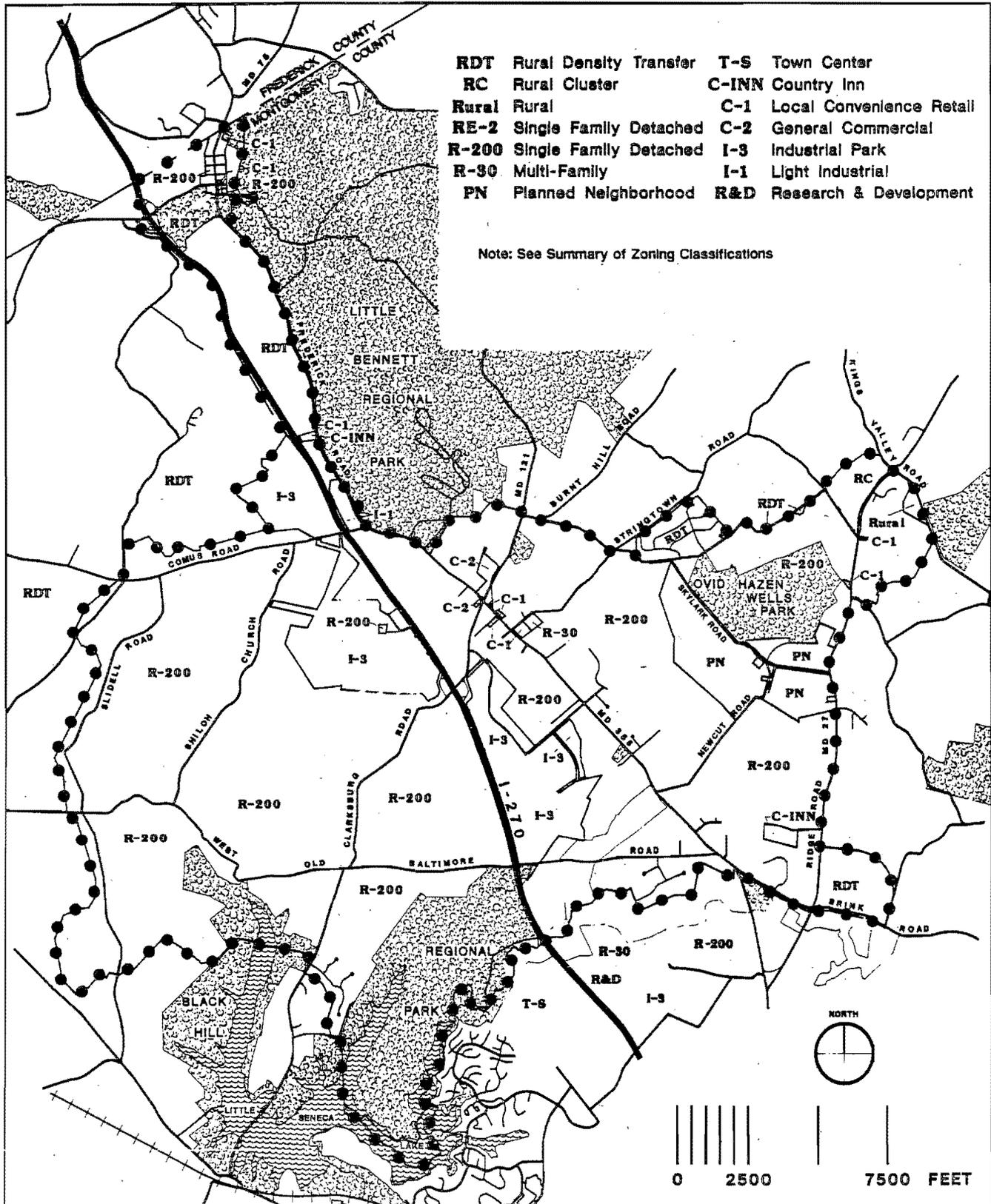
October 9, 2012 - County Council requests the Planning Board to prepare an amendment to the Clarksburg Master Plan. Establishes a one year schedule and authorizes funds for environmental, transportation and economic studies.

July 25, 2013 – Planning Staff recommends RNC zoning on Pulte and King Properties at 1 unit per 0.4 acre with an 8% imperviousness cap. Egan is shown with R200 zoning and with a 25% imperviousness cap. Miles/Coppola zoning is shown with two options: Option 1 is a balanced mixed use option with a 25% imperviousness cap and with CR 0.5, C 0.25, R 0.25, H 75 zoning; Option 2 is mixed use, but with a more residential focus, with a 25% imperviousness cap and townhouses at 12 units to the acre.

October 25, 2013 – Planning Board transmits Planning Board Draft Plan to the County Executive and County Council. It recommends RNC zoning on Pulte and King Properties at 1 unit per acre with a 10% imperviousness cap. Egan is shown with R200 zoning and with a 25% imperviousness cap. Miles/Coppola is shown with a balanced mixed use option with a 25% imperviousness cap with CR 0.5, C 0.25, R 0.25, H 75 zoning.

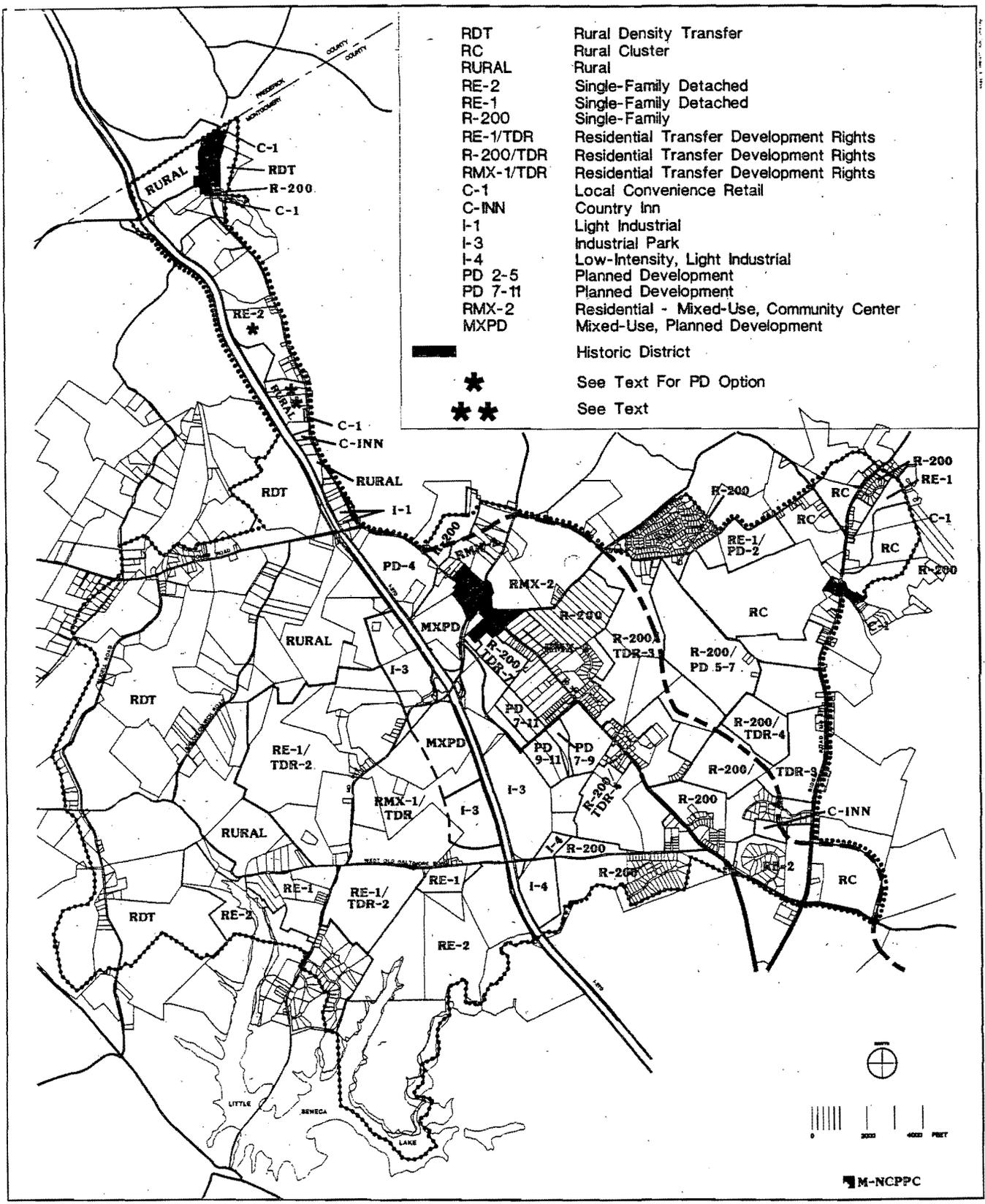
# Existing Zoning (as of 1993)

Figure 37



# Zoning Plan

Figure 38



# Summary of Plans

	1994 Planning Board Draft	1994 Council Approved Plan	2013 Public Hearing Draft	2013 Planning Board Draft
Egan	2-4 DU per acre (~300 units)	2-4 DU per acre (28%~300 units)	R200 (25%) (200 units)	R200 (25%) (200 units)
Miles/Coppola	7-11 DU per acre (~400 units)	MXPD (26%) (~60 units; 470k sf)	CR (25%) (0.5 FAR; ~850 units; 1 mil sf)	CR (25%)(0.75 FAR; ~850 units, 2.1 mil sf)
Fire Station	2-4 units/acre (12 units)	Build	Build	Build
Bypass	Build entire length	Build entire length	Build shorter	Build shorter
Clarkwood	Rural (est. 5%) (7 units)	RE1/TDR (12.5%) (34 units)	No Dev	No Dev
County Depot	Rural (est. 5%)	RE1/TDR & I-3	I-3 (8%)	I-3
County Detention	Institutional (est. 5%)	Institutional (15%)	Institutional (4.5%)	Institutional (4.5%)
Pulte	Rural (est. 5%) (107 units)	RE1/TDR (12.5%)(~800 units)	RNC (8% cap) (215 units)	RNC (10% cap) (538 units)
Impervious in LSTM110, 111	~5%	15.1%, 14.1%	8.4%, 11.1%	10.1, 13.8%
Watershed Imp.	Est. 6-7%	9.8%	7.5%	8.0%

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## Appendices to MNCPPC Planning Board Report Ten Mile Creek Plan Amendment - Retail Issues and Analysis December 2013

### **Background**

Bolan Smart Associates, in conjunction with Retail Development Strategies, was asked to assist MNCPPC in considering retail related aspects of the limited Amendment to the 1994 Clarksburg Master Plan and Hyattstown Special Study Area for the Ten Mile Creek Watershed. The primary issues revolve around the possible market implications concerning two proposed outlet malls and the prospects for local retail development in Clarksburg.

A recent development plan amendment for the Cabin Branch Neighborhood south of the Ten Mile Creek subarea received a recommendation of approval from the Planning Board. The Cabin Branch amendment includes a proposed outlet center located adjacent to the southwest corner of the I-270 / Clarksburg Road interchange. This amendment is in the midst of final review through a Hearing Examiner process, after which it is subject to approval or denial from the Montgomery County Council.

A second outlet center is being considered as an option for the Miles-Coppola property that lies just to the east of I-270 north of the Clarksburg Road interchange. The Miles-Coppola site, located at the eastern edge of the Ten Mile Creek limited amendment planning area, is within the part of Clarksburg known as the Town Center District. It is the closer of the two proposed outlet centers to the planned Clarksburg Town Center retail development parcel. Option 1 of the proposed Ten Mile Creek amendment received preliminary approval from the Planning Board in October 2013, and is now undergoing further review.

Though MNCPPC nor the consultant expect that more than one of the two competing outlet destination centers will actually go forward, it is not the intent of this analysis to question or validate the prospects of two centers virtually co-locating in Clarksburg, or to weigh the possible relative advantages of either proposed site. The focus of consideration is instead on the potential impact on realizing long-planned neighborhood serving retail in Clarksburg.

### **Approach**

The consultant has been charged with addressing a series of questions intended to help inform the public land use planning process. The approach is to build on an understanding of past and present planning assumptions complemented by selected points of independent research and validation. Retail demand and potential sources of supply are profiled based on general indicators and correlated to provide order-of-magnitude measures of implications for development. The analyses are not meant to presume what should constitute specific retail center tenant composition or configuration considerations, but do reflect differences in consumer behaviors corresponding to outlet retail formats as opposed to more conventional resident-serving retail projects.

## Summary

1. ***Is there demand for outlet mall use at a Clarksburg location?*** Based on market demographics, current industry trends, and locational considerations, Clarksburg is a very strong candidate for outlet mall retailing. The two outlet proposals, backed by leading national sponsors of such development, are resounding endorsements.
2. ***How will outlet mall development impact the Clarksburg retail marketplace?*** Outlet mall development in Clarksburg will dramatically increase consumer choice for local residents, especially for soft goods, apparel and accessories and home products, assuming the conventional mix of outlet retailers for projects of this type. While such development will displace some of the demand for traditional neighborhood local serving retailing, there is also the potential for regional destination shoppers (many times the volume of what Clarksburg alone would generate) to patronize non-outlet mall retailing, with each source of demand more or less offsetting the other. The increased drawing power of an outlet mall will attract support and retail tenants that would not otherwise be supportable in a market the size of Clarksburg.
3. ***How will outlet development compete with neighborhood retail?*** The two product types function very differently from each other:
  - a) There is virtually no crossover in terms of food sold for home consumption, or for a wide range of convenience services.
  - b) While there are some parallels in soft goods (i.e. socks, cosmetics) that are typically part of a local serving grocery or drug store, the differences in shopping experiences associated with picking up these kinds of items as part of other purchases, and as they represent only a fraction of traditional neighborhood general merchandise sales, mutes the impact of non-grocery items on the economic viability of neighborhood supermarket and drug stores.
  - c) Neighborhood based dedicated clothing stores, considered unlikely to begin with given the size and locational characteristics of Clarksburg, will have more difficulty competing, as outlet malls typically are based on well known brands at discounted prices. Neighborhood clothing stores do not enjoy the same advantages of bulk purchase and corporate connections to secure manufactured goods/past season products at deep discounts.
  - d) Typical outlet malls include limited food offerings (usually in a food court configuration) primarily as a tool to retain consumers on-site in order to increase overall spending, as expenditures typically correlate with amount of time spent at the center. Freestanding restaurant offerings, not a core use in outlet malls, represent the most potential intermixing between serving both outlet / neighborhood sourced demand.
  - e) Entertainment uses serving local residents (i.e. movie theaters) are less likely as part of the outlet center mix, particularly if reliant strictly on local based demand, and may or may not be an additional element in some future outlet mall setting.

4. ***Has the neighborhood retailing environment in Clarksburg changed since the initial master planning visioning of the early 1990s?*** There are a number of influences on local retailing that have shifted over the past 20+ years:
- a) A prominent national trend has been the increase in demand for food prepared outside of the home (restaurant, take away, and prepared foods in grocery stores), in effect strengthening the base for local dining. Home meal replacement (take out and dining out) spending in the greater Washington DC region is among the highest levels in the United States, due in part to the number of dual income households (both working) and limited time available for meal preparation.
  - b) Concepts of walkable mixed-use neighborhoods in suburban settings have become more firmly established (though not without some important reality checks regarding size and configuration), reinforcing some of the Clarksburg vision for a mixed-use community from decades past.
  - c) Online shopping has eaten away at some of the demand for general retailing, but with relatively minor implications for the majority of neighborhood based retailing. While annual rates of growth for online shopping have continued to show significant increases over succeeding years, in total dollar volume, online purchases are estimated to represent only about 8% of total U.S. retail sales, with over 90% of retail expenditures still made in stores.
  - d) Of major significance to Clarksburg is the lack of substantial growth in local employment, which was expected to help provide demand for local serving retail space (in particular daytime support for food service and general shopping goods).
  - e) The as yet undetermined timing of rapid transit (CCT) is another consideration in comparing the vision of 1994 for Clarksburg with today's dynamics, though in the consultant's view, the status of the CCT is only of secondary significance in terms of retail (or employment) related impact.
  - f) Finally, while the above factors have altered some the finer grained composition of contemplated neighborhood retailing, by far the single most significant change affecting Clarksburg has been the vastly expanded amount of retail space provided nearby at Milestone, most recently represented by the addition of a new Wegmans supermarket anchored shopping venue.
5. ***How does the existing and planned supply of neighborhood retail match up with potential demand?*** The short answer is that there may be too much overall potential neighborhood oriented supply by a factor of perhaps 20 to 30 percent, but not too much to see significant additions. The 1994 Clarksburg Master Plan included shopping centers in the Town Center District, the Cabin Branch and New Cut Road neighborhoods. With approximately 140,000 square feet of retail space currently built, combining the 2013 opening of the 109,000 square foot Clarksburg Village Center (New Cut Road), plus a sprinkling of other existing space, there is suggested demand for upwards of another 80,000 to 100,000 square feet of nearer-term neighborhood oriented retail space, including a potential grocery store component. Longer-term could see added demand for a further 50,000+ square feet. (See page 7 for detailed representation.)
6. ***Does the mix of housing and commercial development to be approved for the Ten Mile Creek and the Cabin Branch Plan Amendment areas impact retail viability?*** In relatively small proportions (compared with the total Clarksburg build out), changes in the number of planned residential units and their location does not convey significant impacts on the

potential for overall planned neighborhood retailing in Clarksburg. On balance, more rooftops help, but other factors can weigh in as well. One-for-one contrasts between single family and multifamily units can be important: single family homes in the Clarksburg marketplace, due to family size, household age and income, tend to account for substantially higher per unit levels of demand for neighborhood based retailing. While the nearer-term equation for office or flex industrial type commercial development is fairly contained by limited demand, hotel and destination based retail (i.e. an outlet mall) are variables that can add more immediately to the general level of activity in Clarksburg.

7. ***How may the proposed changes that may reduce the square footage devoted to a future neighborhood-serving retail center in Cabin Branch (yet including the addition of an outlet center) impact the shopping patterns for future residents west of I-270 and corresponding retail demand elsewhere in Clarksburg?*** The proposed cap of 484,000 square feet of retail space for Cabin Branch, of which 50,000 to 120,000 square feet could be defined as neighborhood retail, represents a potential reduction in the amount of traditional neighborhood type retail space being provided compared with the 1994 Master Plan (which originally provided for 120,000 square feet). This possible change has been represented by the current master developer of the Cabin Branch subarea to exclude a full size grocery store. Given the proximity of Milestone – in particular Wegmans – plus access to other Clarksburg retailing locations, neither may there be a particularly strong perceived need on the part of future residents, nor may a full size grocer be attracted to a possible Cabin Branch location. One scenario could be that if the choice for Cabin Branch is between a plan that includes: (a) an outlet mall and explicitly no grocery store, and; (b) a plan that defaults back to a possibly grocery store anchored neighborhood center, the benefit from going with an outlet mall may be to better underpin the grocery store prospects for Clarksburg Town Center (and support for Clarksburg Village). The related impacts of having possibly competing restaurants east and west of I-270 can be viewed in two ways, one where outlet mall destination users are not likely to patronize offerings east of I-270 if alternative options are present, and a second view being that the distance / barrier separating say the Clarksburg Town Center east of Route 355 and the Cabin Branch location more or less divides the market into two.
8. ***How might the CR zoning contemplated for the Miles-Coppola parcel impact the retailing landscape in Clarksburg?*** One of the features of the CR zoning is flexibility to build to different future market demand. While this can serve Clarksburg well, allowing for residential and commercial uses to evolve over time, the question of impact on the broader Clarksburg retailing environment could rest on what kind of retail development could occur on the Miles-Coppola property. Under the assumption that the proposed CR zoning would not permit “competing” neighborhood retailing, and as proffered by the current developer interest not to build a supermarket, then the flexibility offered by the CR zone could reinforce demand for off-site neighborhood retailing. This potential, however, may need to be qualified. Given that a Miles-Coppola location for an outlet mall would be quite proximate

to the planned but as yet unbuilt Clarksburg Town Center, the specifics of site planning for the Miles-Coppola property, in particular the inclusion of non-food court restaurants and possible non-traditional outlet mall retail spaces, could be important variables impacting the market prospects for these same uses at the Town Center site.

### **Evolving Retail Context**

Retailing is in a constant state of change. New demands and merchandizing concepts come and go, such that over the period of a decade or more, the retail landscape can evolve considerably. Land use planning and development decisions, on the other hand, tend to be cast at fixed points in time that, while perhaps premised on prevailing best practices, may or may not be appropriate or achievable over the longer term. Add to this uncertainty of timing in a growth market, and you have Clarksburg.

So into Clarksburg's mix of a prescriptive approach to land use planning, significantly less employment uses than anticipated, changed retailing concepts and much expanded nearby supply, comes along not one, but two, major destination outlet mall proposals. What are policy makers to make of this opportunity and possible impact?

### **Outlet Malls**

Over the past few decades, outlet malls have morphed into a highly structured breed of retailing. It is one of the few retailing concepts that it still in a growth mode. Retailers and branded product manufacturers have expanded their merchandizing lines to incorporate specifically targeted marketing suited to co-locating in high profile locations overseen by major, specialized retail developers. The contemporary prototype outlet center is fairly simple, and universal:

- 80 to 100+ stores, comprised of mostly nationally or regionally recognized specialty vendors
- 4,000 sf average store size
- 350,000 sf to 500,000 sf overall size
- easy access highway served site
- typically a lower cost, suburban edge location
- regional and transient market capture (not at all neighborhood oriented)
- internal orientation
- lots of surface parking, but not designed for quick in and out access to stores
- located / configured to maximize multiple store shopper patronage (and not non-shopper use)
- limited if any table service restaurants (idea to keep people shopping); sometimes have pad sites for free-standing food services on out parcels
- typically located in isolation from competing outlet centers (though with exceptions)

That Clarksburg has been now targeted by the two leading outlet mall developers (Simon and Tanger, partnering with local master developers) is an entirely natural and understandable focus. Except for being proximate to Montgomery County, most all submarkets ringing the Washington metropolitan region have an existing or planned outlet or equivalent center. These include the older and/or much larger Mills centers (Potomac Mills and Arundel Mills), a new Tanger outlet

mall in Oxon Hill in Prince George's County near Alexandria, an existing Premium Outlets (Simon) in Leesburg, an additional planned center in western Fairfax County, and proximate centers further afield in Maryland in Hagerstown and Queenstown (smaller example).

With a Clarksburg outlet facility, currently underserved consumers in and around Montgomery County stand to benefit, as will the tenant vendors, and for that matter, the tax collectors that will not only see some inflow of retail expenditures, but some reduced outflow of Montgomery County resident shoppers. Barring some national or other extraordinary influence, the question is not whether an outlet center will come to Clarksburg, but rather, which one?

The developers of both proposed retail outlet centers have indicated that there is demand for only one such commercial enterprise in the immediate area. The consultant sees no reason to refute or test this claim. There is little taste on anyone's part (developer, tenant or for that matter consumers) for essentially duplicated co-existing malls: the market for such is limited by the simple fact that there are only so many profile credit tenants to go around. While there is limited precedent for dual locations, (one being outside St. Louis, Missouri and another in San Marcos, Texas ), it is rare for two major centers to go ahead at the same time in close proximity to each other. (Interestingly, the competing Simon and Tanger sponsors have actually co-ventured in at least one instance.)

The core composition and use of an outlet mall is almost the complete opposite of neighborhood serving retailing. The vendors, and with some narrowly defined exceptions, the product lines, would never normally be found in a neighborhood shopping center dominated by food and convenience related merchandizing. The outlet patronage is coming from a widely extended region, intent usually on making substantial purchases spanning multiple stores over a considerable period of time, the converse of the typical neighborhood in-and-out kind of shopping venture.

Despite their highly distinct respective natures, is there any evidence of compromised co-existence of neighborhood and destination outlet malls? Based on a limited survey of other regional examples of outlet oriented locations, the consultant finds no clear association between outlet retailing and undermined neighborhood retailing. To the contrary, where there is an actual proximate neighborhood exhibiting market growth, the different retailing venues most often do co-exist, evident in patterns of retail concentrations and continued retailer interest.

Turned the other way, there is certainly no evidence that outlet malls are impacted negatively by the presence of local serving retail. They in fact can be seen as benefiting from some measure of locally anchored eating facilities, service stations and the like. The regional drawing power and broader market orientation of outlet mall vendors is such that they invariably are new entrants into the local existing marketplace, and not at all inhibited by the usual need for local retailers to see roof tops before committing to construction.

In terms of customer impact, the differences between outlet and neighborhood centers is skewed significantly by the sheer size of the patronage. The volume of customers (and to some extent of the shopping hours) is at a whole different level for outlet malls compared with neighborhood supported venues. To illustrate:

400,000 sf outlet mall @ \$500 psf annual sales = \$200M gross sales / \$100 per patron expenditure = 2M visits

With such volumes of destination shoppers, the vast majority of whom will be coming from outside of Clarksburg, what might be their propensity to support non-direct outlet mall retailing? An illustration suggesting an off-site potential demand for 10,000+ square feet, comprised primarily of partial demand for food service and some convenience items, could be something like the following:

\$2.50 psf off-site demand x 2M potential visits = \$5M sales / \$400 psf in supported neighborhood space = 10,000 sf

### **Neighborhood Serving Retail**

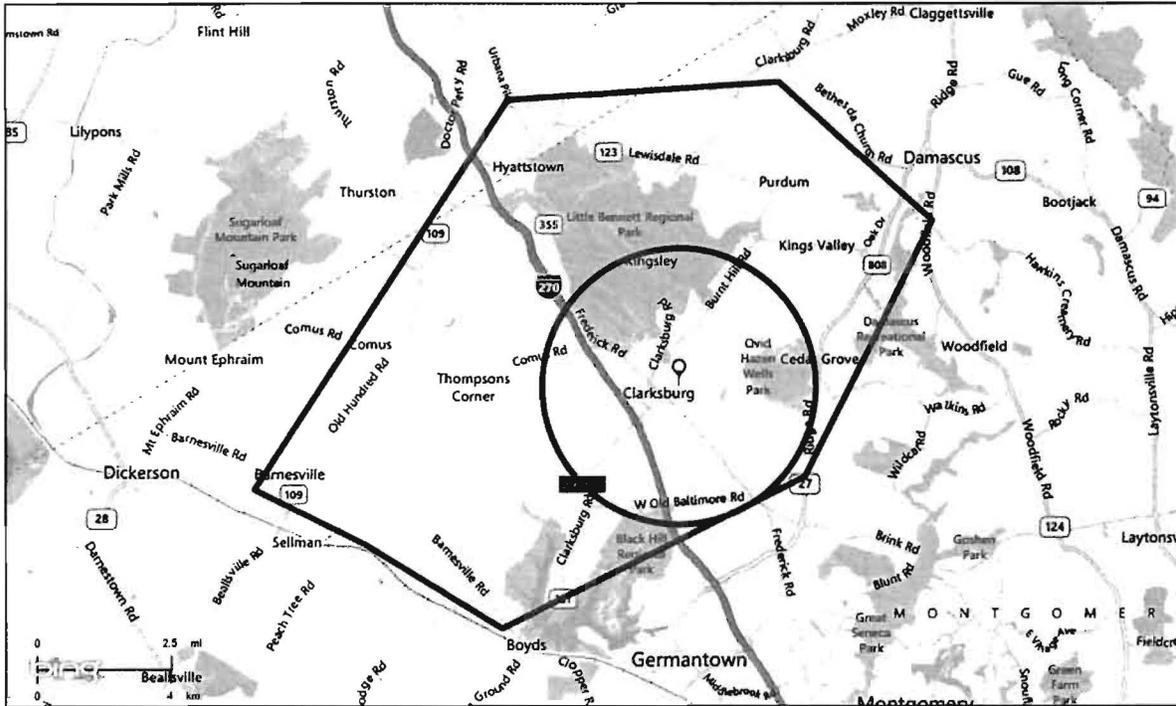
#### Clarksburg / Hyattstown Plan Area Assumptions

- 1994 Master Plan – projected 14,930 residential units
- as of late 2013, a total of 6,500 residential units built (of 10,500 units approved since 1994)
- average residential deliveries from 1996 to 2013 of 300 units per year
- projected future average annual construction of 300 to 500 units added per year
- projected buildout 2030+ @ 90% of potential capacity
- Cabin Branch subarea – zero current; 2,886 residential units at buildout
- Ten Mile Creek – zero current; 1,690 residential units at buildout (600 west / 1,100 east of I-270)
- 1994 Master Plan – up to 10,311,000 sf. of commercial space (depending upon level of transit)
- as of 2013, 850,000 sf of commercial space has been built (of 3,536,073 sf approved since 1994)
- limited near to medium-term projected added employment
- CCT / Observation Drive extended through to Milestone post 2020
- one outlet center to open by 2016/18 (350,000 to 400,000 sf)

#### Primary Local Trade Area

The consultant has defined a retail trade area that more or less includes the primary geographic area of support for the combined Town Center District, the Cabin Branch and New Cut Road shopping centers' locations. The estimated trade area is heavily influenced by the combination of road linkages and the location of a full array of retail offerings, primarily concentrated immediately to the south in Germantown, and to lesser extents to the east in Damascus, north in Urbana, and in a very minor way, west in Poolesville. While the indicated trade area extends well east and west of the formal Clarksburg / Hyattstown Planning Area, much of the added territory is comprised of preserved low density rural and open space land uses. Of the approximately 48 square miles within the defined zone, virtually all of the future growth is forecast to occur within the immediate Clarksburg Planning Area. (See accompanying map and Demographic Highlights table.)

### Clarksburg Neighborhood Serving Retail Trade Area



### Clarksburg Trade Area Demographic Highlights 1990 - 2018

Demographic Characteristic	1990	2000	1990-2000 Change	2010	2000-2010 Change	2013	Projected 2018	2013-2018 Growth
Population	8,645	9,853	1,208	23,469	13,616	26,710	32,000	5,290
Population % Change			14.0%		138.2%			19.8%
Median Age	33.1	37.1	12.1%	35.6	-4.0%	36.1	36.5	1.1%
Associate Degree or Higher 25+ yrs	39.8%	49.3%		58.9%		61.7%		
Households (HH)	2,821	3,369	548	7,246	3,877	8,169	9,950	1,781
HH % Change			19.4%		115.1%			21.8%
% Family Households	85.6%	80.8%	308	83.6%	3,337	83.6%	83.5%	890
Average HH Size	3.06	2.92	-4.6%	3.14	7.5%	3.18	3.12	-1.9%
% HH Homes Owner Occupied	85.8%	86.0%	477	88.1%	3,390	88.1%	85.0%	980
Average HH Income						\$141,859		
Median HH Income						\$117,391		

Sources: 2010 U.S. Census, ESRI and Bolan Smart Associates, 12/2013

Neighborhood Demand Factors

A series of industry factors have been applied to the demographic characteristics identified for the defined primary trade area to estimate market demand for generic neighborhood serving retail space. For baseline forecasting, a conservative assumption regarding future growth is assumed (30,000 person near-term population). The principal demand variables include:

- a) the amount of neighborhood based retail space that is typically supported by this demographic (10 sf per person).
- b) the amount of other demand that is present (estimated at 15% of the per person demand derived from a limited amount of employment – at least for the foreseeable future – and transient sources).
- c) a capture factor (65%) estimating how much consumer expenditure can stay within the trade area versus being spent elsewhere.
- d) adjustments for the probable impact of an assumed major contemporary outlet mall being located in the middle of the primary trade area (10% of net local neighborhood oriented demand being redirected to an outlet mall; 10,000+ square feet of implied off-site neighborhood demand generated by outlet mall patrons).

The assumption that is perhaps the most subjective of the above demand factors is the judgment regarding how much neighborhood based demand can potentially be captured at local stores, estimated in this case as ranging between 60% and 70% (65% for baseline computations). Obvious to understanding the shopping propensities of Clarksburg residents, workers and related potentially “captive” consumers, is the overwhelming predominance of commuting patterns directed southward down 1-270. Clearly the majority of the working age population in Clarksburg is passing by, if not through, large-scale and diversified concentrations of nearby retail repeatedly during the course of an average week. This fact means that any projection of neighborhood capture of potential demand must be approached cautiously, a concern all the more magnified by the recent opening of Wegmans, widely viewed as a regional market game changer. (Offsetting the southward shopping orientation, to a small degree, is the presence of local public schools central within the trade area, including the Clarksburg High School.)

Baseline Neighborhood Demand (2018)

Near-term population (2018)	30,000 persons	(25,000 existing, 43,000 @ build out)
Gross local demand	350,000+/- sf	(10 sf per person neighborhood retail plus 15% other)
Net local demand	230,000+/- sf	(65% capture)
Deduct for outlet capture	(23,000) sf	(10% of net neighborhood demand provided at outlet)
Outlet induced demand	<u>10,000</u> sf	(see page 7)
Total neighborhood demand	220,000+/- sf	

Potential Future Neighborhood Demand (2030+, with adjustments for assumed more employment and importantly, a larger base of retail supply offering more consumer choices)

90% of buildout	39,000 persons	
Gross local demand	450,000+/- sf	(10 sf per person neighborhood retail plus 20% other)
Net local demand	295,000+/- sf	(70% capture)
Deduct for outlet capture	(29,000) sf	(10% of net neighborhood demand provided at outlet)
Outlet induced demand	<u>10,000</u> sf	(see page 7)
Total neighborhood demand	275,000+/- sf	

Neighborhood Retail Supply

Existing

Clarksburg Villages	109,000 sf grocery anchored
Clarksburg Highlands	18,000 sf (Stringtown Rd)
Other Clarksburg	<u>8,000</u> sf
Total:	135,000 sf

Planned / Future

Clarksburg Town Center	135,000 sf	(50,000 sf grocer, other)
Cabin Branch	50,000 to 120,000 sf	(non-grocer) (484,000 sf including outlet mall)
Miles-Coppola	<u>TBD</u>	(assume retail restricted regardless if includes outlet)
Total:	185,000+ sf	

Total Existing and Planned 320,000+ sf

Implications for Neighborhood Retail

- Enough near-term unmet demand for an additional 80,000 to 100,000+ sf
- Demand for additional grocery supply
- Minor potential net loss to outlet mall of local retail (i.e. 20,000 to 30,000 sf)
- Longer-term potential for an additional 50,000 sf, for a total increase of 130,000 to 150,000+ sf

MEMORANDUM

January 22, 2014

TO: Planning, Housing, and Economic Development Committee  
Transportation, Infrastructure, Energy, and Environment Committee

FROM: <sup>GO</sup> Glenn Orlin, Deputy Council Administrator

SUBJECT: Ten Mile Creek Area Limited Amendment—fiscal impact; transportation issues

**Councilmembers: Please bring your copy of the Draft Limited Amendment to this worksession.**

This memorandum addresses the Executive Branch's fiscal impact statement and the transportation elements in the Planning Board's Draft Plan Amendment.<sup>1</sup> Some purely technical corrections will be made to the final document, but they are not identified in this memorandum. **Council staff concurs with the Final Draft's transportation-related recommendations, except where noted in this packet.**

*1. Fiscal impact.* The Office of Management and Budget's fiscal impact statement of December 20 (©1-2) quantifies the County Government's capital and operating costs due to the proposed development. OMB identifies two categories of projects costing about \$97 million. Transit, road, and bikeway construction and improvements comprise \$92.4 million of this total, and are mostly associated with the northern portion of the MD 355 North BRT corridor (\$33.4 million), expansion of express and local bus services (\$24 million), and a portion of the MD 355 Bypass (\$33.4 million).

The cost of the MD 355 North BRT within the area of the Limited Amendment should be considerably less than \$22.3 million. It is only one block long within this area (from Redgrave Place to Clarksburg Road) representing about 4% of the length of the MD 355 North corridor between Clarksburg and Rockville, thus OMB assigned 4% of the cost of the MD 355 North BRT to the plan area. However, while most of this corridor calls for widening MD 355 to add a BRT lane, the segment through Clarksburg does not: it is planned to run in mixed traffic. Therefore, the construction cost will be minimal, limited to the northern terminus and 4% of the cost of the buses associated with the corridor. Also, if the Council were to approve Council staff's recommendation to reduce the number of lanes for the MD 355 Bypass to two lanes north of Clarksburg Road, its cost would be reduced somewhat.

However, the \$97 million understates the fiscal impact in one respect. Footnote #4 states that while the plan will not generate the need for new schools, Montgomery County Public Schools reports that the additional students generated by the new development will produce the need for additions at all three levels costing about \$22.7 million. Rather than being footnoted, these costs should be brought into

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<sup>1</sup> The Draft Limited Amendment's transportation discussion and recommendations are on pp. 22-27.

the table itself. Therefore, Council staff estimates that the total capital fiscal impact of the plan will be \$95-100 million, depending upon whether Council staff's MD 355 Bypass is approved or not.

OMB estimates the continuing operating budget impacts to be about \$16.5 million annually: \$7.4 million to subsidize the transit services and \$9.1 million for school-related costs.

**2. Land use/transportation balance.** Every master plan should have a balance between its proposed land use and its proposed transportation network and services. For more than two decades this "balance" has been defined as what would be needed to meet the current adequate public facilities (APF) requirements as described in the Subdivision Staging Policy (SSP). Achieving this balance in a plan is not an academic exercise: if a plan is not balanced, then at some point in the future a proposed master-planned development will be unable to proceed because it will have no means to meet the APF requirements.

Under the SSP's Transportation Policy Area Review (TPAR), the average peak-direction, peak-period speed on arterial roadways should be at least 45% of the free-flow speed. The Draft Amendment easily meets this standard: with the buildout of both the planned land use and transportation facilities and services, the Planning staff forecasts that the average peak-direction, peak-period speed on arterial roadways will be 63% of the free-flow speed.

The current transit service in Clarksburg, and in the Ten Mile Creek area in particular, is sparse. Ride On Route 75 runs every 30 minutes during the day to the Germantown Transit Center, where one can transfer to frequent express buses to Shady Grove. Route 79 runs every 30 minutes during peak periods to Shady Grove. Finally, at the Council's initiative, the Route 94 "Meet the MARC" service was funded, providing express service to and from the commuter rail station in Germantown, free of charge with a MARC weekly or monthly pass.<sup>2</sup>

These services fall well below the requirements to meet TPAR's Transit Adequacy Test, which requires that the routes cover at least 70% of the developed area, provide service every 20 minutes or less on average, and have a duration of at least 14 hours/day on average. However, the Plan calls for a large expansion of bus service, including the CCT, the MD 355 BRT, express services on I-270 to Shady Grove, a Clarksburg circulator, and other routes. The sum of these services should meet the Transit Adequacy Test handily.

For Local Area Transportation Review, the intersections must operate a level of service no worse than 1,425 Critical Lane Volume (CLV). Four intersections are projected to have CLVs higher than 1,425 in one or both peak hours under the high-build land use alternative in 2040:

<b>Intersection</b>	<b>AM Peak, 2040</b>	<b>PM Peak, 2040</b>
MD 355 & MD 121	875	<b>1,800</b>
MD 355 & Stringtown Road	1,073	<b>1,522</b>
Gateway Center Drive & Stringtown Road	<b>1,540</b>	<b>1,468</b>
Observation Drive & Stringtown Road	1,386	<b>1,616</b>

Values that exceed the Clarksburg 1,425 CLV standard are shown in **bold**.

<sup>2</sup> Route 94 was initiated on January 13, 2014.

The Plan recommends additional turn lanes or transit service to achieve acceptable conditions. M-NCPPC’s consultants have identified four potential sets of intersection improvements:

- *MD 355 & MD 121*: add an eastbound through lane on Clarksburg Road through the intersection.
- *MD 355 & Stringtown Road*: add an eastbound and a westbound through lane on Stringtown Road through the intersection.
- *Gateway Center Drive & Stringtown Road*: create double left-turn lanes on both the eastbound and westbound approaches of Stringtown Road; add double right-turn lanes from southbound Gateway Center Drive to westbound Stringtown Road.
- *Observation Drive & Stringtown Road*: add an eastbound and a westbound through lane on Stringtown Road through the intersection; create double left-turn lanes and free right-turn lanes on each of Stringtown Road’s approaches.

Together, these improvements are forecast to produce the following CLVs in 2040 under the high-build land use alternative:

<b>Intersection</b>	<b>AM Peak, 2040</b>	<b>PM Peak, 2040</b>
MD 355 & MD 121	875	1,409
MD 355 & Stringtown Road	921	1,274
Gateway Center Drive & Stringtown Road	<b>1,428</b>	1,026
Observation Drive & Stringtown Road	1,386	<b>1,430</b>

Values that exceed the Clarksburg 1,425 CLV standard are shown in **bold**.

According to the analysis, with these improvements Gateway Center Drive & Stringtown Road (in the AM peak) and Observation Drive & Stringtown Road (in the PM peak) still would exceed the standards. However, at least some of the trips would be not materialize due to the presence of the CCT and MD 355 North BRT services. Therefore, the LATR standards should be able to be met with these intersection improvements.

**Council staff recommendation:** **Include these intersection improvements in the master plan.** With these improvements the Limited Amendment land use will be in balance with transportation in 2040.

**3. MD 355 Bypass/CCT.** Much of this plan revolves around impervious surface and its impact on water quality in the Ten Mile Creek watershed. To reduce this impact, the Limited Amendment proposes shortening the MD 355 Bypass so that it would tie back into Frederick Road about 0.3-mile south of its currently master-planned terminus at the Frederick Road/Snowden Farm Parkway intersection. The connection would either be a T-intersection or a traffic circle.

The Limited Amendment also identifies a possible alternative alignment. Roberts Tavern Drive (the southern segment of the MD 355 Bypass) would be extended from Observation Drive to Gateway Center Drive; this extension would be outside the Ten Mile Creek watershed. The Bypass would follow northwest across Stringtown Road using Gateway Center Drive, and then north using Clarksburg Road to rejoin Frederick Road. The advantage of this alternative is that it would further reduce impervious surface by eliminating much of the bypass through the Ten Mile Creek area. The disadvantage is that the alternative is a more circuitous route for the Bypass, and for the CCT that would run parallel to it.

The Limited Amendment recommends that a facility planning study ultimately be conducted to determine which alternative should be built. The study would also determine the location for the CCT station(s) and MD 355 North BRT station(s) in the vicinity of the Clarksburg Town Center.<sup>3</sup>

For the primary alignment of the Bypass, the Limited Amendment recommends that it be a 4-lane road in addition to the 2-lane CCT within a 150'-wide right-of-way. Because MD 355 through the Town Center has several historic properties fronting it—and widening it would negatively impact these properties—the Bypass will be needed to accommodate the growth in north-south traffic, especially south of Clarksburg Road. However, the Bypass segment north of Clarksburg Road to the point where it would rejoin MD 355 only needs to have 2 travel lanes. This is because the traffic on upper MD 355 will be constrained by its current (and planned) 2-lane cross-section.

**Council staff recommends reducing the number of through lanes on the Bypass segment north of Clarksburg Road to 2 lanes, plus the CCT, within a 130'-wide right-of-way.** This will further reduce the imperviousness in the Ten Mile Creek watershed.

**4. Bikeways.** The Limited Amendment recommends two changes to the bikeway plan in Clarksburg within the Ten Mile Creek area. The 1994 Plan called for a shared use path along Comus Road between Frederick Road and Shiloh Church Road; the Amendment calls for a signed shared roadway there instead. This would mean that instead of a 10'-wide path, this section of Comus Road would be widened slightly to have lanes broad enough for both cars and bikes to travel alongside safely. The other change is to add bike lanes on Clarksburg Road between Frederick Road and Stringtown Road, including a small stretch of shared use path at the south end.

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<sup>3</sup> The recently approved Countywide Transit Corridors Functional Master Plan shows the northern terminus of the MD 355 North BRT corridor to be at Redgrave Place, but that could change as a result of this facility planning study.

PH 12/3/13  
CLARKSBURG



OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett  
County Executive

Jennifer A. Hughes  
Director

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CC  
SBF  
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KL

MEMORANDUM

December 20, 2013

TO: Craig Rice, President, County Council  
FROM: Jennifer A. Hughes, Director, Office of Management and Budget  
SUBJECT: 10 Mile Creek Area Limited Amendment

Please find attached the fiscal impact statement for the above referenced master plan amendment.

JAH:jdm

- cc: Bonnie Kirkland, Assistant Chief Administrative Officer
- Lisa Austin, Offices of the County Executive
- Joy Nurmi, Special Assistant to the County Executive
- Patrick Lacefield, Director, Public Information Office
- Joseph F. Beach, Director, Department of Finance
- Michael Coveyou, Department of Finance
- Glenn Orlin, Deputy Council Administrator
- Naeem Mia, Office of Management and Budget
- Jedediah Millard, Office of Management and Budget
- Felicia Zhang, Office of Management and Budget

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**Capital and Operating Cost Estimates Assumed to be Incurred as a Result of the 10 Mile Creek Area Limited Amendment**  
12/20/2013

Capital Improvement Projects		
Project Type	Description	Cost Estimate
Transit, Road Construction and Improvements	MD355 North Rapid Transit Corridor - 4% of total within Plan Area	\$22.3 million
	Minor Transit - Express Shady Grove Metro, Express Germantown, Ride-On Milestone, Ride-On Lakeforest/Gaithersburg, Clarksburg Circulator	\$24 million
	New Roadways - A-251 (355 Bypass)	\$33.4 million
	New Bikeways - Comus Rd & Clarksburg Rd	\$10.7 million
	Minor Intersection Improvements - placeholder for miscellaneous treatments	\$2 million
Park Land Acquisitions and Improvements	Legacy Open Space - Create new Ten Mile Creek Conservation Park	\$4 million
	Natural surface trail linking Little Bennett Regional Park to Black Hill Regional	\$180,000
	Provide five trailheads to access the Ten Mile Creek natural surface trail	\$150,000
	Provide a new Neighborhood Park of at least 10 acres with proposed preliminary POR (nature oriented, with limited constructed facilities)	\$300,000
<b>Subtotal Capital Improvement Projects:</b>		<b>\$97,030,000</b>

Potential Future Fiscal Impacts		
Department	Description	Cost Estimate
Transportation	MD355 North Rapid Transit Corridor - 4% of total within Plan Area	\$1.08 million
	Minor Transit - Express Shady Grove Metro, Express Germantown, Ride-On Milestone, Ride-On Lakeforest/Gaithersburg, Clarksburg Circulator	\$6.09 million
	New Roadways - A-251 (355 Bypass)	\$160,000
	New Bikeways - Comus Rd & Clarksburg Rd	\$40,000
MCPS	Elementary: 332 additional students x \$14,372 per student = \$4,771,504	
	Middle: 139 additional students x \$13,786 per student = \$1,916,254 High: 171 additional students x \$14,065 per student = \$2,405,115 Total Annual Operating Budget Impact = \$9,092,873	
<b>Subtotal Operating Budget Impacts (Ongoing costs):</b>		<b>16,462,873</b>

**Notes and Assumptions**

- The following departments reported no fiscal impacts: General Services (DGS), Housing & Community Affairs (DHCA), Recreation (REC), Health and Human Services (DHHS), Police (POL), Environmental Protection (DEP), Permitting Services (DPS), Fire & Rescue Services (FRS), Economic Development (DED), Libraries (LIB).
- Clarksburg Fire Station - DGS has already received mandatory review approval from M-NCPPC and has no plans to make any revisions at this time.
- Additional County costs will be incurred if further restrictions are added to the development potential of the County owned parcel adjacent to the Correctional Facility.
- While the plan does not recommend new schools, MCPS reported the following capital costs based on projected student generation at buildout: Elementary = \$10,756,468; Middle = \$4,922,963; High = \$6,946,875; Total Capital Costs = \$22,696,306
- The Plan recommends extension of public water/sewer service to the Historic District as part of the development process by the property owner, as does the 1994 Plan.
- Six percent of the Corridor Cities Transitway (CCT) is located in the Plan Area. This is assumed to be a State funded project. For only the portion within the Plan Area, capital costs are estimated at \$65.4 million with annual operating expenses estimated at \$2 million.
- Operating estimates for the CCT and MD355 North Rapid Transit Corridor include 20% farebox recovery and minor transit operating estimates include 15% farebox
- For benefits of the portions of the CCT and MD355 North Rapid Transit Corridor within the Plan Area to be fully realized, both corridors must be completed in their entirety.
- All estimates are in 2013 dollars.

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