

4 Bethesda Metro Center, Bethesda, Maryland Statement of Justification Sketch Plan

I. Introduction

BOP Bethesda Metro Center LLC, an affiliate of Brookfield Property Partners (the "Applicant") is submitting this Sketch Plan Application for the proposed redevelopment of a portion of the Bethesda Metro Center project with a new mixed-use development which shall include various public amenities. The Bethesda Metro Center project is prominently located along Wisconsin Avenue in the southwest quadrant of the intersection of Wisconsin Avenue and Old Georgetown Road/East-West Highway (the "Overall Property"). In real estate, sites recognized for their key development potential are often referred to as being at the corner of "Main and Main". Even better than that, this site, in the heart of the Bethesda Central Business District ("CBD") and directly atop the Bethesda Metro Station and bus facilities, is at the corner or "Main and Train".

Although the entire Bethesda Metro Center project is included in this Sketch Plan application, only a portion of the Overall Property is proposed for redevelopment – the 15-story portion of the office building (known as 3 Bethesda Metro Center) and the hotel (currently operated as a Hyatt) will remain largely (the hotel currently is being renovated in a manner that will add more activity to the public plaza that serves the Overall Property ("Metro Plaza") and will directly complement the proposed "4BMC" project). As will be discussed in greater detail below, the smaller, three-story appendage of the existing 3 Bethesda Metro Center office building (which is known as the former "food court") and the surrounding Metro Plaza area (collectively, the "Redevelopment Area") are in need of significant revitalization. As such, the Applicant is proposing to demolish the existing three-story "food court" to accommodate the development of a new mixed-use building that is more appropriately scaled, given the Overall Property's proximity to Metro and public transit. The proposed development of the Redevelopment Area (the "Project") will include various improvements to the public open space at the Metro Plaza level and the Metro bus area below. The end result will be a more active and attractive urban environment for Bethesda's CBD.

I. Background

The Bethesda Metro Center project was developed in the 1980's under the 1976 Bethesda CBD Sector Plan, a plan that is now more than 40 years old. Although the Overall Property was developed around the time Metro was being extended to Bethesda, the importance of Metro, public transit, and smart growth was not fully appreciated at the time. As evidence of this, the development plans approved for the Overall Property in the 1980's did not take full advantage of the zoning potential. As a result, the Overall Property is significantly underdeveloped – while

the current zoning allows for an overall development of 8.0 floor area ratio ("FAR"), the Overall Property was only built to an approximately 3.34 FAR.

Recognizing the Overall Property's untapped potential, in 2007, the prior owners of the Bethesda Metro Center project proposed a redevelopment plan that included a 16-story office building with first floor cultural, restaurant, and retail uses. Maryland-National Capital Park and Planning Commission ("M-NCPPC") Staff fully supported the vision, proposed building design, and additional gross floor area, as did numerous other State and County officials, agencies, and organizations. The Montgomery County Planning Board ("Planning Board") concluded, however, that the 1994 Bethesda CBD Sector Plan would require amending before such redevelopment could occur. Due to the press of many competing master plan studies, an update to the 1994 Bethesda CBD Sector Plan was not possible until only recently.

The Applicant was very active in the Bethesda Downtown planning process from its inception. The recently adopted *2017 Approved and Adopted Bethesda Downtown Plan* (the "Sector Plan" or "Bethesda Downtown Plan") updates the 1994 Bethesda CBD Sector Plan and the Amendments to that Plan, including the 2006 Woodmont Triangle Amendment and the Bethesda Purple Line Station Minor Master Plan Amendment. The Applicant has been very forthcoming with the community, M-NCPPC Staff, the Planning Board and the Montgomery County Council ("County Council") regarding their vision and intentions for the Redevelopment Area. The Applicant is pleased with the support they have received for revitalizing the Metro Center. M-NCPPC Staff and the Planning Board unanimously recommended redevelopment opportunities for the Bethesda Metro Center and support increased height for the Redevelopment Area in order to accommodate this desired development. The additional building height and overall vision for the Redevelopment Area has also been supported by the County Council.

After ten years of waiting, the Applicant is excited that the recently adopted Bethesda Downtown Plan now provides the opportunity to make their vision a reality. The Sector Plan's recommendations for the Redevelopment Area (including the recommended zoning, which retains the existing density but allows for a taller building), now ensures the ability of the Applicant to revitalize the Metro Center area, through redevelopment of the underdeveloped portion of the Overall Property with a desirable mix of uses (including additional ground floor retail with office or residential uses above) and significant improvements to the Metro Plaza and Metro bus facilities. The Applicant is excited to move forward with this Project and implement the Sector Plan's vision for this Redevelopment Area.

II. Prior Approvals

The Planning Board approved a Project Plan (No. 919810050) for the Overall Property on September 2, 1981 for a 231,164 square-foot, 400-room hotel, and 400,110 square feet of office and retail uses, as subsequently modified by various amendments (when amended, the Project Plan was reclassified under Project Plan No. 919920040). A Preliminary Plan (No. 119810680) was approved for the Overall Property on June 18, 1981. Site Plan No. 819810750 was originally approved on December 10, 1981 for 334,110 square feet of office, 66,000 square

feet of retail, and a 231,164 square-foot, 400-room hotel use (in connection with a subsequent Site Plan Amendment, the Site Plan was reclassified as Site Plan No. 819880450).

Various amendments to the Project and Site Plans have been approved over the years. Of note, the Project Plan and Site Plan were amended on July 20, 2000 for the conversion of 15,220 square feet of retail space in the office building, into office use, of which 11,711 square feet was to be converted only for an interim period of time unless a subsequent amendment was approved for modifications to the Metro Plaza, in conformance with the guidelines of the then applicable 1994 Bethesda CBD Sector Plan. Accordingly, subsequent amendments to the Project Plan and Site Plan (No. 81988045B) were approved by the Planning Board on November 15, 2001 for upgrades to the Metro Plaza, thereby making permanent the conversion of the entire 15,220 square feet of retail into office use, and an additional 1,500 square feet of retail use (for a restaurant in the interior of the Metro Plaza). Most recently, the Site Plan and Project Plan were amended to allow for the addition of 1,000 square feet of retail/restaurant use to the Hyatt hotel, including a corresponding reduction to the approved building area for the 3 Bethesda Metro Center office building, and associated site improvements (Site Plan No. 81988045D and Project Plan No. 91992004F). In summary, the Overall Property is approved for a total of 632,774 square feet including: (1) a 233,664 square foot hotel, and (2) a combined total of 399,110 square feet of office and retail use.

III. Property Description

A. Property Location and Characteristics

The Overall Property is located in the heart of the Bethesda CBD. Given its prominent location directly on top of the Bethesda Metro Station and bus facilities, it is one of the first things many visitors see when arriving in Bethesda.

The Overall Property is a recorded lot more particularly known as Part of Lot 37, Block 13 in the "Edgemoor" Subdivision, as recorded among the land records of Montgomery County at Plat No. 13897. The Overall Property has a net lot area of approximately 151,714 square feet (or 3.48 acres) and, including land previously dedicated to public use, a total tract (gross tract) area of approximately 189,283 square feet (4.35 acres). That portion of the Overall Property that is proposed for redevelopment (approximately 71,973 square feet) and is referred to herein as the "Redevelopment Area" is shown in the plan attached hereto as Exhibit "A".

The Overall Property falls within the Bethesda Parking Lot District (the "PLD").

B. Zoning and Permitted Uses

In connection with Sectional Map Amendment H-122, the Overall Property was recently split-zoned: CR 8.0, C-8.0, R-7.5, H-210' and CR 8.0, C-8.0, R-7.5, H-290'. The Overall Property also falls within the Bethesda Overlay Zone. The Redevelopment Area (as shown on Exhibit "A" attached hereto) falls within the eastern portion of the Overall Property, which is zoned CR 8.0, C-6.0, R-7.5, H-290'. The western portion of the Overall Property, currently

improved with the 15-story portion of the office building (to remain), is zoned CR 8.0, C-6.0, R-7.5, H-210'. The Project will comply with these standards and does not require the allocation of any Bonus Density under the Sector Plan.

Pursuant to Section 3.1.6 of the 2014 Montgomery County Zoning Ordinance (the "Zoning Ordinance"), multi-unit living, office, restaurant, and retail/service establishments up to 50,000 square feet all are permitted uses in the CR Zone. As discussed in this Statement, the Project satisfies the various requirements of the CR Zone and substantially conforms to the recommendations of the Bethesda Downtown Plan.

C. Existing Conditions

As mentioned above, the Overall Property is currently improved with an office building (3 Bethesda Metro Center), the Hyatt hotel (including retail/restaurant uses), the Metro Plaza, and below-grade parking. Collectively, the existing buildings contain approximately 632,774 square feet of gross floor area.

The three-story appendage of the existing office building, originally designed as a "food court", has surpassed its lifespan. The building is an opaque brown glass structure that is drab and has little aesthetic value. Additionally, because it was retrofitted for office use (from the previous retail use), the building is functionally obsolete in today's market. A portion of the existing 3 Bethesda Metro Center office building will be removed, including the "food court" and a small bump-out in the southwest corner of the Metro Plaza (collectively, approximately 40,532 square feet). Thus, 592,242 square feet of existing development will remain.

The existing Metro Plaza is located between the office and hotel, with frontage on Wisconsin Avenue. The Metro Plaza is poorly defined space which incorporates conditions that present numerous challenges to meaningful use of the public space, including substantial grade changes, as well as visual and physical obstructions. Attempts have been made to revitalize the Metro Plaza, including most recently, an attempt in 2001 to revitalize the space through additional seating and landscaping; replacement of the previous skating rink with a lawn panel; relocation of art sculptures; and removal of some visual obstructions of the space from the street. Nevertheless, the Metro Plaza continues to be an underutilized space, in part, because the surrounding development fails to define this outdoor space in a manner that would encourage public activity. Furthermore, the programming, materials, and lack of landscaping make the Metro Plaza dull and somewhat uninviting.

The existing bus facilities located below the Metro Plaza serve as an important transit hub for the County – with service by 14 Metro bus and Ride-On routes. However, the bus facility area which is significantly lacking in identity and wayfinding signage, is in critical need of improvement.

Overall, the Metro Center is in need of new life.

D. Surrounding Zoning and Land Uses

The Overall Property is surrounded by various residential, office, restaurant, and retail/service uses:

- North: Directly adjacent to the Overall Property, to the north, is the 200' tall Clark building, zoned CR-8.0, C-8.0, R-7.5, H-290'. Confronting the Overall Property, across Edgemoor Lane, is the Metropolitan (a 14-story multi-family residential building), and Public Parking Garage No. 49.
- East: Confronting the Overall Property diagonally across the intersection of Wisconsin Avenue and East-West Highway/Old Georgetown Road is the 16-story Chevy Chase Bank Building, split-zoned CR-5.0, C-5.0, R-4.0, H-290' and CR-5.0, C-5.0, R-4.0, H-240'.
- South: The Newlands building (a 17-story office building) and old Post Office building are located to the south, and are zoned CR-8.0, C-8.0, R-7.75, H-250' and CR-8.0, C-8.0, R-7.75, H-290', respectively.
- West: Confronting the Overall Property across Woodmont Avenue, is the 13-story Chase Condominium (zoned CR-2.5, C-0.25, R-2.5, H-155'); a single-family dwelling that is now operated as professional offices (zoned CR-2.5, C-0.5, R-2.5, H-120'); and a proposed 15-story residential building (the Edgemont II) (zoned CR-2.5, C-0.5, R-2.5, H-150').

IV. Proposed Development

The Applicant is requesting approval to redevelop the existing three-story "food court" building and a portion of the surrounding Metro Plaza (replacing approximately 40,532 square feet) with a new mixed-use development containing up to a maximum of 500,000 square feet, for a net increase in 459,468 square feet of new development. Following completion of the Project, the Overall Property will not exceed 1,092,242 square feet (or 5.77 FAR). The remaining 15-story portion of the office building and the hotel (including ground floor retail/restaurant uses) will remain unchanged by this Application. Consistent with the Sector Plan's goal of providing flexibility to allow development to better adapt to market conditions (*see* pages 8 and 101), the Applicant is requesting flexibility in order to respond to changes in market demands and as such, is requesting approval of two alternative development scenarios. Both scenarios will adhere to the maximum development caps proposed for the Overall Property.

Option 1: This residential and retail scenario proposes ground floor retail, restaurant and other activating uses with multi-unit residential uses above. The residential component of the Project will include a minimum of 15% Moderately Priced Dwelling Units ("MPDUs"); or

Option 2: This scenario would enable non-residential, instead of residential development, above the ground floor uses.

Both development scenarios will provide substantial public benefits and amenities, including various improvements to the public open space at the Metro Plaza level, improvements

to the Metro bus facilities below, and enhanced access to transit, all of which are described in more detail below. Both options also address the Sector Plan objectives and the Design Guidelines for that plan.

The final allocation of uses will be determined at the time of Site Plan review.

A. Architectural Design

The Project responds to the Overall Property's prominent location directly atop the Bethesda Metro Center and will significantly contribute to the strength of Bethesda as a vibrant, mixed-use, transit-oriented district. Both development scenarios proposed will provide a desirable mix of uses, at an appropriate density, which will contribute to the critical mass of persons necessary to activate the Metro Plaza.

The Project will deliver a signature building at this important location. The architectural design of the Project will both enhance the pedestrian environment and surrounding public use space, and emphasize the urban nature of the Project. The massing and verticality of the building will emphasize the urban context of the Project, while façade treatments and architectural elements will provide an appropriate human-scale at the pedestrian level. The proposed building has been strategically designed to help frame the Metro Plaza, in order to provide a well-defined space, while simultaneously preserving views of Wisconsin Avenue and Old Georgetown Road to improve visibility and connections to the street.

The Project will closely follow the Sector Plan and *July 2017 Approved and Adopted Bethesda Downtown Plan Design Guidelines* (the "Design Guidelines") and the open space design and programming has been conceived to address the objectives in the pending Energized Public Space Functional Master Plan.

An important component of the Project is the redesigned Metro Plaza. As discussed above, the Metro Plaza is an underutilized space. Although there have been attempts to revitalize the Metro Plaza in the past, this space cannot be redesigned in a vacuum. Rather, the vibrancy of the Metro Plaza is dependent on the presence of additional workers (in the case of the office option) or residents (in the case of the residential option) as well as redesign of the Plaza itself and the addition of activating, ground-floor uses, improved circulation, and successful programming. The Project recognizes this and, as discussed in detail below, provides a comprehensive approach to the revitalization of the Metro Plaza.

Retail and restaurant uses, as well as other activating uses with outdoor seating, are recognized to be an effective way to enliven public spaces. As such, both development scenarios will introduce new active, ground-floor uses, to help enliven this space. At the pedestrian level, the façades are currently intended to incorporate a significant amount of glass, in order to provide ample transparency into these active ground floor uses and to engage the street and surrounding public spaces.

B. Open Space

Under the Optional Method of Development in the CR Zone (given the land area and number of existing and planned right-of-way frontages), the Project is required to provide a minimum of 10% of the site as open space. The Project will greatly exceed this requirement.

The Project provides a comprehensive redesign of the Metro Plaza. The public open space that comprises the Metro Plaza will consist of zones, intended to serve different functions, in order to meet the needs of various users of the site. These spaces are: (1) Wisconsin Avenue Plaza, (2) Performance Area/Central Lawn, (3) Retail Promenade, (4) Gallery, and (5) Activity Zones. The final design of each of these spaces will be determined in connection with the subsequent Site Plan application.

i. Wisconsin Avenue Plaza

The Wisconsin Avenue Plaza is located along the Redevelopment Area's Wisconsin Avenue frontage. This space is designed to provide a welcoming experience to persons entering Bethesda. To this end, the Wisconsin Avenue Plaza will be designed as an open and flexible space that can accommodate the convergence of multiple flows of people. The Wisconsin Avenue Plaza will provide clear visual connections to the adjacent open spaces to encourage visitors and users to meander further into the site. The space will have the ability to accommodate temporary uses including, for example, pop up retail uses during the holiday seasons, which will provide additional activation. Importantly, the Applicant is proposing a new and relocated covered escalator that will be seamlessly integrated into the overall plaza design, to encourage transit users to utilize the Wisconsin Avenue Plaza when accessing the Metro and bus facilities.

ii. Central Lawn

This area is envisioned as a flexible, inviting green space. The proposed location will allow for the creation of a "living room" for all of Bethesda, buffered from the noise and traffic of the surrounding streets by the proposed building. The Applicant's intention is to transform the lawn into a destination. This flexible space will be programmed with temporary programs and events such as potential outdoor fitness programs (*e.g.* yoga), "movies on the lawn", community events, and/or concerts. Moveable seating will be added to encourage visitors to interact within the space, creating a more flexible and dynamic space. It is also currently anticipated that retail kiosks would be incorporated around the periphery of the Central Lawn to further activate this public space.

iii. Retail Promenade

The Retail Promenade connects the Wisconsin Avenue Plaza to the interior Central Lawn. The proposed design of the promenade envisions a unified public space that works both for pedestrians passing through and as a destination in itself. The Promenade will be appropriately sized to provide ample room for pedestrian circulation, while also providing a sense of enclosure to create a comfortable outdoor space.

The Retail Promenade will be lined by active ground floor uses. As mentioned above, the Hyatt Hotel is currently in the process of adding an additional 1,000 square feet to the ground floor retail/restaurant uses to complement its existing retail uses, which will line the south side of the Retail Promenade. Both development scenarios for the Project include active, ground floor uses that will line the north side of the Promenade. Additionally, outdoor seating is contemplated as part of any restaurant uses on the ground floor space.

The Retail Promenade design will incorporate lighting, paving, seating, and landscaping that will be designed as part of an integrated experience. These design elements will create a dynamic experience that will draw visitors into the site, and encourage patrons to either sit and relax, or shop and dine.

iv. Gallery

The Gallery will serve as an intimate outdoor passage that provides a north-south pedestrian link in the heart of downtown Bethesda. It will be designed to facilitate informal outdoor gatherings that will serve as both a place for employees, residents and visitors to sit and relax. The Gallery is currently intended to feature creative outdoor seating opportunities.

v. Activity Zones

An important component to the activation of the Metro Plaza is the proposed Activity Zones. The main Activity Zone will be prominently located at the convergence of the Retail Promenade, Central Lawn, and the Gallery. This central Activity Zone will have visibility from Wisconsin Avenue and will feature art installations that create visual interest and draw visitors into the site. Other portions of the Redevelopment Area, including the Central Lawn and the Wisconsin Avenue Plaza will also serve as Activity Zone locations to provide a variety of programming throughout the site. The activities in all of these areas will include cultural/artistic experiences (often through engagement with local artists) such as concerts, theater, dance, film screenings, art exhibitions etc. These events and installations will serve as a beacon to attract visitors and will help transform the Metro Plaza into a destination in itself.

C. Recreational Amenities

Section 6.3.9 of the Zoning Ordinance requires that any building containing 20 or more dwelling units must offer recreational facilities in accordance with M-NCPPC's Recreation Guidelines. Any residential component of the Project will provide recreational amenities consistent with the Guidelines. The Applicant's recreation and amenity analysis, if applicable, will be submitted at the time of Site Plan approval.

D. Pedestrian and Vehicular Circulation

Given the Overall Property's prominent location, directly atop the Bethesda Metro Station and Metro bus facilities, improving access to transit is an important goal of the Project. The Applicant is committed to various upgrades to the bus facilities, which are in need of significant improvement. Through discussions with a wide variety of Bethesda organizations and owners in the Bethesda area, as well the Washington Metropolitan Area Transit Authority ("WMATA"),

the Applicant has identified a series of highly-desirable improvements to the Bethesda bus station area. The improvements currently under consideration include better lighting, improved seating areas, improved bicycle facilities, better way-finding, continuation of the artwork from the Wisconsin pedestrian tunnel into the bus bay, enhanced commercial signage activating highly visible areas, and a possible vestibule to provide an enclosed entrance to the bus facilities and Metro station below. The exact benefits will be refined through further discussions with the community and WMATA, and determined at the time of Site Plan.

The Project will also include several improvements to enhance access to and from the Metro/bus facilities, from the Metro Plaza and surrounding community. The Applicant is proposing to construct a new covered escalator that will provide a direct pedestrian connection between the Metro Plaza and transit facilities below. Additionally, the Applicant is proposing certain improvements to the existing staircase near the intersection of Woodmont Avenue and North Lane, and a new elevator at this location. All of these improvements are intended to enhance the community's experience when accessing the Metro Station and bus facilities, and importantly, are designed to encourage use of the Metro Plaza above.

E. Parking and Loading

The Project is located in the Bethesda Parking Lot District ("PLD") and is directly across from Public Parking Garage No. 49. Properties located within the PLD are not required to provide the on-site parking otherwise required by the Zoning Ordinance.

In line with the Sector Plan's goal to encourage a constrained long-term parking supply and incentivize reduced parking (*see* pages 15, 35, 57), no additional parking is proposed. Rather, the Project will make use of the existing, below-grade parking garage. The parking garage is accessed through driveway entrances off of both Woodmont Avenue and Wisconsin Avenue. The Overall Property will continue to provide sufficient parking following completion of the Project, given the Property's location directly atop the Bethesda Metro Station and within the PLD.

Section 6.2.4.C of the Zoning Ordinance requires 0.5 bicycle spaces be provided per dwelling unit, up to a maximum of 100 spaces, for every new multi-family residential building containing 20 or more dwelling units. Of the residential bicycle parking spaces required, 95% must be provided as long-term spaces. For retail/service establishment and restaurants, the Zoning Ordinance requires one (1) bicycle space for every 10,000 square feet of gross floor area, of which 15% must be devoted to long term use (retail/service establishment bicycle parking is capped at 50 spaces and restaurant bicycle parking is capped at 10 spaces). Additionally, the Zoning Ordinance requires one (1) bicycle space for every 5,000 square feet of office gross floor area, up to a maximum of 100, of which 85% must be devoted to long term use. The Project will provide sufficient bicycle parking on-site to satisfy the requirements of Section 6.2.4. The final bicycle parking counts will be determined at Site Plan, when the mix of uses is finalized.

Loading and servicing will be accommodated on-site and the Project will comply with the Montgomery County Department of Permitting Services ("DPS") Loading Space Guidelines and will comply with the design standards in Section 6.2.8 of the Zoning Ordinance.

V. Sector Plan Compliance

The Property is within the boundaries of the *2017 Approved and Adopted Bethesda Downtown Plan*. The Project furthers many of the specific goals of the Bethesda Downtown Plan and will contribute to the creation of a thriving urban environment.

The Project promotes the Sector Plan's goal of creating a truly sustainable downtown. The Project promotes this goal by developing a signature, signature building on this underdeveloped site. As mentioned above, the Redevelopment Area sits directly atop the Bethesda Metro Station and bus facilities, which is served by 14 Metro and Ride-On routes. Given its proximity to transit, the additional non-residential uses (and potential residential uses) proposed at this location will facilitate the use of alternative modes of transportation for work trips and promote the Non-Auto Driver Mode Share goal for Bethesda (*i.e.* 55%), as recommended in the Sector Plan. Moreover, the significant enhancements to the multi-modal station itself, through improvement of the bus facilities and transit access, will further enhance transit operations and user experience. The Project also promotes the following goals:

- **Parks and Open Spaces.** The Project creates new civic gathering areas and pedestrian connections through the major renovations to the Metro Plaza;
- **Affordable Housing.** Any residential component of the Project will include a minimum of 15% MPDUs, increasing affordable housing in close proximity to transit;
- **Environmental Innovation.** The Project will create no new impervious area. Rather, the proposed redevelopment offers an important opportunity to provide stormwater management on the Property, where there currently is none. Specifically, the Project would allow for the introduction of Environmental Site Design ("ESD") to the Maximum Extent Practicable. Additionally, the building will incorporate sustainable design features and energy efficient building technologies;
- **Economic Competitiveness.** The proposed signature building, located directly above the Metro Station, with access to substantial public amenities (including the redesigned Metro Plaza) and retail/service uses will attract businesses and further promote Bethesda as a competitive market in the Washington Metropolitan Region.

The Overall Property is located within the "Wisconsin Avenue and Established Centers" district in the Sector Plan. The Sector Plan envisions the Wisconsin Avenue corridor "as a symbolic downtown center that reflects the character of adjacent neighborhoods and overall identity of Bethesda through innovative building designs and active public spaces." (*see* page

96). The Project promotes the specific goals of the Wisconsin Avenue and Established Centers district, including:

(1) Land Use and Zoning

- Provides infill development and reinvestment on an underutilized commercial site;
- If the residential option is developed, the Project will provide additional affordable housing directly atop the Metro station;
- Introduces a signature tall building at this major civic space, in the established center;
- Provides high-intensity infill development above the Metro Station, from which surrounding buildings will step down in height and density as they approach the edges;
- Improves and enhances the existing, underutilized Metro Plaza (a privately owned, public use space);
- Provides distinct new civic gathering spaces through the redesign of the Metro Plaza;
- Promotes the creation of a high-performance building in the established Metro Center; and
- Improves the pedestrian environment through upgraded streetscapes.

(2) Urban Design

- Provides streetscape improvements along Wisconsin Avenue that ensure a clear pedestrian pathway and improve pedestrian safety by providing a landscape buffer between the sidewalk and the street; and
- Retains a significant amount of public open space at Metro Center, that achieves the following recommendations:
 - Redesigns and reconfigures the existing Metro Plaza into a series of outdoor spaces to make it more usable, more programmable, and more inviting;
 - Introduces temporary programming and events to activate the Metro Plaza;
 - Removes existing visual barriers to increase the visibility of the proposed public spaces and draw visitors into the site;
 - Introduces new ground-floor retail uses on the Metro Plaza level to further activate the space;
 - The Central Lawn will serve as a welcoming and accessible central community gathering space;
 - Improves the connections between the below-grade Metro bus facilities and the Metro Plaza, through the construction of a new covered escalator,

elevator, and enhanced stairway, to encourage Metro riders to utilize the Metro Plaza; and

- Provides significant improvements to the Metro bus facility that will make the area more inviting.

(3) Building Form

- Provides a signature tall building along Wisconsin Avenue that emphasizes the urban nature of the Project, while simultaneously enhancing the pedestrian environment. Through façade treatments, the building design will provide an appropriate human-scale at the pedestrian level:
 - An appropriate amount of transparency will be provided at the pedestrian level to provide views into the active, ground-floor uses.
 - The proposed building has been situated to maintain an appropriate separation from the existing, surrounding buildings.
- Provides visual interest along Wisconsin Avenue through the introduction of a signature tall building at the transit gateway to the Bethesda Metro Station.

VI. Bethesda Design Guidelines

The Bethesda Downtown Plan Design Guidelines ("Guidelines") acknowledge the uniqueness of Metro Center Plaza as "a centrally located gateway site into Downtown Bethesda" by recommending a "signature" tall building to "provide orientation to the symbolic center of Bethesda." The building design will be distinctive and site specific, while employing many of the design recommendations set forth in the Guidelines.

The tower is positioned on the northern side of the Redevelopment Area to limit shadowing onto the primary public spaces and maximize access to daylight and air in the primary public spaces: the Entry Plaza, Promenade, and Central Lawn. The primary facades of the building are oriented toward these spaces to promote an inviting pedestrian experience and will be further enhanced at the ground level by activating uses. The building's primary corner stretches toward the junction of Old Georgetown Road and Wisconsin Avenue to reinforce the street edge, while setting-back from the curb to facilitate smooth pedestrian flow into the public open spaces and down to the Metro station. The building is located as far back from the street as possible to increase usable public open space within the plaza, however the location is constrained by the existing parking garage structure and the requirements for fire department access.

The ground floor will use architectural elements such as well-designed entries, materials, awnings, signage, plantings, and views into and from ground floor spaces to create a visually inviting, active, and human-scaled building edge for the frontage on Old Georgetown Road and Wisconsin Avenue, and onto the primary public open spaces on the site. Balconies or terraces, if provided, will be oriented towards the streets and public open spaces where possible.

The building mass is set back from the Frontage Zone, and the architectural articulation of the base of the building will be sufficiently varied to break up the mass at pedestrian level. The building's primary corner, which terminates major view corridors along East-West Highway and Wisconsin Avenue, will be activated by the primary building entrance and/or retail uses. This primary and visible corner will have a signature design expression. The full height of the building may be expressed at this corner and other corners that front on major public open spaces.

Above the base, the building's tower is set back from the property line on all four sides. The placement of the tower meets the intent of the Guidelines by providing at least 30 feet of separation from adjacent buildings and 45 feet or more for 88% of the façades. Since the building edge is set-back 50 feet and more from the street, the building's full height may be expressed to the ground across the building's frontage to reinforce the street edge along Wisconsin Avenue. Where a step-back is not provided, alternative treatments may be used to enhance the pedestrian environment at the building's ground level.

The new building will provide variation in building height with the existing structures at Metro Center Plaza and on adjacent properties. Facades will be designed to add visual interest and reduce perceived building bulk. This may include the use of unique geometry, changes in façade planes or depth, modulation and articulation of façade elements, or a combination thereof. Guidelines for bird-safe design will be considered in the development of the façades. A signature tower top will be designed to reflect the prominence of the site to the public and downtown Bethesda, and the mechanical penthouses and rooftop amenity spaces may be integrated into the top.

VII. Zoning Ordinance Conformance

A. Objectives

Section 4.5.1 of the Zoning Ordinance states that the CR zone "permit[s] a mix of residential and nonresidential uses at varying densities and heights. The zone promotes economically, environmentally and socially sustainable development patterns where people can live, work, recreate, and access services and amenities." The Project responds to the specific objectives of the CR Zone as follows:

(a) Implement the recommendations of applicable master plans;

As discussed in detail in Section V above, the Project implements the goals and recommendations of the Sector Plan.

(b) Target opportunities for redevelopment of single-use commercial areas and surface parking lots with a mix of uses;

The Project provides an important opportunity for infill development of an underdeveloped commercial site, as recommended by the Sector Plan, with a mixed-use, transit-oriented Project. The Project will provide a variety of uses (including restaurant, retail/service, and residential or office) within walking distance of the Bethesda Metro Station, various bus

routes, the proposed Bethesda Purple Line Station, and other transit options (including the Bethesda Circulator).

(c) Encourage development that integrates a combination of housing types, mobility options, commercial services, and public facilities and amenities, where parking is prohibited between the building and the street;

The Project provides significant public benefits and amenities, including various improvements to Metro bus facilities and Metro Plaza, as well as transit access improvements. Additionally, the location of the Project, atop the Metro Station and bus area, will facilitate the use of multiple modes of transportation to access to the Property.

(d) Allow a flexible mix of uses, densities, and building heights appropriate to various settings to ensure compatible relationships with adjoining neighborhoods;

The Project will provide a desirable mix of uses, at an appropriate density, at this prominent location. The proposed building height will highlight the Project's important location as a gateway to the Bethesda Metro Station. The surrounding buildings will step down in height and density as they approach the edges, to provide an appropriate transition to the existing residential areas on the edges/outside of the Plan boundary.

(e) Integrate an appropriate balance of employment and housing opportunities; and

The Project proposes two development scenarios – one proposing a substantial amount of new residential development and the other proposing additional office use. Given the existing mix-of uses within the Bethesda CBD, both development scenarios will facilitate an appropriate mix of employment and housing opportunities to facilitate the creation of a sustainable downtown.

(f) Standardize optional method development by establishing minimum requirements for the provision of public benefits that will support and accommodate density above the standard method limit.

As discussed below, the Project will include public benefits, in accordance with the requirements in Section 4.5.4.A.2 of the Zoning Ordinance.

B. Special Regulations for the Optional Method of Development

Properties developed under the Optional Method of Development must comply with the general requirements and development standards of the CR Zone and must provide public benefits under Section 4.5.4.A.2 to obtain greater density and height than allowed under the Standard Method of Development. The Project complies with this standard.

The Project will provide public benefits and address the Incentive Density Guidelines for the CR Zone. The Applicant is seeking incentive density above the Standard Method of Development. The Standard Method of Development allows for the greater of 0.5 FAR, or 10,000 square feet of gross floor area. The proposed development will have up to 405,358.5

square feet of incentive density, to achieve a total density of up to 500,000 square feet (excluding the density attributed to the existing hotel and office building to remain). As such, the Project will achieve a minimum of 100 public benefit points from at least four (4) categories. Specifically, it is anticipated that the Project will provide the following public benefits:

Public Benefit	Total Points Possible	Total Points Achieved
Major Public Facilities	70	30
Connectivity and Mobility		
Minimum Parking	20	20
Quality Building and Site Design		
Exceptional Design	30	10
Public Open Space	30	20
Structured Parking	20	20
Protection and Enhancement of the Natural Environment		
BLT's	30	8.69
Energy Conservation and Generation	25	15
TOTAL POINTS		123.96
TOTAL NUMBER OF CATEGORIES		4

1. Major Public Facilities

The Project includes significant transit access improvements and enhancements to the Metro bus bay area. These modifications will substantially improve users experience when accessing the Metro and thus, encourage additional transit ridership. Based on the square footage associated with the construction of these improvements, the Applicant is seeking 30 points in this category.

2. Minimum Parking

The Project will not provide any additional parking, but rather will make use of the existing, below-grade parking garage. Accordingly, the Project does not provide more than the "minimum" number of spaces required on-site (given the Redevelopment Area's location within the PLD, no parking spaces are required to be provided). The Applicant is seeking 20 points for minimum parking.

3. Exceptional Design

The Applicant is seeking 10 points for exceptional design because the Project is:

- Providing innovative solutions in response to the immediate context;
- Creating a sense of place, that serves as a landmark;
- Enhancing the public realm in a distinct and original manner;
- Introducing materials, forms, or building methods unique to the immediate vicinity or applied in a unique way;
- Designing compact, infill development so living, working and shopping environments are more pleasurable and desirable on a problematic site; and
- Integrating low-impact development methods into the overall design of the site and building, beyond green building or site requirements.

4. Public Open Space

Through the proposed improvements to the Metro Plaza, the Project provides a significant amount of public open space, well in excess of the Zoning Ordinance requirements. As discussed in greater detail above, the public open space will incorporate landscaping, lighting, seating, shade, and other amenities (such as retail kiosks, public art *etc.*) into an integrated design and experience. The Metro Plaza will be further activated by the proposed ground floor retail/restaurant uses, to create a truly dynamic space. Based on the substantial amount of open space and significant improvements proposed, the Applicant is seeking approval of 20 points for this category.

5. Structured Parking

The Applicant is seeking 20 points for this category because all parking located on-site (except for commuter pick-up and drop-off spaces for the Metro) is provided in a below-grade structured parking garage.

6. BLTs

The Applicant will purchase Building Lot Termination easements, or make an equivalent payment to the Agricultural Land Preservation Fund, in an amount equal to 7.5 percent of the incentive density floor area. Based on the density proposed by this Sketch Plan (up to 500,000 square feet) the Applicant would be required to purchase 0.9651 BLTs, based on the following calculation:

- 1,092,242 square feet total development proposed – (94,641.5 square feet base density + 592,242 square feet existing development to remain) = 405,358.5 square feet of incentive density
- 405,358.5 square feet x 0.075 = 30,401.89/31,500 = 0.9651 BLTs

Since one BLT is equivalent to nine public benefit points, the Applicant is seeking approximately 8.69 points for this category.

7. Energy Conservation and Generation

The Applicant is seeking a minimum of 15 Energy Conservation and Generation points. The proposed building will exceed the applicable energy-efficiency standards, based on its building type, by 17.5%.

VIII. Adequate Public Facilities

The public facilities are expected to be more than adequate to accommodate the proposed development. Both the current FY 2016-2020 Subdivision Staging Policy and the recent Bethesda traffic analysis that was part of the Sector Plan, provide information indicating the adequacy of transportation in the Bethesda CBD.

The current Subdivision Staging Policy Schools Test also indicates that there is adequate capacity for the Bethesda Elementary School, Westland Middle School and Bethesda- Chevy Chase High School (*i.e.* there is no residential moratorium).

The Property is already served by existing water and sewer. The Property is located within water and sewer categories W-1 and S-1. Water and sewer needs are expected to be met by the Washington Suburban Sanitary Commission ("WSSC") through connections to the existing water and sewer lines.

Electric, gas and telecommunications services will also be available. Other public facilities and services – including police stations, firehouses, and health care facilities – are currently operating in accordance with the Annual Growth Policy and will continue to be sufficient following construction of the Project.

IX. Findings Required for Sketch Plan Approval

The purpose of this portion of the Statement is to provide justification that the Sketch Plan satisfies the requirements of Section 7.3.3.E, which govern the approval of a Sketch Plan application. As set forth below, the Sketch Plan satisfies each of these requirements:

1. *The Sketch Plan meets the objectives, general requirements, and standards of the Zoning Ordinance.*

As discussed in this Statement, this Application satisfies the objectives, general requirements and standards of the CR Zone.

2. *The Sketch Plan substantially conforms with the recommendations of the applicable master plan.*

The Project ensures that the Bethesda Downtown Plan's vision for this Property can be realized in the near-term. The Project's conformance with the specific goals and objectives of the Sector Plan is discussed in detail in Section V above.

3. *The Sketch Plan satisfies any development plan or schematic development plan in effect on October 29, 2014.*

The Overall Property is not subject to an approved Development Plan. This provision is inapplicable.

4. *The Sketch Plan achieves compatible internal and external relationships between existing and pending nearby development.*

The Project adheres to the height and density recommendations contained in the Sector Plan (and the Zoning Ordinance). Given the existing mix-of uses within the Bethesda CBD, both development scenarios will facilitate an appropriate mix of employment and housing opportunities for people to live near where they work. The proposed building height will highlight the Redevelopment Area's important location as a gateway to the Bethesda Metro Station.

5. *The Sketch Plan provides satisfactory general vehicular, pedestrian, and bicyclist access, circulation, parking and loading.*

As discussed in this Statement, the Project will improve the pedestrian circulation in Downtown Bethesda by providing active, through-block connections to facilitate alternative means of access to transit and surrounding properties within the CBD. The building has been located and oriented to help define and activate the street and these passageways. Activated ground floor space, including retail and restaurant use, and ample transparency on the ground level will further enhance the pedestrian environment. Additionally, the Project proposes transit access improvements that will substantially improve a rider's experience when accessing the Metro Station and bus facilities and thus, encourage transit ridership.

Long-term bicycle racks or lockers will be provided within the building or garage, and short-term spaces will be provided along the Property's frontage or within the public Metro Plaza (with final location to be determined at time of Site Plan) to facilitate bicyclist access to the site. The Project utilizes the existing parking garage, which will continue to remain adequate to accommodate all users of the Overall Property. Access to parking and loading will utilize existing driveways and continue to be safe, adequate and efficient.

6. *The Sketch Plan proposes an outline of public benefits that supports the requested incentive density and is appropriate for the specific community; and*

The public benefits are sufficient to justify the requested density. The public benefits and incentive density are discussed in Section VII above.

7. *The Sketch Plan establishes a feasible and appropriate phasing plan for all structures, uses, rights-of-way, sidewalks, dedications, public benefits, and future preliminary and site plan applications.*

The Project will be developed in one phase.

X. Conclusion

As demonstrated by this Statement, the Application complies with the requirements of the Zoning Ordinance that govern optional method of development under the CR Zone. Furthermore, the Project promotes the goals and objectives of the Sector Plan. Given the location of the Overall Property (within walking distance of several modes of transit and in the heart of the Bethesda CBD) and the underutilized development potential of this prominent site, the Overall Property is uniquely situated for infill redevelopment. In fact, it would be difficult to identify a site in Montgomery County where development is more appropriate. The Applicant is excited to move forward with this Project, which will revitalize and bring new life to the Metro Center and transform Bethesda into a sustainable and vibrant urban environment.