Agenda

- Encouraging mixed-use in our designated Plan 2035 centers

- How existing development approvals will be treated by the new ordinances ("grandfathering")
Resolving the BIG questions

Guaranteeing a mix of uses

**Option 1**  
*Staff Recommendation*

Five years after ordinance is effective, residential projects proposed in mixed-use zones must demonstrate that at least 18% of existing and/or approved development within ¼ mile is non-residential.

**Option 2**

All projects must have at least 2 categories of uses, except second use may be waived if existing and/or approved development within ¼ mile supplies a mix of uses.
Why encourage Mixed-Use?

- Great transit-oriented places work best when there is a mix of uses: a healthy mix of residents, employees, shoppers and visitors brings a place to life.
- Daytime and nighttime activity.
- History of development in Prince George’s County: perception that it is easier to attract residential development than commercial.
- Need to grow the commercial tax base.
- Residential uses “rooftops” support non-residential uses.
- Mixed-use places generally generate less traffic and need fewer parking spaces than single-use places like shopping malls and office parks.
Applies to the following center base core zones

- Town Activity Center Zone (TAC)
- Local Transit-Oriented Center Zone (LTO)
- Regional Transit-Oriented – Low Intensity Zone (RTO-L)
- Regional Transit-Oriented – High Intensity Zone (RTO-H)
- Includes all of our metro station areas (except Southern Avenue Metro), portions of US 1 Corridor, and Takoma-Langley Crossroads purple line station area
How are we doing?

Morgan Boulevard Metro

Residential and non-residential uses in core

- Residential: 92%
- Non-residential: 8%
How are we doing?

Landover Metro

Residential and non-residential uses in core

- Residential: 0%
- Non-residential: 100%
How are we doing?

New Carrollton Metro

Residential and non-residential uses in core

- Residential: 12%
- Nonresidential: 88%
How are we doing?

Cheverly Metro

Residential and non-residential uses in core

- Residential: 9%
- Non-residential: 91%
How are we doing?

Branch Avenue Metro

Residential and non-residential uses in core

- Residential: 67%
- Non-residential: 33%
Option 1: 18% Rule
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- In first 5 years, applications may be mixed-use, 100% non-residential, or 100% residential, at applicant’s election

- After 5 years, each center’s core is analyzed to see whether at least 18% of development (existing or approved) is residential and 18% is non-residential

- **If yes**, nothing changes

- **If no**, new projects must contain at least 10% of the use that is under represented, to restore balance
Key elements of the 18% rule

- Five-year window to let the market work
- Sets a goal of having at least 18% non-residential and 18% residential in every center core
- If goal not reached, new applications in that center core must begin to rebalance the residential/non-residential mix by proposing mixed use
- At least 10% of the square-footage of these new projects must contain the underrepresented use
10% minimum

210 Maryland Park

- Ground floor 22,750 sq. ft.
- Retail 1,948 sq. ft. (9% of ground floor)
10% minimum

Maryland Book Exchange

- Building 458,413 sq. ft.
- Retail 13,844 sq. ft. (3% of building)
Additional provisions the Council may wish to consider

a. **Timing of development:** Require that the non-residential portion at least begin construction before completion of the residential portion

b. **Waivers of the mixed-use requirement:**
   - For small projects (for example, projects < 25,000 square feet GFA)
   - For projects that clearly demonstrate the absence of a market for the underrepresented use

c. **What is the correct percentage?**
Risk of mandating mixed use

- Developers will not build, and lenders will not finance, a project that cannot be successfully sold or leased to end users.

- If no viable market for mixed-use development, a mandate means development in the center core may stop.

- Therefore need a rule that incentivizes mixed-use without making new projects financially infeasible.
Option 2: At least two use classifications present

- Similar to the approach used in the M-X-T zone today
- Every project required to include a use from at least 2 of the 5 use classifications
- New use table establishes 5 broad use classifications:
  - Rural and Agricultural Uses (only a few allowed in center zones)
  - Residential Uses
  - Public, Civic and Institutional Uses
  - Commercial Uses
  - Industrial Uses (only a few allowed in center zones)
Option 2: Examples of projects that will satisfy the rule

- Apartment complex with any amount of retail
- Apartment complex with a medical office
- Apartment complex with an arts center
- Apartments built above office or retail space
- Office with an arts center
- Office with a research & development facility
- Office with an arboretum
- Retail with office above
- Retail anchored by a library
Additional provisions the Council may wish to consider

a. **Timing of development**: Require that the non-residential portion at least begin construction before completion of the residential portion

b. **Waivers of the mixed-use requirement for**:
   - Small projects (for example, projects < 25,000 square feet GFA)
   - Projects that clearly demonstrate the absence of a market for residential or non-residential development

c. **Automatic waiver if center core has already achieved 18% in each category**
Guaranteeing a mix of uses

Questions?
Grandfathering
What is it and why do we need it?

- Grandfathering allows certain projects to continue to use the rules of the old ordinance.
- Every jurisdiction that approves a new code offers some level of grandfathering.
Grandfathering
Existing Structures

- Every jurisdiction grandfathers structures already in existence.
- Grandfathered buildings can be “non-conforming” or “deemed conforming.” The CRD chooses “deemed conforming.”
- “Deemed conforming” was chosen because “non-conforming” buildings encounter major finance and insurance problems.
Grandfathering
Projects Underway

...But not completed when the new ordinances take effect

- How far along should they be to get “grandfathering?”
- How long should they be protected?

Some policy considerations:
- Fairness to applicants & economic development needs
- Getting higher quality development
- How long do we want to administer two sets of rules?
Grandfathering

How does the Comprehensive Review Draft treat uncompleted projects?

- CRD grandfathers a project if a development application (except a ZMA) has been *accepted* by the Planning Department before the new ordinances’ effective date. (CRD, page 24-1-5 & page 27-1-5)
  - Examples of covered applications:
    - Conceptual site plan
    - Subdivision
    - Detailed site plan
    - Special exception
  - A ZMA application is NOT grandfathered.
Grandfathering
How long are uncompleted projects grandfathered?

- Picking a single time frame doesn’t work well because projects are so different.
- Comprehensive Review Draft approach (CRD, page 24-1-5 & page 27-1-5):
  - An existing approval remains valid for the time period specified in the old ordinance. (For CSPs, a 10-year validity period is added.)
  - An extension of time may be requested under the rules of the old ordinance.
  - The project may proceed to the next-level approval as long as the previous approval hasn’t expired.
Grandfathering
An example of how grandfathering works

- ABC Development files a subdivision application to create 100 townhouse lots and a small retail center. The application is accepted by the Planning Dept. the day before the new ordinance takes effect.

- The subdivision application is approved by the Planning Board, using the standards of the old ordinance. The approval is valid for 2 years.

- Before the subdivision approval expires, ABC requests a one-year extension of validity, which the Planning Board grants.
Grandfathering
Example continued

- Before the extension expires, the Planning Board (or Council) approves ABC’s DSP application. The DSP is valid for 3 years.

- Before the DSP expires, ABC obtains building permits.

- Before the building permits expire, ABC completes construction.

- The entire project has been completed under the rules of the old ordinance. All structures are “deemed conforming.”
Grandfathering

Other points to consider

- Applicant can elect to proceed under new ordinance instead
- Modifications to grandfathered projects
Grandfathering

Questions?