# **City of Rockville**

City Hall 111 Maryland Ave Rockville, MD 20850 Approved:

Attest:
Approved Meeting No. 15-25
June 2, 2025



# **Meeting Minutes**

Monday, May 5, 2025 7:00 PM

Meeting No. 12-25

WebEx

# **Mayor and Council**

Attendee Name	Title	Status
Monique Ashton	Mayor	Present
Kate Fulton	Councilmember	Present
Barry Jackson	Councilmember	Present
David Myles	Councilmember	Present
Izola Shaw	Councilmember	Present
Marissa Valeri	Councilmember	Present
Adam Van Grack	Councilmember	Present

#### 1. Convene

Mayor and Council convened in a Hybrid Open Meeting at 7:05 p.m. on Monday, May 5, 2025, in the Mayor and Council Chambers, City Hall, 111 Maryland Avenue, Rockville, Maryland, and via Webex.

Staff Present: City Manager Jeff Mihelich, City Attorney Robert E. Dawson, and City Clerk/Director of Council Operations Sara Taylor-Ferrell.

- 2. Pledge of Allegiance
- 3. Proclamation and Recognition NONE
- 4. Agenda Review

City Clerk/Director of Council Operations Sara Taylor-Ferrell reported an update to the April 12 Mock Agenda.

# 5. City Manager's Report

City Manager, Jeff Mihelich reported that it was a busy weekend of City activities, with the Skate Jam, Native Plant Sale and Arts Festival, and other events. The Recreation and Parks department is a finalist for the National Gold Medal Award for Recreation and Parks from the American Academy for Recreation and Parks Administrators. May 15 is Bike to Work Day.

# 6. Boards and Commissions Appointments and Reappointments - NONE

# 7. Community Forum

# Community Forum In-Person/Virtual Speaker List (May 5, 2025)

	NAME	TOPIC
1.	Susan Hoffman	Rezoning of Mixed-Used Commercial (MXC) and Mix-Use Transition (MXT) Properties-West End
2.	William Meyer	Zoning; communications, refuse charge
3.	James Murdock	Twinbrook Rock Creek Park Bamboo issue.
4.	Jeffrey Gant	Montrose traffic and speed a problem, Martha Terrace Zoning

	NAME	TOPIC
5.	John	New Mark sidewalk work is dangerous, fall risk
6.	David Weinstein	Montrose Assoc., Martha Terrace development concern
7.	Susan Dempsey	Martha Terrace Development concern
8.	Natasha Hurwitz	Comp Plan 10, Martha Terrace
9.	Rev. Ashley Hoover	Zoning for Wood Lane and Beall Ave, do not change

#### 8. Special Presentations - NONE

# 9. Consent Agenda

- A. Resolution Amending Master Fees for Community Planning and Development Services (CPDS)
- **B.** Adoption of a Resolution to Close Completed Capital Improvements Program Projects
- C. Adoption of a Resolution to Establish the Equivalent Residential Unit Rate to be Used in Calculating the Stormwater Management Utility Fee Pursuant to Chapter 19 Entitled "Sediment Control and Stormwater Management" of the Rockville City Code; and to Establish a Fee for Application for a Credit Against the Stormwater Management Utility Fee for Private Stormwater Management Facilities
- D. Adoption of a Resolution to Establish the Service Charge Rate for Municipal Refuse Collection and to Establish a Charge for Unreturned Refuse and Recycling Carts Pursuant to Section 20-6 of the Rockville City Code
- E. Adoption of a Resolution to Declare the Official Intent of the Mayor and Council to Reimburse Expenditures for Certain Projects from the Proceeds of Tax Exempt Obligations under U.S. Treasury Income Tax Regulation Section 1.150-2

Consent agenda item A was pulled for discussion.

Councilmember Izola Shaw moved to approve consent agenda items B, C, D, and E.

**RESULT: APPROVED [UNANIMOUS]** 

MOVER: Izola Shaw, Councilmember SECONDER: Kate Fulton, Councilmember

IN FAVOR: Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember

Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Marissa Valeri moved to approve consent agenda item A.

**RESULT: APPROVED [UNANIMOUS]** 

MOVER: Marissa Valeri, Councilmember SECONDER: Kate Fulton, Councilmember

IN FAVOR: Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember

Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

# 10. Public Hearing – NONE

#### 11. Action Items

A. Mayor and Council Briefing on Project Plan Amendment PJT2025-00021, an Application to Amend the Planned Development for Rockville Center, Inc. to Permit a Change of use from Office to Residential and/or Commercial, with up to 550 Dwelling Units at 255 Rockville Pike in the PD-RCI (Planned Development - Rockville Center, Inc.) Zone; 255 Rockville Pike LLC, Applicants.

Principal Planner, Kimia Zolfagharian, provided an overview of the briefing, and applicant Bob Elliot provided a presentation on Project Plan Amendment PJT2025-00021, an Application to Amend the Planned Development for Rockville Center, Inc. to Permit a Change of use from Office to Residential and/or Commercial, with up to 550 Dwelling Units at 255 Rockville Pike in the PD-RCI.

Mayor and Council provided their questions and comments.

# Summary:

In accordance with Section 25.07.07 of the Zoning Ordinance, the Mayor, Council, and Planning Commission are required to be briefed on Project Plan applications. The purpose of this briefing is for the Applicant to inform officials about the proposal, including a project overview and review schedule.

The applicant is proposing to amend the Preliminary Development Plan (PDP) by allowing the phased redevelopment of the subject property for residential and/or commercial use. The first phase of the proposed Project Plan Amendment would include up to 300 multifamily units in a building approximately 83 feet in height, constituting an adaptive reuse of and vertical addition to the existing structured parking garage. A possible second phase of development would replace a portion of the building proposed in the first phase with a new residential tower, increasing the total proposed units

up to 550 dwelling units. The maximum building height of the second phase would be a maximum of 217 feet.

The Project Plan site is identified as Parcel 2-F of the Rockville Town Center and is approximately 2.5 acres (109,107 square feet). The property is generally trapezoidal in shape and is bounded by East Middle Lane to the north, Monroe Street to the west, Truck Street to the south and Rockville Pike (MD-355) to the east.

The subject property has a direct connection to the Rockville Metrorail/MARC/Amtrak station via the Rockville Pike pedestrian bridge.

#### **Next Steps:**

Following the Mayor and Council briefing, the applicant is encouraged to make any revisions to the proposal as needed, pursuant to comments received at the briefing sessions. Such plan revisions will be made before the request is scheduled for consideration by the Planning Commission at a regularly scheduled meeting.

If directed by the Mayor and Council, the applicant must hold another area meeting and receive comments on the proposed plan.

#### **FURTHER DISCUSSION**

May 05, 2025, Agenda item 11A. https://rockvillemd.granicus.com/player/clip/5058?view id=2&redirect=true

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B. Adoption of an Ordinance to Appropriate Funds and Levy Taxes for Fiscal Year 2026

Director of Finance, Stacey Webster, and Deputy Director of Finance Kim Francisco provided a brief overview Ordinance to Appropriate Funds and Levy Taxes for Fiscal Year 2026.

Staff recommends that the Mayor and Council adopt the ordinance to appropriate funds and levy taxes for fiscal year 2026.

Questions from the Mayor and Council were addressed by the staff. The Mayor and Council provided their thoughts and comments.

#### Summary:

In accordance with the City Charter, the Mayor and Council adopt the budget at the fund level. The ordinance sets the FY 2026 property tax rates, FY 2026 operating budget, and FY 2026 Capital Improvements Program (CIP) budget for each fund. The tax rates and budget figures presented in the ordinance are consistent with the Mayor and Council's direction throughout the FY 2026 budget process.

Throughout the budget process, staff received questions from the Mayor and Council on the City Manager's proposed budget. The Budget Q&A document was maintained throughout the process and used to track questions received and staff responses.

#### General Fund Tax Rates and Tax Credits

The Mayor and Council establish the tax rates each year in order to finance General Fund activities. For FY 2026, the City's real property tax rate is set to remain unchanged at \$0.292 per \$100 of assessed value (note: the City has not increased its real property tax rate since 1995). The personal property tax rate is set to remain unchanged at \$0.805 for every \$100 of assessed value. In FY 2026, total property taxes are estimated at \$51.6 million, or approximately 44 percent of the General Fund revenues.

### Parking District Tax Rate

In order to support the debt service costs of the three City-owned garages in Town Square, the Town Center Parking District was formed in 2007. The Parking District is a special taxing district that levies a real property tax on the commercial properties within the Town Square boundaries. The FY 2026 Parking District tax rate is set to remain flat at \$0.33 per \$100 of assessed value.

# FY 2026 Operating Budget

The total FY 2026 all funds operating budget of \$175.5 million increased by \$7.1 million, or 4.2 percent, from the FY 2025 adopted budget. The General Fund budget increased by \$8 million or 7.3 percent.

# FY 2026 CIP Budget

The total FY 2026 CIP budget of \$120.7 million increased by \$1.2 million, or 1.1 percent, from the adopted FY 2025 budget. The CIP budget generally fluctuates from year-to-year, depending on the number and type of projects that are funded. The FY 2026 budget includes a \$9.8 million transfer from the General Fund.

#### **Next Steps**

The FY 2026 adopted budget will begin July 1, 2025, and continue through June 30, 2026. The FY 2026 budget book will be posted to <a href="https://www.rockvillemd.gov/budget in July 2025">www.rockvillemd.gov/budget in July 2025</a>.

Councilmember Adam Van Grack moved to amend the budget ordinance as modified, to appropriate funds and Levy Taxes for Fiscal Year 2026.

**RESULT: APPROVED [UNANIMOUS]** 

MOVER: Adam Van Grack, Councilmember SECONDER: Marissa Valeri, Councilmember

**IN FAVOR:** Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember

Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

Councilmember Kate Fulton moved to adopt the amended budget ordinance, to appropriate funds and levy taxes for Fiscal Year 2026.

**RESULT: APPROVED [UNANIMOUS]** 

MOVER: Kate Fulton, Councilmember SECONDER: Barry Jackson, Councilmember

IN FAVOR: Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember

Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack

#### **FURTHER DISCUSSION**

May 05, 2025, Agenda item 11B.

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THE MAYOR AND COUNCIL WENT INTO A BRIEF RECESS AT 8:29 PM. THE MAYOR AND COUNCIL RECONVENED AT 8:43 P.M.

#### 12. Worksession

A. Work Session No. 3 on the Zoning Ordinance Rewrite (ZOR): New zones, including Town Center; Revisions to Existing Zone Standards; Height Transitions; and Comprehensive Map Amendment (Part 2)

Chief of Zoning, Jim Wasilak provided an overview Work Session No. 3 on the Zoning Ordinance Rewrite (ZOR): New zones, including Town Center; Revisions to Existing Zone Standards; Height Transitions; and Comprehensive Map Amendment Staff recommends that the Mayor and Council adopt the ordinance to appropriate funds and levy taxes for fiscal year 2026.

Questions from the Mayor and Council were addressed by the staff. The Mayor and Council provided their thoughts and comments.

#### Summary:

The city is undertaking a comprehensive rewrite of the city's Zoning Ordinance to modernize this chapter of the City Code so that it better accommodates the changing living, working, and recreation trends of the 21st century. In conjunction with the Zoning Ordinance Rewrite (ZOR), the city's zoning map will be updated through a Comprehensive Map Amendment (CMA) that will implement the rezonings recommended in the Rockville 2040 Comprehensive Plan.

The following objectives have been identified for the project:

- Implement many of the recommended land use actions identified in the *Rockville 2040 Comprehensive Plan*, including implementing the Plan's zoning recommendations.
- Accomplish goals from the city's ongoing FAST Initiative, making the development review and permitting process Faster, Accountable, Smarter and Transparent.
- Incorporate planning and zoning best practices that have become common in the field of urban planning and in other similarly situated communities.
- Incorporate the city's commitment to equity, resilience, and sustainability, as described in the 2021 Mayor and Council social justice resolution and the 2022 Climate Action Plan.

- Ensure compliance with current federal and state regulations.
- Create a modern ordinance that can accommodate the changing living, working, and lifestyles
  of the 21st century.
- Create a user-friendly, accessible, and well-organized document that provides appropriate graphics and information to aid in its understanding.

The May 5 work session is intended to focus on the following elements of the ongoing Zoning Ordinance Rewrite and Comprehensive Map Amendment project:

- New zones (including the Mixed-Use Residential Office (MXRO), High-Density Residential (RHD), and Town Center zones)
- Revisions to the development standards of existing zones
- Proposed height transition regulations, and
- Follow-up from the January 27, 2025, Mayor and Council work session focusing on the rezonings recommended by the Comprehensive Plan.

Additional work sessions are scheduled for July 21 (focusing on uses and parking) and September 15 (a review of remaining topics, including parkland dedication, historic preservation, and signs, etc.). The scheduled adoption for the new Zoning Ordinance and Comprehensive Zoning Map Amendment is Spring 2026.

#### Community Engagement

Community engagement and outreach for the Zoning Ordinance Rewrite and Comprehensive Map Amendment project began in Summer/Fall 2024 and is planned to continue through Summer 2025.

#### **New Zones**

# Mixed-Use Residential Office (MXRO)

The Comprehensive Plan recommends that certain properties within Planning Area 4 (West End and Woodley Gardens East-West) be rezoned to a new zone that limits uses to residential and office only. The properties recommended to be rezoned are in the eastern portion of Planning Area 4, adjacent to Town Center, and are largely currently zoned Mixed-Use Transition (MXT). A new zone, the Mixed-Use Residential Office (MXRO) Zone, is proposed to be established on these properties.

# Residential High Density (RHD)

The Comprehensive Plan recommends that a new, high-density residential zone, limited to residential uses, is appropriate for certain properties within Planning Area 10 (Montrose and North Farm). The properties recommended to be rezoned are those where the Rollins Park and Congressional Towers apartment communities are located. These properties are currently zoned primarily Residential Medium Density-25 (RMD-25), with one parcel zoned Residential-75 (R-75). A new zone, the Residential High-Density (RHD) zone, is recommended by staff to be established on these properties.

#### **Town Center Zones**

On January 27, 2025, the Mayor and Council adopted the 2025 *Rockville Town Center Master Plan* (TCMP), as an amendment to the *Rockville 2040 Comprehensive Plan*. The TCMP amends the Land Use Policy Map for Planning Area 1 and includes land use recommendations for three "character areas"

within Town Center: the MD-355 Corridor, the Core, and the Edge. Specifically, TCMP Actions 1.1.1 and 1.1.2 recommend increased building heights and associated incentives, as well as no minimum parking requirements.

In the interim, Mayor and Council approved the use of floating zones to implement the TCMP recommendations for these three character areas earlier this year. With the future adoption of the new Zoning Ordinance, staff is proposing a more permanent change by creating new zones. Staff proposes to use the ZOR and CMA to expand the Mixed-Use Transit District (MXTD) Zone to become a "family" of zones with height restrictions corresponding to the three TCMP character areas

# Residential Medium Density-Infill (RMD-Infill)

Revisions to the RMD-Infill Zone are proposed to ensure that the zone is effective in producing the outcomes intended by the Comprehensive Plan (which recommends flexibility for this zone to allow a diverse range of housing types) and to further align with the Mayor and Council's Social Justice Resolution. Proposed revisions are also informed by meetings with community organizations, a focus group with affordable housing organizations, and individual conversations with small infill builders.

# Light Industrial (I-L)

The height maximum for the Light Industrial zone is proposed to increase from 40 feet, to address the Comprehensive Plan recommendation to "[p]reserve light and service industrial land and uses to ensure that productive businesses thrive and provide employment and services to area residents"

The city has limited land within the Light Industrial zone, and industrially zoned land can be highly sought-after. An increase in height could provide for additional potential floor area in the Light Industrial zone; preliminarily, staff is recommending a height of 60 feet. A final recommendation will be included in the draft Zoning Ordinance.

#### **Height Maximums**

#### Mixed-Use Transit District (MXTD)

In addition to the properties zoned or proposed to be zoned within the MXTD family of zones in Town Center, properties near the Twinbrook and Shady Grove metro stations are also zoned MXTD. Currently, the base height in the MXTD is 120 feet, with a 30-foot bonus (for a total of 150 feet) that may be applied under certain conditions. The MXTD zone is proposed to be expanded to a new "family" of zones that will be used to implement the recommendations of the recently adopted Town Center Master Plan. As described above, the family of MXTD zones is proposed to have base and bonus heights consistent with the recommendations of the Town Center Master Plan. Staff recommends that the MXTD-235 zone be applied to the MXTD properties near the Twinbrook and Shady Grove metro stations.

#### Housing Expansion and Affordability Act

The State of Maryland's Housing Expansion and Affordability Act (HB 538; HEAA) went into effect on January 1, 2025. Qualified projects under this act can be allowed to exceed allowable units under our zoning ordinance and/or be exempted from certain requirements. The HEAA has several components, including benefits for "qualified projects" (generally, projects located on historic former state- or federal-owned campuses.

#### **Design Requirements**

Under the current Zoning Ordinance, certain zones (most notably the mixed-use zones) are subject to not only development standards (building height, setbacks) but also design requirements that go beyond what can be built to address what buildings should look like and ensure high quality design. These standards address façade treatments, architectural elements, roof design, materials, and similar features.

The new Zoning Ordinance proposes to convert the design guidelines to standards and to increase the standards' clarity and specificity. This will increase the clarity and enforceability of the design-related elements of the Zoning Ordinance. To this end, the ZOR is working to identify and retain necessary and useful design requirements, and to replace subjective language with objective criteria. For example, terms such as "aesthetically pleasing" and "visual character" are proposed to be replaced with requirements that clearly define what is desired.

# **Height Transitions**

The Zoning Ordinance Rewrite recommends updated requirements for height transitions between single-unit residential and higher-intensity uses. These new requirements would replace height transitions regulations is several sections of our current ordinance including replacement of the "layback slope" regulations. The proposal is intended to ensure appropriate transitions between higher-density development and single-unit detached neighborhoods, while balancing policies from the Comprehensive Plan, Town Center Master Plan, and Climate Action Plan regarding intense development around Metro stations, as well as housing production goals. Under the proposal, any building greater than 50 feet in height within higher-intensity zones would be required to incorporate a height transition along the façade(s) that abut or confront lots zoned for and developed with single-unit residential in lower-intensity zones.

Staff does not recommend requiring a height transition to or from the MXC, MXT, MXRO, or Park zone. Currently, the MXC and MXT do not require and are not subject to a layback slope; the MXRO is a new zone to be modeled on the MXT and to be implemented primarily on properties currently zoned MXT; and a layback slope from the Park zone is applied only to abutting RMD-25 properties.

#### **Next Steps**

The Mayor and Council are scheduled to hold an additional work session on the ZOR and CMA focused on uses and parking on July 21, 2025. Additional community engagement is ongoing and will continue through Summer 2025. Both ZOR and CMA are scheduled to be considered for adoption in Spring 2026.

#### **FURTHER DISCUSSION**

May 05, 2025, Agenda item 12A. <a href="https://rockvillemd.granicus.com/player/clip/5058?view\_id=2&redirect=true">https://rockvillemd.granicus.com/player/clip/5058?view\_id=2&redirect=true</a> Timestamp 1:24:02

# 13. Mock Agenda

A. Mock Agenda

The April 12 agenda was revised from the morning Leadership Planning Team meeting.

# 14. Old / New Business

Mayor and Council requested staff draft a letter to WMATA expressing concerns regarding the route realignment, and elimination of the Q Series of bus routes and service in Rockville on June 29, as the BRT will still not be operational for some time.

Mayor and Council noted that MCPS is interested in learning about workforce and MPDU housing options and would like more information on hosting seminars for educational staff.

# 15. Adjournment

There being no further business, the meeting adjourned at 10:21 p.m.

RESULT: APPROVED [UNANIMOUS]

MOVER: Kate Fulton, Councilmember

SECONDER: Barry Jackson, Councilmember

IN FAVOR: Mayor Ashton, Councilmember Fulton, Councilmember Jackson, Councilmember

Myles, Councilmember Shaw, Councilmember Valeri, Councilmember Van Grack