



City of Takoma Park, Maryland  
**TAKOMA JUNCTION**  
**City Manager Update on Status of NDC**  
**Submission to Montgomery County**  
January 31, 2019

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The submission by Neighborhood Development Company (NDC) of the plans for the Takoma Junction project is nearly complete and will likely become public in early February. As part of the expected back-and-forth between NDC and the Montgomery County plan reviewers, additional detailed plan information has been requested and provided. Because the submission does not include the sources of planned transferable development rights (TDRs) to allow the building to be the size proposed in the plans, the County requested information on how the building would be designed if transferable development rights (TDRs) were not able to be obtained. Part of the submission, therefore, is an additional plan showing a building of a smaller size, with the reduction in square footage taken from the rear of the building. Both the plan approved by the City Council and the smaller building design will be reviewed by the County Development Review Committee.

NDC provided notice to the City of this information on the afternoon of Wednesday, January 30, 2019. The notice to the City was part of the regular communications provided by NDC to the City, which includes weekly updates posted on the Takoma Junction project page on the sub-page labeled [Takoma Junction Development Review](#).

If, as the plan review process proceeds, it becomes clear that the original plan approved by the City Council is likely to be substantively changed, either to the smaller building or a different design, that new plan will need to come back to the City Council for consideration. In any event, the Council will weigh back in on the plans before the plan goes to the Planning Board.

Information on the need for transferable development rights was detailed in the City Manager Comments of November 28, 2018. That information follows:

**NDC and TDRs**

The City has received questions about NDC attempting to buy "transferable development rights" (TDRs) and what that means. Here is our understanding: NDC has initiated discussions with property owners adjacent to the Takoma Junction site to gauge their interest in selling any development rights (up to a full allowable size for a building on a property) that they may be unable to use due to their historic or architectural designation, or are willing not to use because they have no intention of expanding their building on their property. The TDRs are intended to address any floor area ratio gaps that may be identified during the County's development review process. It is a standard zoning practice but had not been raised as a possibility by NDC while preparing their site plan for Council consideration.

How did this happen? In 2014, Montgomery County revised the Zoning Ordinance, including a change in the commercial zoning in the historic district commercial area to "Neighborhood Retail" zoning. During this process, many, though not all of the Takoma Junction properties, including the City lot, were initially

identified as a “CRT - Commercial Residential Town” zone. The properties were later reclassified and essentially “down zoned” to “NR - Neighborhood Retail” prior to the County’s adoption of the new zoning map. The primary difference between the two zones lies within the types of uses that are permitted and the allowable floor area ratio (FAR) used to determine the size of the building. Evidently, NDC did not realize the impacts of this change until after approval by the City when they had a zoning specialist review the calculations in their draft application they were preparing for the County.

Property owners throughout the County have the option of selling their rights to fully develop their property to the extent permitted by the underlying zoning. They also have the right to acquire additional or “unwanted” or “unused” development rights. Properties considered outstanding or contributing resources located in designated historic districts such as Takoma Junction are limited in their expansion options and are unlikely to use all of their development rights. In an NR zone, the transfer of these “rights” is limited to adjacent and adjoining properties with the same zoning located within 80 feet of each other. The wooded parcel fronting on Columbia Avenue will not be developed but the development rights cannot be included for the NDC project because of the residential zoning of that parcel. What I have been told is that under the previous zoning it could have been included and NDC had been assuming that it would be so that no transfer of development rights would have been needed. *To be clear, this does not mean NDC can increase the size or density of the development beyond what has already been approved by the City Council.* In fact, if they are unable to obtain the necessary rights, the building may have to decrease in size.

We are continuing to monitor the situation and will share any new information as it becomes available.